2022 ESG Report

NetApp®

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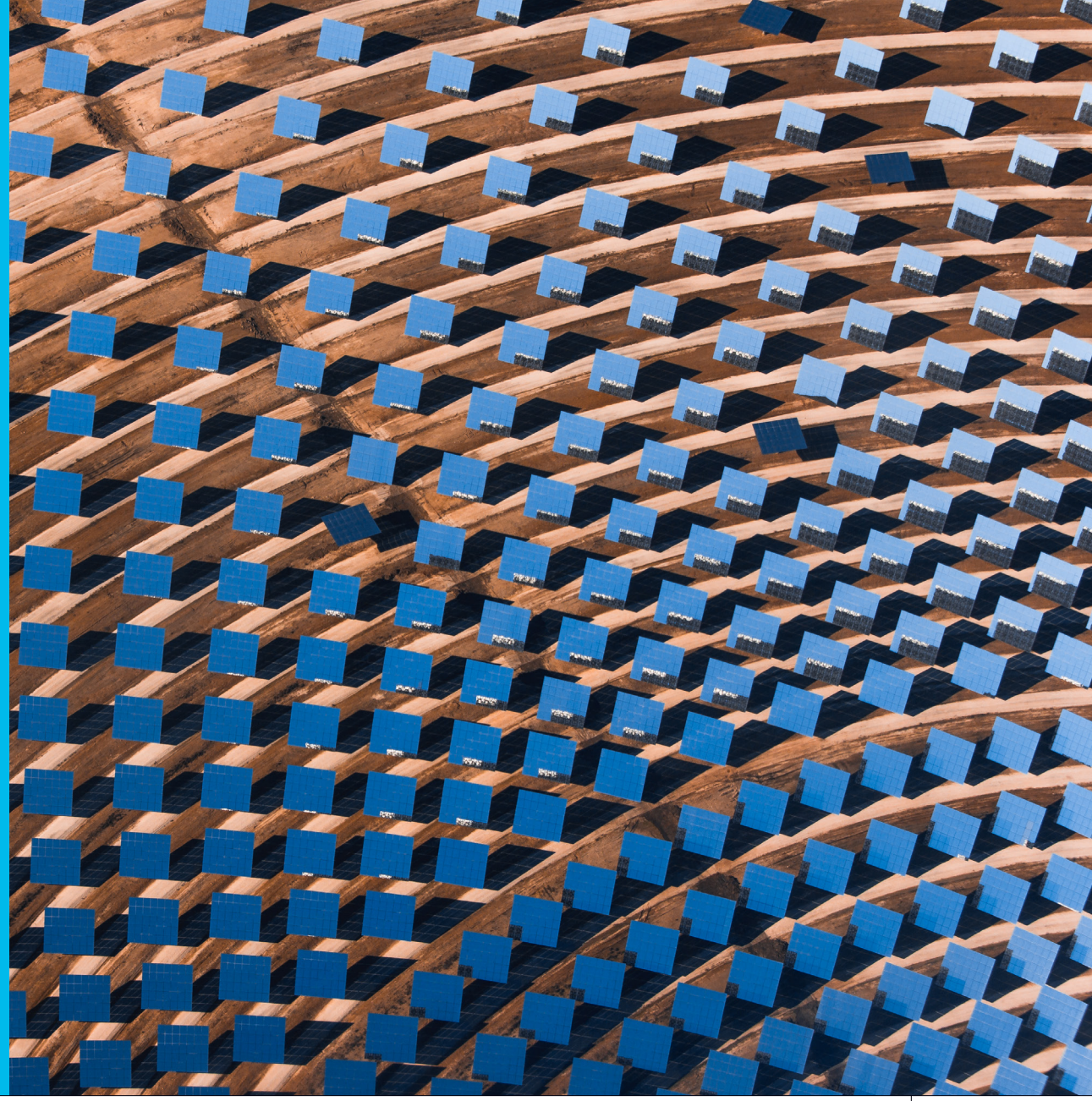
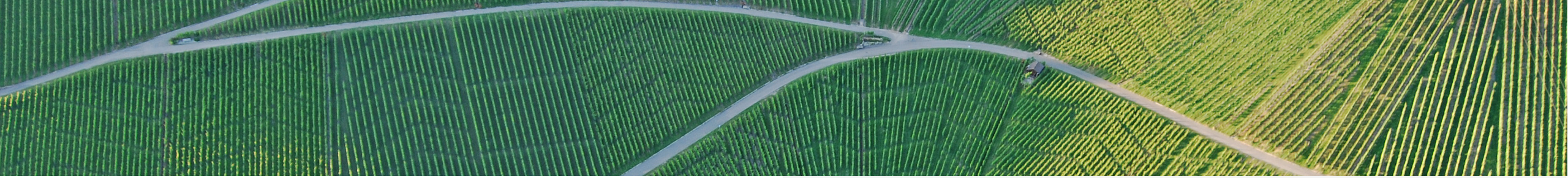
About This Report

This is NetApp's third ESG Report and covers our environmental, social, and governance (ESG) strategies, activities, progress, metrics, and performance for our global operations for the fiscal year ending April 29, 2022, unless otherwise noted. The report was prepared in accordance with the Global Reporting Initiative (GRI) Standards and aligns with the Sustainability Accounting Standards Board (SASB) Hardware sector standards. We also disclose information in alignment with the Task Force on Climate-Related Financial Disclosures (TCFD) framework. Additionally, this year we undertook a comprehensive ESG materiality assessment, the results of which are also included in this report.

Introduction





Letter from our CEO

At NetApp, we believe that having an ESG vision is far more than just a part of our value proposition, or even a competitive advantage: it is a key part of our organization's impact on the world we live in. Our vision to help customers get the most out of their data is built on the idea that technology can deliver positive impacts for everyone – including the environment. But managing rapidly growing data has consequences, and we recognize those challenges and are stepping up to meet them. We also recognize that data centers consume a large and rapidly growing amount of energy, and we know that we need to help democratize the tools of data management so that all populations are well served. Despite the IT industry's sustainability challenges – hardware use, data and storage impacts, pervasive access, and privacy – I believe in NetApp's unique ability to harness the power of data and the integrity of our core values to benefit people and communities and build a more sustainable future.

It's our belief that the world's ongoing challenges require innovative solutions and that data and technology can play a crucial part. Fortunately, innovation has been in our DNA for 30 years, and we're steadfastly committed to bringing our three decades of experience to today's macroeconomic, climate, inequity, and geopolitical challenges. Everything we do is to better serve our customers and the world we live in, and that requires leaning into making our operational footprint much more sustainable, fostering a diverse and inclusive workplace culture for our employees, and supporting the communities around the world that need it most.

At NetApp, we believe that having an ESG vision is far more than just a part of our value proposition, or even a competitive advantage: it is a key part of our organization's impact on the world we live in.

At our company's founding, NetApp began with a vision to make data an asset for our customers' businesses. In the next decade, we believe that it can help build a more productive, sustainable, and equitable world. Including ESG as part of our product differentiation and business strategy is a natural fit with that mission. It's also why this year, in our third ESG report, we embarked upon a materiality assessment to gain a better understanding of our stakeholders' priorities in this space. The results not only underlined the importance of the work we've already done but will also help us sharpen our focus for the work that's ahead. Here are a few highlights:

- The inclusivity of the workforce is increasing in importance; we all must work together to create and maintain a diverse workforce where employees feel a sense of belonging.
- Energy management and reduction of greenhouse gas emissions, especially in our value chain, are top priorities for customers.
- Data privacy and security remains a key issue for customers and an area of intense focus for NetApp.

Although I am proud of our progress, our work is far from done. For us, innovation, integrity, transparency, and agility have always been a part of our DNA. As we look toward the impact our organization can have on the world, NetApp will remain committed to the highest ethical, social, and environmental standards, both for our business and for you, our customers.

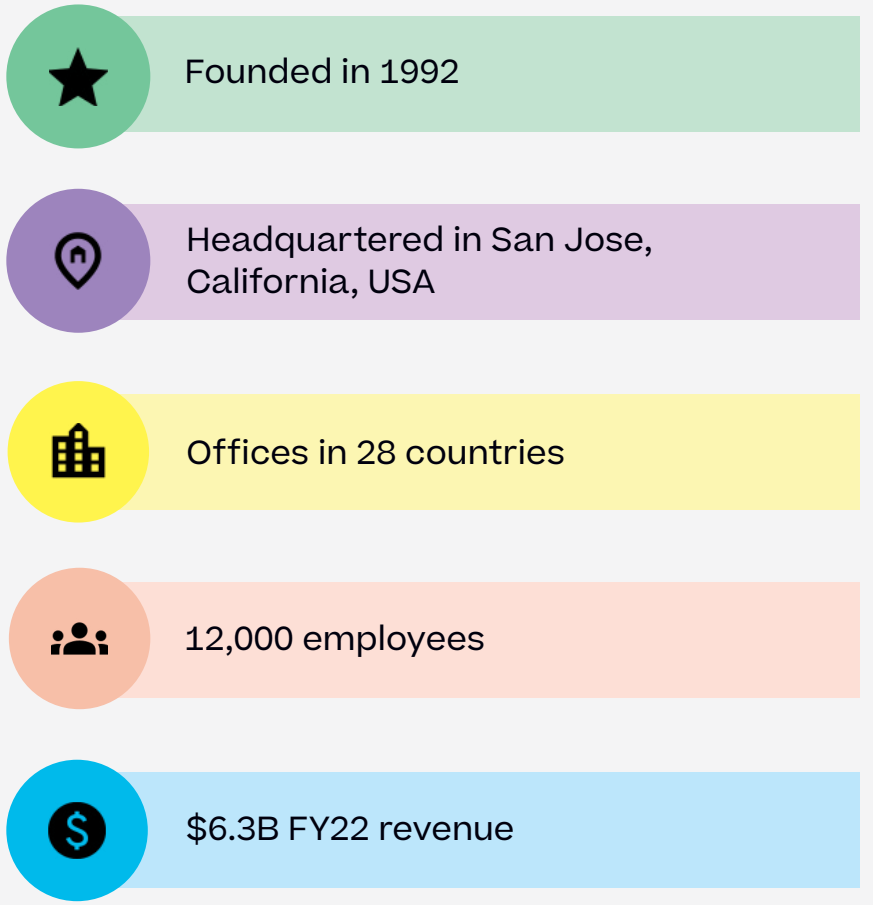
George Kurian
Chief Executive Officer

About NetApp

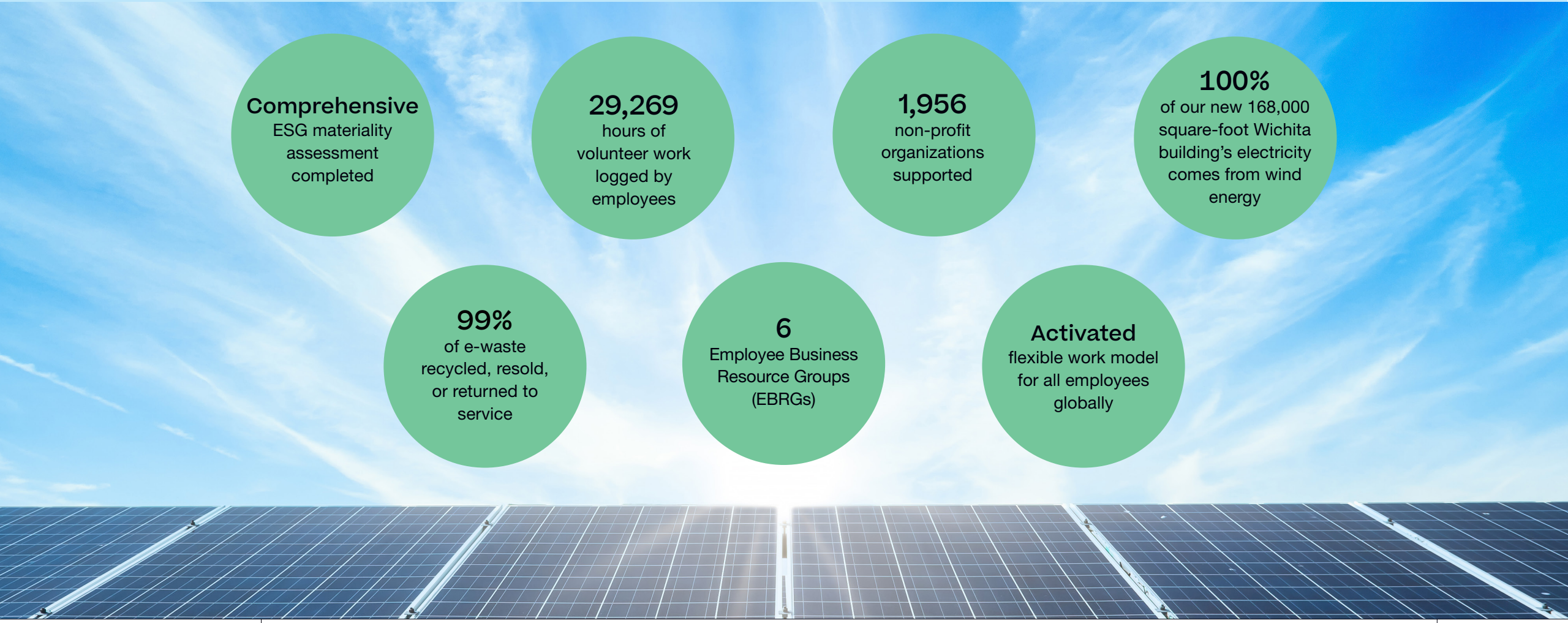
Our Business

NetApp is a global, cloud-led, data-centric software company that gives our customers the power to put their data to work and the freedom to manage applications and data across hybrid, multi-cloud environments. Our portfolio of cloud services and storage infrastructure, powered by intelligent data management software, enables applications to run faster, more reliably, and more securely, all at a lower cost.

At NetApp, we are specialists. Our diverse, talented team brings their different backgrounds, perspectives, and skills to finding innovative solutions to help our customers get the most out of their data.



FY 2022 Highlights



Comprehensive
ESG materiality assessment completed

29,269
hours of volunteer work logged by employees

1,956
non-profit organizations supported

100%
of our new 168,000 square-foot Wichita building's electricity comes from wind energy

99%
of e-waste recycled, resold, or returned to service

6
Employee Business Resource Groups (EBRGs)

Activated
flexible work model for all employees globally

Our Values

NetApp's values are at the core of everything we do – from customer interactions and designing solutions to social causes and supporting our employees. Working as a united team, together with our customers, employees, partners, and shareholders, we continue to use our core values as our inspiration and guideposts to building a better and more sustainable business.

- **Put the customer at the center**
  You don't become a deeply trusted, indispensable partner without listening to customers, walking in their shoes, and propelling your orbit with a strong point of view.
- **Care for each other and our communities**
  Caring for each other and our communities takes large doses of humility and kindness – mixed with building deep, authentic connections and topped with an unwavering commitment to collaboration.
- **Build belonging every day**
  By embedding diversity and inclusion into every decision that we make, we open the door to other voices, different perspectives, and most importantly, our true potential for innovation.
- **Embrace a growth mindset**
  We step out of our comfort zone even when it's scary and learn from both our failures and our successes. This keeps us from stepping into the dreaded fixed-mindset quicksand.
- **Think and act like owners**
  Showing up with our A game, being accountable, and acting with speed and integrity are the keys to unlocking the sense of ownership necessary to create the future.

Our Stakeholders

Creating value for all our stakeholders is at the forefront of our work. This year, NetApp engaged its stakeholders in a comprehensive materiality assessment, a data-driven method for identifying and understanding the ESG topics that mean the most to them. For more information on the results of this analysis, read page 11.

We maintain business practices aligned with the expectations of our key stakeholders

Employees
Attract and retain employees who embrace our values, lead inclusively, thrive on challenging problems, and value recognition for their contributions.

Customers
Drive customers' success through products, services, and relationships that deliver new capabilities and unparalleled value.

Shareholders
Provide shareholders with exceptional value through reliable performance and growth in revenues and profitability.

Partners
Build and nourish partnerships to deliver innovative, superior solutions for customers.

Communities
Create a more sustainable and equitable world by extending our culture of caring for others to impact the communities where we live, work, and play.

Our ESG Vision: At NetApp, we know that the world's ongoing challenges require innovative solutions. That is why we bring our unique ability to harness the power of data and the strength of our values to benefit people and communities and to build a more sustainable future.

Our Commitment to ESG

We believe that technology drives positive change; it is vital to creating a more sustainable, inclusive, and connected world. This conviction is the foundation for our data-driven approach to integrated ESG strategy and all aspects of what we do at NetApp. Technology propels our ability to develop cutting-edge products and solutions for customers and to progress on our ESG journey.

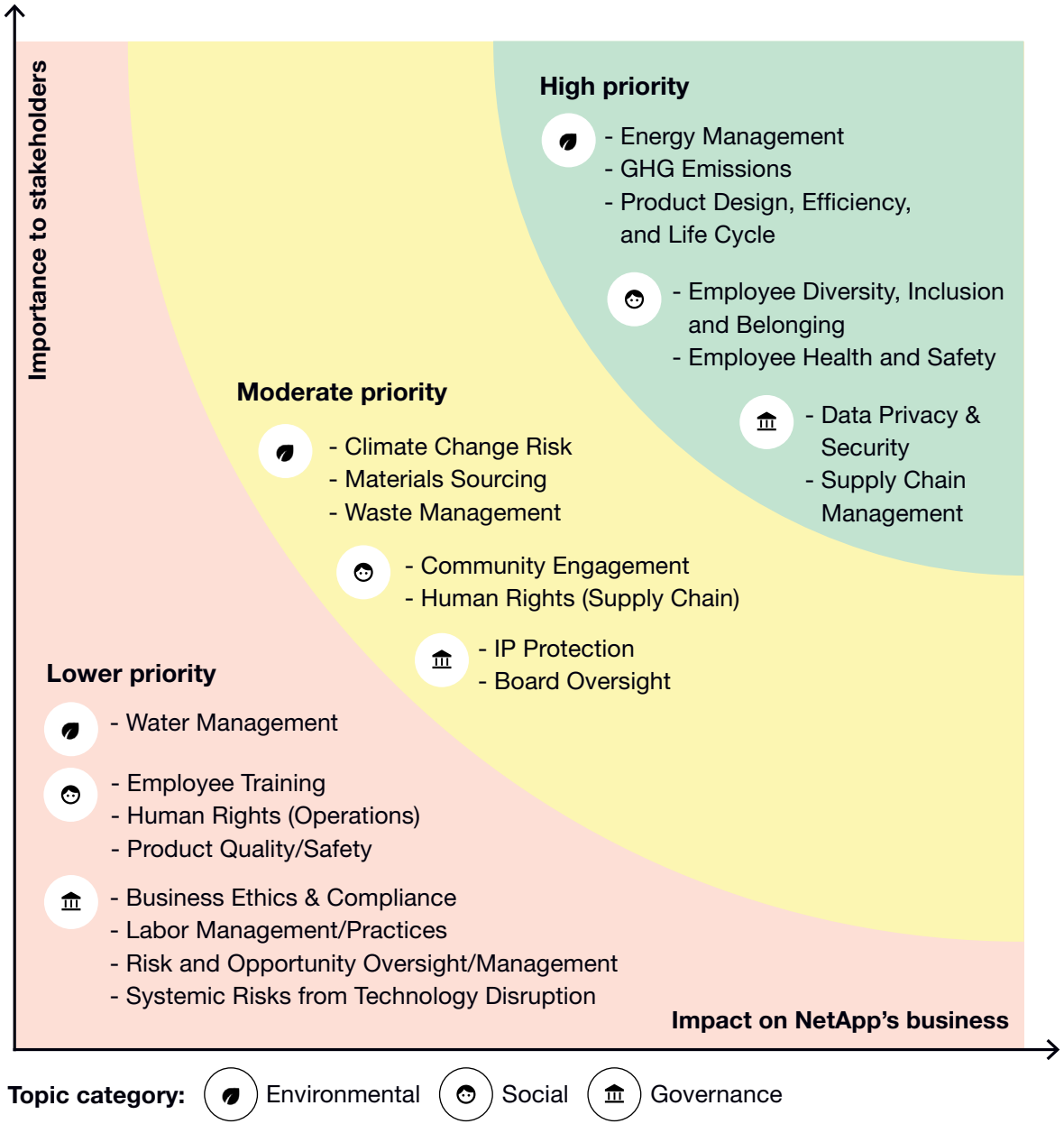
Our values boil down to caring about something bigger than ourselves. We care for our employees, our customers, our communities, and our environment. As it turns out, caring makes good business sense, too. We leverage the power of technology, our people, and innovation to serve our customers while also building a positive culture for our teams, giving back to the communities where we work, and protecting the greater environment beyond them.

EcoVadis is a leading evidence-based ESG rating agency, providing supplier ratings across the themes of environment, labor & human rights, ethics, and sustainable procurement. The platform has rated NetApp's ESG program annually for the last several years. Our latest score increased six points from last year, placing us in the top 7% of companies assessed and earning us a gold medal.

Materiality Assessment and Matrix

As we continue to integrate ESG into our overall business strategy, we intend to focus our efforts and disclosures on areas that matter most to our stakeholders and business. In FY22, with the help of a third-party expert, NetApp conducted an extensive materiality assessment to identify our top ESG priorities for the coming years. Our systematic, data-driven approach to the analysis of internal and external stakeholder perspectives produced a revised and recategorized—though more evenly balanced—inventory of concerns to address. This new matrix allows us to build ESG into our company's strategy and operations to ensure long-term success.

Priority issue areas determined by this analysis include energy management; greenhouse gas (GHG) emissions; product design and lifecycle; data privacy and security; diversity, inclusion, and belonging; employee health and safety; and supply chain management.



United Nations Sustainable Development Goals

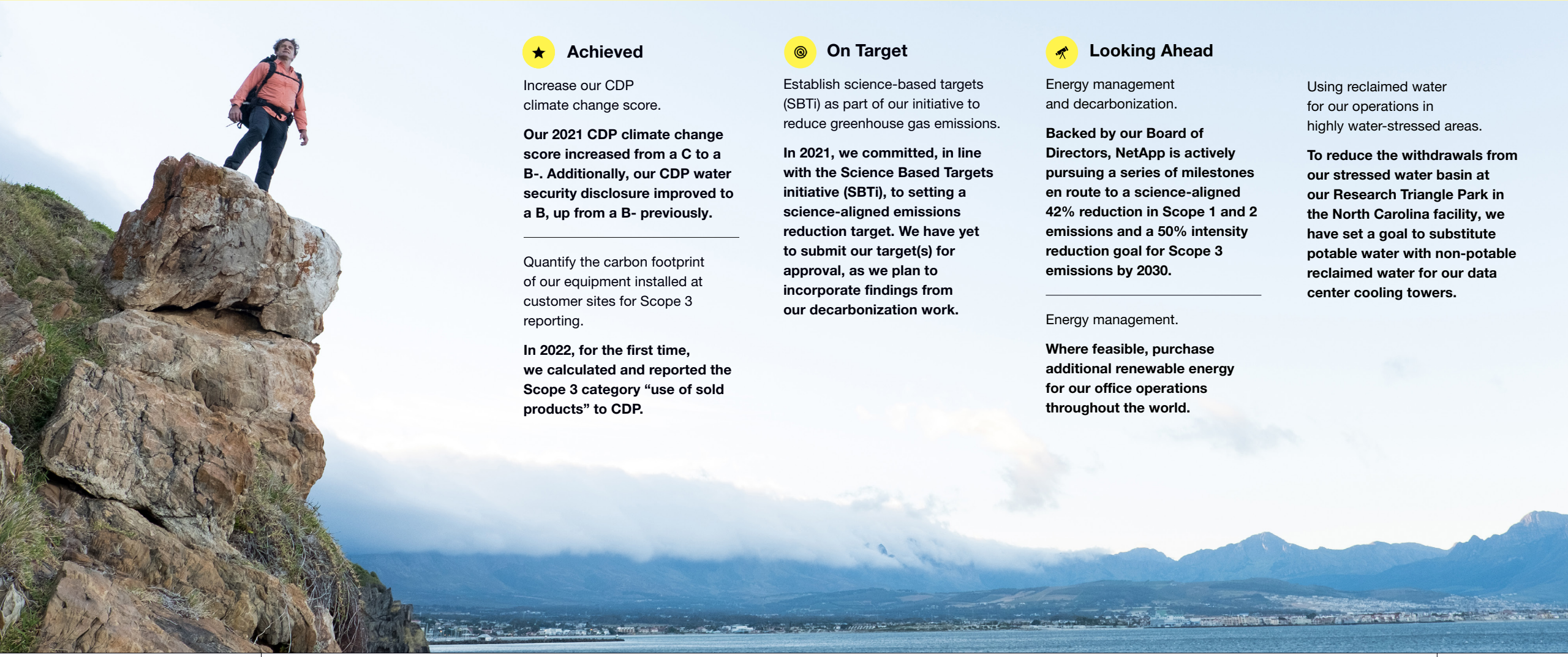
The United Nations Sustainable Development Goals (SDGs) are a universal call to action and a blueprint for achieving a better and more sustainable future for all. The 17 SDGs address global challenges such as poverty, inequality, climate change, environmental degradation, and justice; at NetApp, our business and philanthropic contributions align with several of these goals. Icons are placed within this report to show the specific SDGs that our ESG initiatives support.

SUSTAINABLE DEVELOPMENT GOALS

Impact Update

An Update on Goals

Environmental: Sustainable Innovations



Achieved

Increase our CDP climate change score.

Our 2021 CDP climate change score increased from a C to a B-. Additionally, our CDP water security disclosure improved to a B, up from a B- previously.

Quantify the carbon footprint of our equipment installed at customer sites for Scope 3 reporting.

In 2022, for the first time, we calculated and reported the Scope 3 category "use of sold products" to CDP.

On Target

Establish science-based targets (SBTi) as part of our initiative to reduce greenhouse gas emissions.

In 2021, we committed, in line with the Science Based Targets initiative (SBTi), to setting a science-aligned emissions reduction target. We have yet to submit our target(s) for approval, as we plan to incorporate findings from our decarbonization work.

Looking Ahead

Energy management and decarbonization.

Backed by our Board of Directors, NetApp is actively pursuing a series of milestones en route to a science-aligned 42% reduction in Scope 1 and 2 emissions and a 50% intensity reduction goal for Scope 3 emissions by 2030.

Energy management.

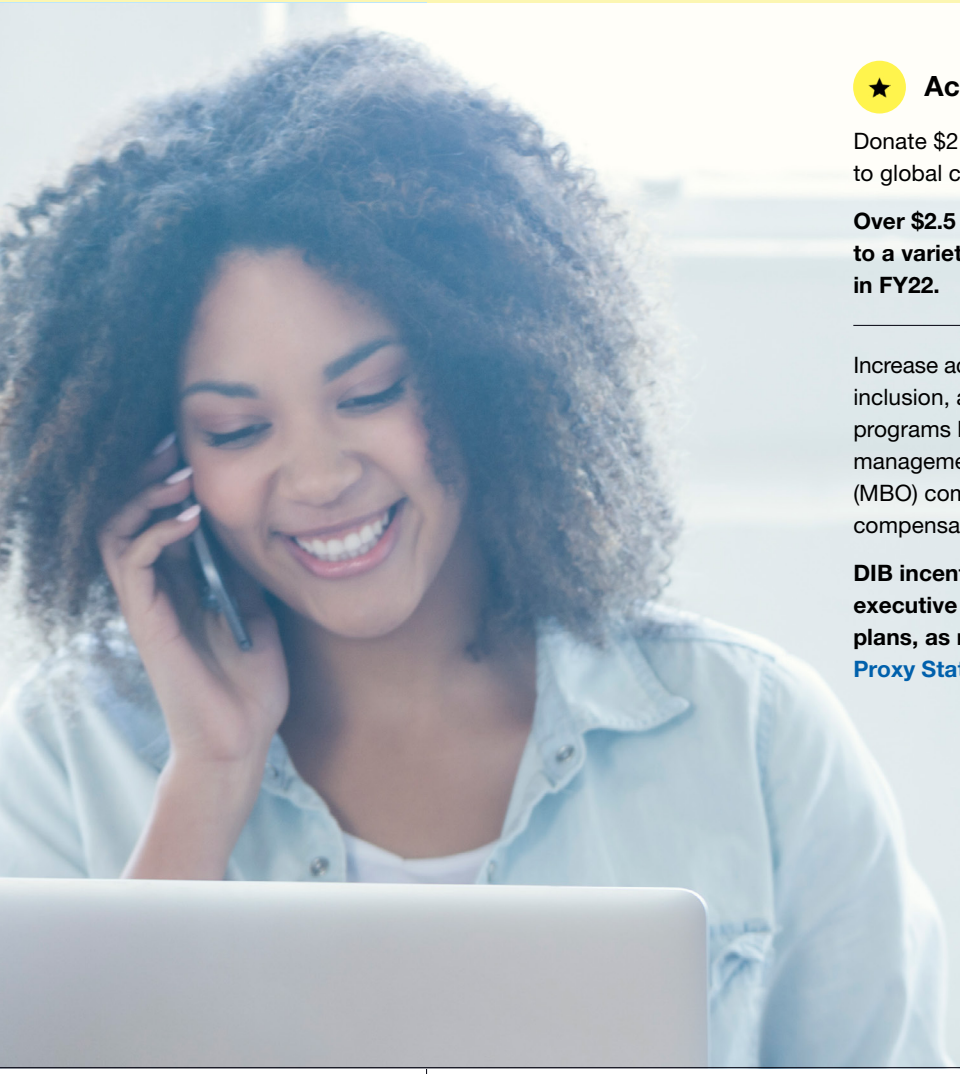
Where feasible, purchase additional renewable energy for our office operations throughout the world.

Using reclaimed water for our operations in highly water-stressed areas.

To reduce the withdrawals from our stressed water basin at our Research Triangle Park in the North Carolina facility, we have set a goal to substitute potable water with non-potable reclaimed water for our data center cooling towers.

An Update on Goals

Social: Investing in People



Achieved

Donate $2 million to global charities.

Over $2.5 million was donated to a variety of global charities in FY22.

Increase accountability in diversity, inclusion, and belonging (DIB) programs by adding a diversity management by objectives (MBO) component to executive compensation plans.

DIB incentives are now tied to executive compensation plans, as reported in our Proxy Statement.

On Target

Targeted increase in women and underrepresented minorities among U.S. employees.

We surpassed our targeted increase in underrepresented minorities in the U.S., achieving 11.8%. Although we achieved a 24.7% increase in women globally, we failed to reach our target number.

Below Target

Reach 1,000 students with data science education.

Although we were not able to engage as many program delivery partners as we had hoped due to conditions resulting from the pandemic, over 630 students in four countries participated in data science education through NetApp's Data Explorers program. We have reset this target for the 2022–2023 school year.

Achieve 35% employee participation in social impact programs.

Our employee participation in social impact programs reached 31% this year. We continue to look for ways to increase participation in these important initiatives. We have reset this target for FY23.

Looking Ahead

Extend accountability for DIB objectives by extending the diversity MBO to all VPs and above.

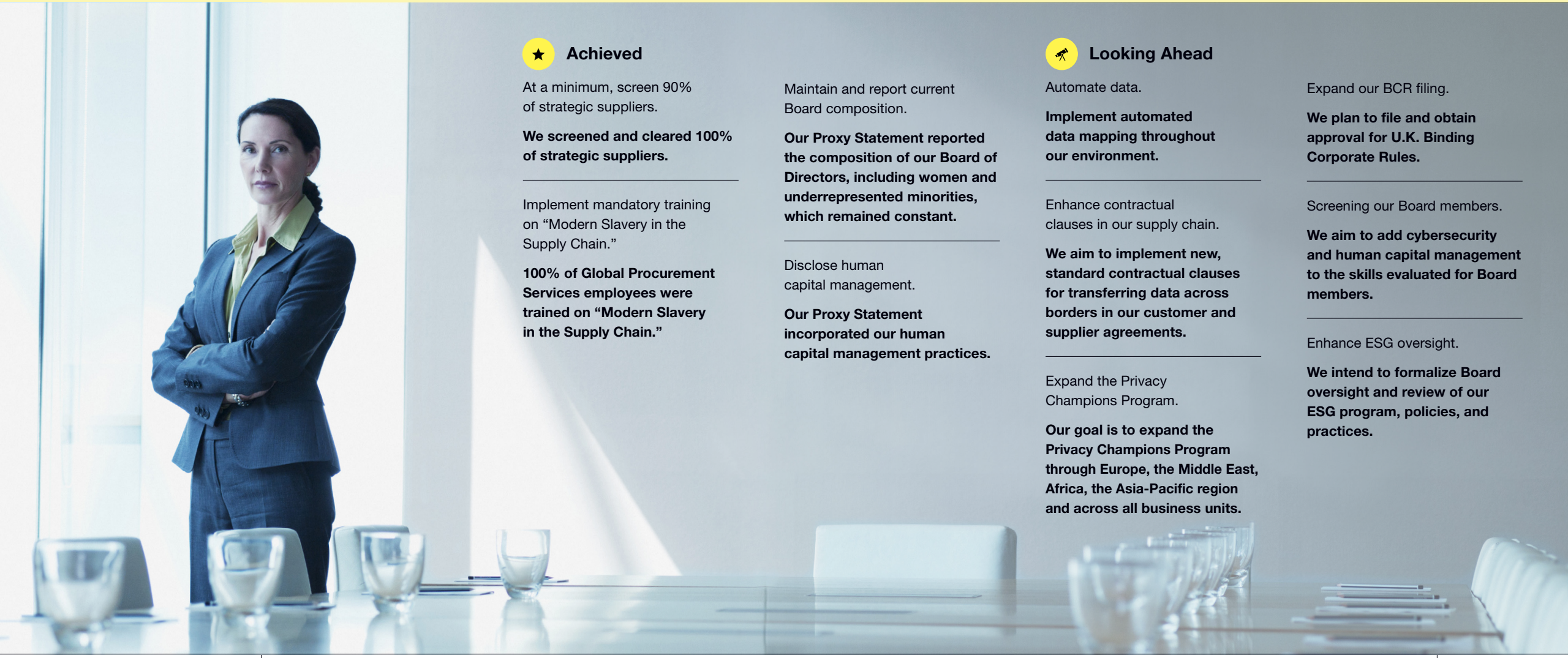
We reset this goal of achieving a targeted increase in women and underrepresented minorities among U.S. employees.

Donate $2 million to global charities.

We reset this goal to continue our quest to make a positive impact on our communities.

An Update on Goals

Governance: Creating Trust



Achieved

At a minimum, screen 90% of strategic suppliers.

We screened and cleared 100% of strategic suppliers.

Implement mandatory training on “Modern Slavery in the Supply Chain.”

100% of Global Procurement Services employees were trained on “Modern Slavery in the Supply Chain.”

Maintain and report current Board composition.

Our Proxy Statement reported the composition of our Board of Directors, including women and underrepresented minorities, which remained constant.

Disclose human capital management.

Our Proxy Statement incorporated our human capital management practices.

Looking Ahead

Automate data.

Implement automated data mapping throughout our environment.

Enhance contractual clauses in our supply chain.

We aim to implement new, standard contractual clauses for transferring data across borders in our customer and supplier agreements.

Expand the Privacy Champions Program.

Our goal is to expand the Privacy Champions Program through Europe, the Middle East, Africa, the Asia-Pacific region and across all business units.

Expand our BCR filing.

We plan to file and obtain approval for U.K. Binding Corporate Rules.

Screening our Board members.

We aim to add cybersecurity and human capital management to the skills evaluated for Board members.

Enhance ESG oversight.

We intend to formalize Board oversight and review of our ESG program, policies, and practices.

Environmental: Sustainable Innovations

Material Issues

Energy management

GHG emissions

Product design, efficiency, and life cycle

Water management

Waste management

Sustainability: Investing in innovation

We can't manage if we don't measure.

Thirty years ago, NetApp began with a vision of making data an asset for our customers' businesses. We apply that data-centric approach to ourselves, too.

Our materiality assessment supported our understanding that environmental issues – including energy management, greenhouse gas (GHG) emissions, and product carbon footprint – are of the highest priority to our stakeholders. We recognize the impact that data storage has on our environment and climate; as data increases, so does the energy needed to manage it and its subsequent carbon footprint.

Together with our customers and suppliers, we can make changes today that reduce our collective environmental impact.

Data's Climate Impact

Technology's enormous use of power makes it a clear target for sustainable improvement.

How NetApp helps its customers manage their data and how we manage our own data are crucial to addressing the climate crisis.

8% It is estimated that the information and communication technology industry will consume 8% of the world's electricity by 2030, compared to 2% in 2020.

49% By 2025, 49% of data will be stored in public cloud environments.

10-15% Storage is responsible for 10–15% of data center energy consumption.

Several NetApp locations have formed Green Teams, employee-led groups that raise awareness of sustainability issues and encourage resource conservation. Each team has a unique approach to incorporating sustainability into office life. For example, employees in our Singapore office created a "Green Tree" corner and filled it with messages related to environmental sustainability and choices that employees can make to reduce their individual carbon footprint both in the office and at home.

Ambitious and Attainable: Our Decarbonization Strategy

NetApp is actively pursuing a series of milestones en route to substantial carbon emissions reductions by the year 2030.

The strategy is multifaceted, targeting Scope 1, 2, and 3 emissions. We are already well on our way to achieving a science-aligned 42% reduction in Scope 1 and 2 emissions by 2030. Furthermore, we will continue to focus on maintaining our office and data center footprint and including renewable energy procurement contracts and programs at our Wichita, Bangalore, and San Jose sites to achieve this goal.

We will work together with our suppliers and customers to tackle Scope 3 emissions, which account for more than 90% of our total emissions. Our goal is to achieve a 50% intensity reduction of Scope 3 emissions by 2030. To start, we will continue to help our customers transition from on-site data storage to a cloud-based data storage system. Cloud storage data centers are designed to store data efficiently, use less energy, and create a smaller carbon footprint compared to legacy data storage systems.

We will also collaborate closely with our suppliers to further reduce the carbon footprint associated with our products and services. In 2023, we will begin a supplier engagement initiative to reduce Scope 3 purchased goods and services emissions by encouraging our suppliers to set decarbonization goals of their own.

Monitoring Our Emissions

At NetApp, we are data-driven. We continuously monitor and evaluate our GHG emissions, and these data inform our internal goals and practices; moreover, we **educate our customers** on how choosing our products and services will help them reduce their carbon footprint. For more on our GHG emissions data, visit the Performance Data Index on page 81.

We will assess the impact of our supply chain's GHG emissions through a baseline survey of targeted suppliers. With this data, we can identify in-scope suppliers, determine a methodology for tracking and management, and then suggest decarbonization goals for our suppliers.

Pushing ourselves to set ambitious yet attainable goals started with understanding our baseline. We have collected and analyzed our GHG emission data for more than a decade, and we know that our decarbonization targets are real and achievable, and that we must work together with our suppliers and our customers to make impactful emissions reductions.

As of 2022, we expanded our annual Scope 3 reporting to include "use of sold products."

NetApp experienced a 70% decrease in GHG emissions intensity over the past six years.

Although COVID-19 travel restrictions likely contributed to the massive decline, Scope 3 travel-related carbon emissions were 75% less in 2022 than in 2019.

Sustainable Operations

Though we are proud of our sustainability headway, opportunities for improvement always exist. Our robust Environmental Management System (EMS) helps us manage impacts and find opportunities to advance.

Since December 2004, we have maintained an EMS that provides the framework for setting, monitoring, and continuously improving our environmental goals and objectives. Our EMS has developed into a mature and highly integrated management system. As part of our ISO 14001 certification requirements, we set local environmental performance goals aligned with our overall corporate strategy, such as reducing energy use per square foot and minimizing waste generated onsite. We also conduct periodic reviews and are subject to third-party audits of our operations.

Spotlight: ISO Certifications

NetApp's Environmental Management System (EMS) conforms to the **ISO 14001:2015 standard**. Nearly 100% of our global offices are certified. ISO 14001 sets a framework to which companies adhere to establish effective environmental management systems. This standard focuses on audits, communications, labeling, life cycle analysis, and addressing environmental challenges such as climate change.

Our Quality Management System (QMS) is certified to **ISO 9001:2015**. ISO 9001 ensures customers receive consistent, high-quality products and services and includes principles on customer focus, top management, and continual improvement.

Energy Management

Energy management is a key focus area of our overall sustainability strategy. Between 2017 and 2022, NetApp's continued management of our energy consumption and procurement resulted in a 15% decrease in energy consumption and a 61% reduction in GHG emissions as a result of our increased use of renewable energy.

We lower facility energy use through energy-efficient designs, alternative energy sources, advanced lighting technologies, and reducing our overall building footprint. Many of our offices, labs, and data centers have been either designed or retrofitted to achieve the goals of our energy management program.

NetApp's Bangalore campus draws 88% of its power from renewables, including wind generation, mini hydroelectric plants, and a small onsite solar plant with a production capacity of roughly 100kW.

Spotlight: Wichita Campus: Built from Innovation, for Innovation

Completed in January 2022, NetApp's state-of-the-art facility at Wichita State University's (WSU) Innovation Campus in Kansas is a two-story, 168,000-square-foot smart building.

A wind energy contract with the local public utility provides 100% of the electricity for the site. Networked, low-voltage LED lights illuminate the building's interior as part of a smart system that modulates brightness based on occupancy and ambient light intrusion. Automatic sunshades reduce solar heat gain, improving HVAC efficiency. Rooftop outside air economizers aid in climate control for the in-house energy-efficient data center. Exterior drought-resistant landscape features capture and reuse rainfall, reducing water consumption. The property also features 10 electric vehicle charging stations.

NetApp Wichita accommodates a staff of 600 and offers WSU students lab access, real-world training, and post-graduate career opportunities.

Waste Management

NetApp has owned and leased offices located in 28 countries across the globe, and we divert as much waste as possible from landfills by reusing, recycling, and composting.

From a manufacturing perspective, we aim to minimize the amount of material we send to landfills and recycling centers by opting for reusable containers, reclaiming pallets and shipping crate wood, combining shipments whenever possible, and reducing redundancy in our packaging. Our long-term goal is to eliminate non-recyclable materials from our packaging. In FY22 we conducted extensive research and testing on alternatives such as paper honeycomb board and thermoformed cushions, two cost-effective products made from recycled materials that can also be reused or recycled at end of life. We plan to implement new packaging for some systems in 2023.

Handling E-Waste

If it's not managed well, e-waste (electronic equipment no longer in use due to displacement or replacement) can have a significant negative impact on the environment. NetApp takes a proactive approach to handling e-waste, both from our own operations as well as from customers and partners. In 2022, we transitioned to a new global e-waste supplier, as well as a new compliance firm. Additionally, our product take-back program and e-waste scheme comply with the EU directive on **Waste Electrical and Electronic Equipment (WEEE)** and India's Extended Producer Responsibility (EPR) regulations.

Our landfill diversion rate for e-waste exceeds 99%.

NetApp's Product Take-Back Program for Customers: Owning our stuff

NetApp's product take-back program addresses the life cycle of products. In 2022, we improved our product take-back interface on the NetApp global customer support website, allowing customers to easily request e-waste pick-ups from our approved e-waste collection vendor. We invite our customers to request free collection of NetApp or competitor equipment as part of a trade-in deal at the end of a lease period or at the end of the product's service life. Equipment is transported and handled in line with environmental and security requirements in a regularly audited process.

Tracking E-Waste: How else do we know how we are doing?

NetApp maintains a thorough procedural structure to manage the post-operational handling of e-waste.

- Collected end-of-life equipment is entered into a database and tracked as received, labeled, inspected, tested, and sorted for either remarketing or recycling.
- All hard disk drives and solid-state drives slated for resale are data-cleansed with the use of software following DOD and **NIST 800-88** standards. Equipment beyond repair is destroyed and recycled at an approved processing site.

We document and report all equipment collected and processed through the e-waste handling procedure. Our landfill diversion rate for e-waste exceeds 99%.

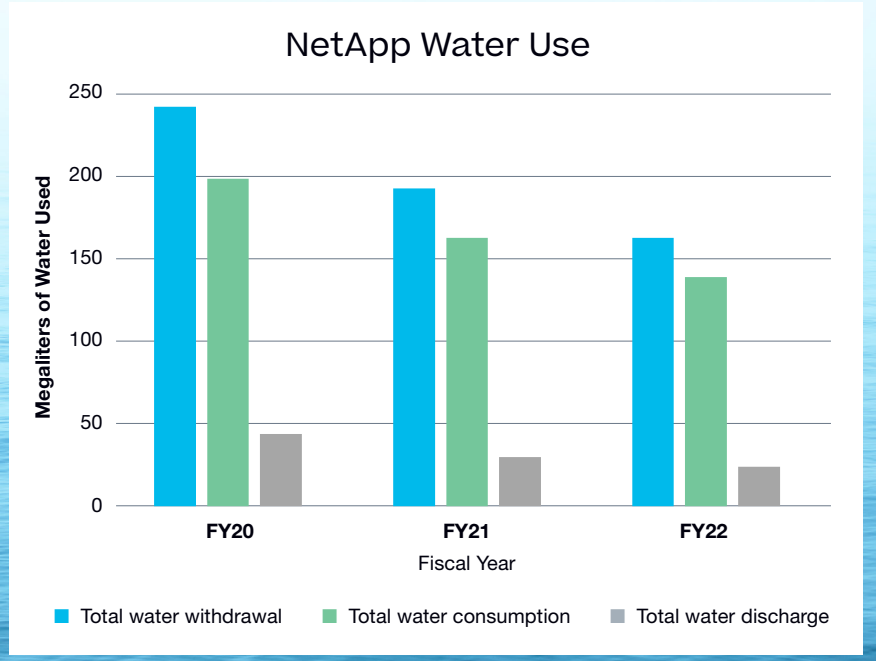
Water Consumption and Conservation

At NetApp, we're conscious of water consumption at our offices and data centers and as an element critical to the manufacturing in our supply chain.

At our Wichita facility, we chose not to use water-cooled chillers for our HVAC system. Instead, the building is cooled by rooftop units powered by wind energy. This change will save roughly five million gallons of water annually.

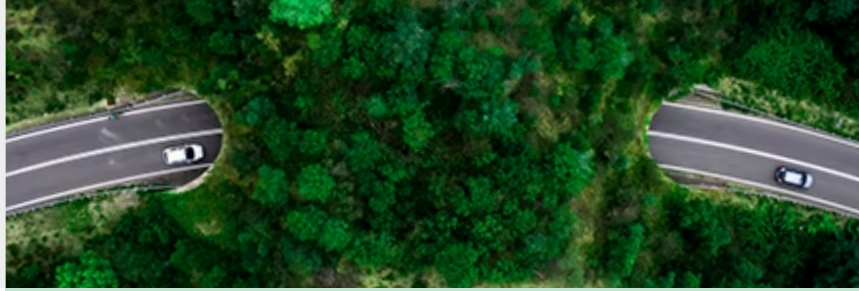
We track and report water consumption at four of our major sites, accounting for almost 98% of NetApp's global water intake. At these locations, we regularly monitor withdrawals by using meters and submeters tied to our building automation systems. We also utilize the **WRI Aqueduct Water Risk Atlas** to determine if our facilities are withdrawing from stressed areas.

Our Bangalore campus, a zero-discharge facility, collects rainwater for landscaping and supplements its third-party sourced water with a recycling system.



"Our storage solutions and analytics tools not only help customers reduce emissions but also track the financial benefits of smart data management."

— Octavian Tanase, Senior Vice President of Engineering



Product Design, Efficiency, and Life Cycle: Creating a more sustainable product

Other top stakeholder concerns include the efficiency of our products and their capacity for helping customers track, manage, and reduce their carbon footprint. Fortunately, NetApp has a strong history of bringing high-efficiency products to the market with developments like Active IQ integration, Carbon Advisor, and reporting tools like Harvest and Cloud Insights.

Innovation in Product Design

Everything we do online generates carbon emissions. Consider the fact that 68% of most companies' data created will never get used—that's a lot of excess carbon.

NetApp's flagship ONTAP data management software enables customers to achieve their sustainability goals by balancing their data management needs with their carbon emission reduction goals:

Efficient Flash Storage: NetApp pioneered the use of flash storage in data centers. Flash storage consumes less power and cooling than legacy media, and its higher density means fewer systems. It is three times more resilient than spinning hard drives, resulting in fewer replacement parts manufactured, fewer service calls made, and less waste in landfills.

Spotlight: NetApp's Partnership with PAIA

In December 2021, NetApp joined MIT's **Product Attribute to Impact Algorithm (PAIA)** consortium of information and communications technology (ICT) peers. PAIA is a web-based platform that uses a streamlined life cycle assessment approach to estimate the environmental impacts of ICT products.

We're currently using PAIA to analyze our storage hardware systems and provide **product carbon footprint reports**. We plan to integrate PAIA with NetApp's sizing tools to produce carbon emissions estimates for unique customer configurations.

All NetApp Power Supply Units are currently 80 PLUS Platinum certified, with power efficiencies of 90% or higher across all load points.

High Storage Efficiency: ONTAP uses industry-leading compression and compaction algorithms to make more efficient use of the available storage. **Temperature-Sensitive Storage Efficiency (TSSE)** identifies underutilized data and applies advanced compression algorithms to further increase storage efficiency. These NetApp innovations help administrators avoid over-provisioning their data centers and make better use of the storage resources they own. Our AFF storage arrays with ONTAP are highly efficient, with some customers reporting they only need half the capacity they would need from competitors. Fewer boxes mean less power consumption – and much smaller downstream impact at end of life.

Use the Cloud to Lower Carbon Footprint: NetApp is the only storage vendor that delivers on the promise of a hybrid cloud, leveraging carbon-efficient cloud storage to reduce data center power consumption. We were the first company to offer global de-duplication on secondary storage, eliminating unnecessary extra copies of data. Our **Fabric Pool** technology identifies and moves underutilized data from high-performance on-premises storage systems to more carbon-efficient storage tiers, such as the cloud.

Actionable Analytics: NetApp's **Cloud Insights** console gives storage administrators a real-time view of the power consumption in all their ONTAP systems. Armed with these insights, they can tune workloads to minimize environmental impact. **Carbon Advisor**, an extension of the power consumption reporting tools deployed in Cloud Insights, detects redundant data and offers emissions-friendly storage and upgrade recommendations, reducing our customers' carbon footprint.

Active IQ (AIQ): AIOps engine tallies the total cost of ownership (TCO) for frequently used and accessed data stored on premises, and our Cloud Tiering TCO calculates the savings generated by moving data to the cloud. With cloud tiering, over a five-year period, our midrange storage customers reduce their emissions by 56.3 metric tons of CO_2e.

Product Quality, Compliance, and Risk Management

NetApp is committed to providing products and services that meet or exceed international standards and comply with all applicable **laws and regulations**, including the: Registration, Evaluation, Authorization, and Restriction of Chemicals (REACH); Energy-Related Products (ErP); Restriction of Hazardous Substances (RoHS); and China RoHS directives.

We monitor evolving standards worldwide in an effort to stay ahead of any future regulation or compliance changes. Our power supplies are on track to achieve 95% efficiency, in line with the EU's requirement for power supplies to be 80 PLUS Titanium certified in 2022.

NetApp also contributes to open-standard associations such as the Storage Networking Industry Association (SNIA), Green Storage Initiative, and the Green Storage Working Group, which influence ENERGY STAR certification standards for storage.

ENERGY STAR Certifications

Requests for ENERGY STAR-certified systems from public and private sectors in the U.S., Europe, and Asia led us to seek ENERGY STAR 2.0 certification for our AFF A250, FAS2720, and E-Series storage systems.

Innovative, energy-saving measures, such as ambient cooling and cold-aisle containment systems, enabled each of the two Global Dynamic Labs at our Research Triangle Park campus in North Carolina to achieve a power usage effectiveness ratio of 1.15 and secure an ENERGY STAR rating of 100.

Social: Investing in People

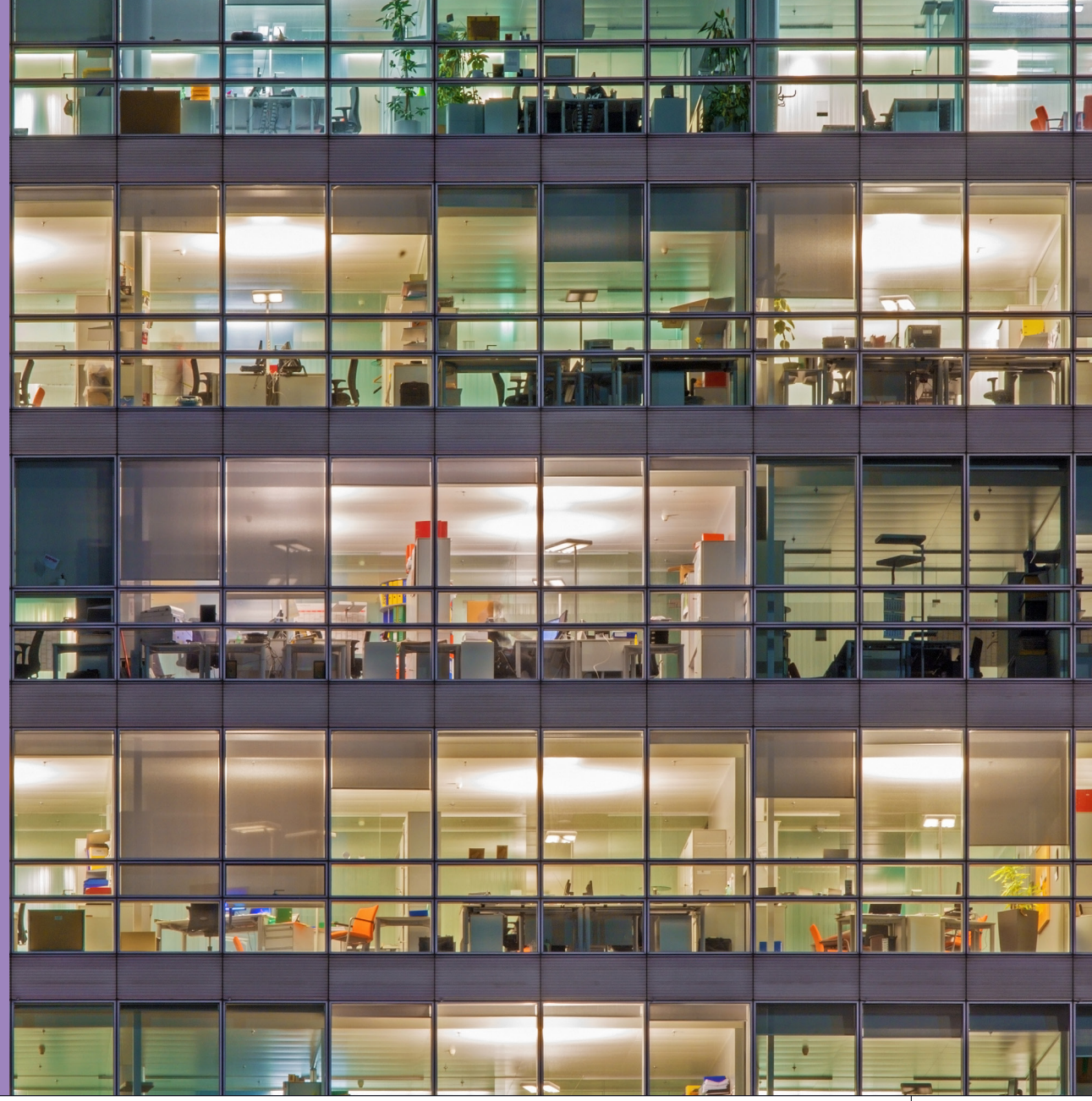
Material Issues

Employee health and safety

Employee diversity, inclusion and belonging

Community engagement

Employee training



Our Approach

Our products and services offer real solutions, exceed customer expectations, and set industry standards. When we do what's best for our team members, we find it's best for our customers as well.

"We attribute this success to one of NetApp's core values of building belonging every day, which starts with creating diverse teams that spark innovation."

— Debra McCowan, Executive Vice President and Chief Human Resources Officer

Employee Engagement

Our culture of belonging starts with understanding each other's perspectives. NetApp actively engages with our teams, seeks feedback on our company's and managers' performance, and acts on suggestions for improvement.

Thriving at NetApp

One way we measure employee engagement and sentiment is through our semiannual Thrive Pulse employee surveys. Survey results gauge the effectiveness of company directives and help us develop new employee programs.

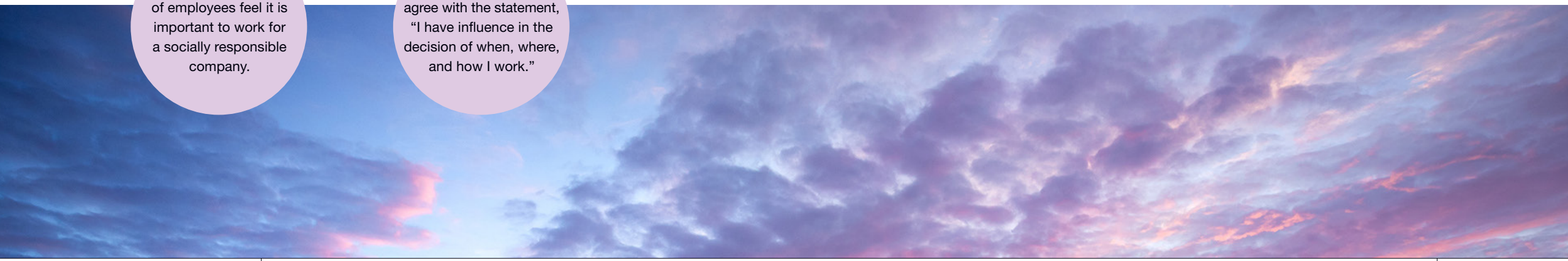
Our November 2021 survey had an engagement rate of 81%, three points above the technology industry benchmark. Key results included:

88%
of employees feel it is important to work for a socially responsible company.

81%
agree with the statement, "I have influence in the decision of when, where, and how I work."

Thrive Everywhere

Thrive Everywhere officially launched in January 2022. It represents our unique approach to flexible work that's built on employee feedback and aligns with our culture and values. Rooted in flexibility and supported by a commitment to a growth mindset, Thrive Everywhere entrusts employees to work together to consider their distinctive personal, team, and stakeholder needs when determining their approach to flexible work. This method improves and diversifies our talent pool in multiple ways while also affording us the opportunity to fundamentally reimagine the way we work, creating a more healthy, productive, collaborative, inclusive, and innovative work environment that serves us all.



Quarterly Conversations

At NetApp, we aim to inspire our people and help them unleash their full potential. We developed Quarterly Conversations as a review format that aligns with our values and humanizes the manager-employee relationship. Performance reviews are outdated and ineffective; Quarterly Conversations provide more regular feedback for employees and emphasize their growth and development.

In our November 2021 Thrive Pulse survey, 84% of respondents shared that they had participated in a Quarterly Conversation with their manager in the previous quarter. Compared to employees who had not had a Quarterly Conversation, these employees scored 5 points higher in feeling a sense of belonging and 8 points higher in believing they have good career opportunities.

Reducing Turnover

NetApp's global turnover is 14.4%, but we can always do better. We want our people to regard NetApp as a foundation for their entire careers. Our Thrive Everywhere initiative addresses many of the flexibility issues that conflict with modern life, but we also continue to find ways to evaluate how we can improve the employee experience and retain key talent at risk of departure.

Developing Our Talent

A growth mindset is part of our DNA. It is how we attract and retain our talented people for the long run. We have invested in an array of career-building programs and talent experiences to enable employees to do their best work and grow their careers at NetApp.

Building Our Talent Pipeline

Developing our employees starts with a robust and effective talent pipeline. NetApp has made a multiyear investment in technology, career growth, and talent development to improve how we attract, hire, and nurture our talent.

Talent Acquisition
Our world-class recruiting team unites diverse talent with amazing opportunities by using state-of-the-art tools to create an extraordinary candidate experience.

Early in Career Programs
The Early in Career team recruits, hires, and retains entry-level employees and facilitates award-winning programs, including the Intern Program, NetApp Emerging Talent Program, and the S^3 Academy.

Talent Enablement
NetApp fosters an environment with abundant opportunities for each employee to do the best work of their career by inspiring each to excel with a growth mindset.

Early in Career

Our global Early in Career (EIC) team recruits, hires, and retains entry-level employees across NetApp. By building strategic partnerships with top institutions and organizations globally and collaborating with the business to understand current and future hiring needs, the EIC team develops critical talent pipelines and facilitates award-winning programs.

In FY22, we leveraged our affiliations with the following organizations to increase the diversity of our workforce and connect with qualified candidates from underrepresented backgrounds:

- Historically Black Colleges and Universities (HBCU) partnerships
- Advancing Minorities' Interest in Engineering (AMIE)
- Society of Hispanic Professional Engineers (SHPE)
- Black Engineer of the Year Awards (BEYA)
- Grace Hopper Conference (GHC)
- Lucy Mentoring & Women Innovation
- Girls in ICT
- HerCAREER

NetApp Global Intern Program

The NetApp Global Intern Program gives our interns real-world career experience, provides the business with project support, and develops a robust talent pipeline for entry-level positions. Interns have access to the resources, mentoring, and feedback they need to grow, while having the chance to build meaningful relationships with employees across the company.

NetApp Emerging Talent

The NetApp Emerging Talent (NET) program is designed for full-time new hires with 0–3 years of relevant experience. The goal of the program is to encourage participants to develop a growth mindset to fuel sustained personal and professional growth while providing numerous opportunities to establish strong cross-functional networks and improve their capacity to lead, innovate, and work effectively.

S^3 Academy

The Sales, Support, and Services (S^3) Academy is a two-year global development program for NetApp Emerging Talent participants who aspire to become the next generation of NetApp leaders, sales professionals, and technical pioneers. The S^3 Academy focuses on helping top talent reach their full potential by providing an initial 90-day training program that immerses participants in the software, systems, and cloud technologies that are helping shape our world. The program enables participants to fast-track their careers and offers mentoring, leadership exposure, and hands-on training.

U.S. Military Fellowships Program

We provide active-duty military with four- to six-month fellowships that ease the transition to civilian life. These fellowships offer many of the same benefits as our internship program and can lead to an offer of full-time employment. In FY22, we provided 24 military fellowships.

NetApp is Recognized as a Top Company for Students

Our outreach efforts have been recognized by colleges, universities, recruiters, and career-building platforms. For example, Firsthand listed us among their Top 100 Best Internships. In addition, we made the HBCU Top Supporter ranks in 2022 for the fifth straight year, and in 2021, we were named a UR Intern Program Trailblazer. That same year, Vault.com included us seven times in their global rankings:

- #41 — The Best 100 Internships
- #5 — Best Internship by Industry (Tech and Engineering)
- #4 — Best Internship by Role (Sales, Marketing, and Communications)
- #19 — Best Internship to Work for Quality of Life
- #25 — Best Internship to Work for Real-Life Experience
- #26 — Best Internship to Work for Networking Opportunities
- #23 — Best Internship for LGBTQ+ Diversity

Fostering Internal Growth

BetterUp
BetterUp's "Whole Person" approach to one-on-one personal coaching offers participants help with work performance, sleep, health, navigating uncertainty, inclusive leadership, parenting practices, goal setting, work-life balance, and more. This program utilizes in-person and online coaching to scale availability to more participants. Almost 700 employees participated in BetterUp in FY22, and it is one of our most highly rated and requested development experiences.

Breakthrough Leadership
Our Breakthrough Leadership program removes barriers to cross-functional cooperation and execution and teaches employees that anyone can lead—anytime, anywhere. In FY22, 351 employees participated in the experience.

Achieving Inspiring Performance & Activate!
Achieving Inspiring Performance (AIP) and Activate! are leadership-centric development programs focused on building leadership skills in a complex and continuously changing environment. Managers learn to embed diversity, inclusion, and belonging into all decisions and processes as well as the tools needed to evolve their leadership styles in alignment with NetApp.

AIP and Activate! are strategic programs that prepare directors and managers to lead a hybrid workforce and foster an employee experience that enables teams to thrive everywhere, break down silos, improve collaboration across teams, and cultivate a growth mindset to build world-class leadership teams.

Almost 700 employees participated in BetterUp in FY22.

Employee Diversity, Inclusion and Belonging (DIB)

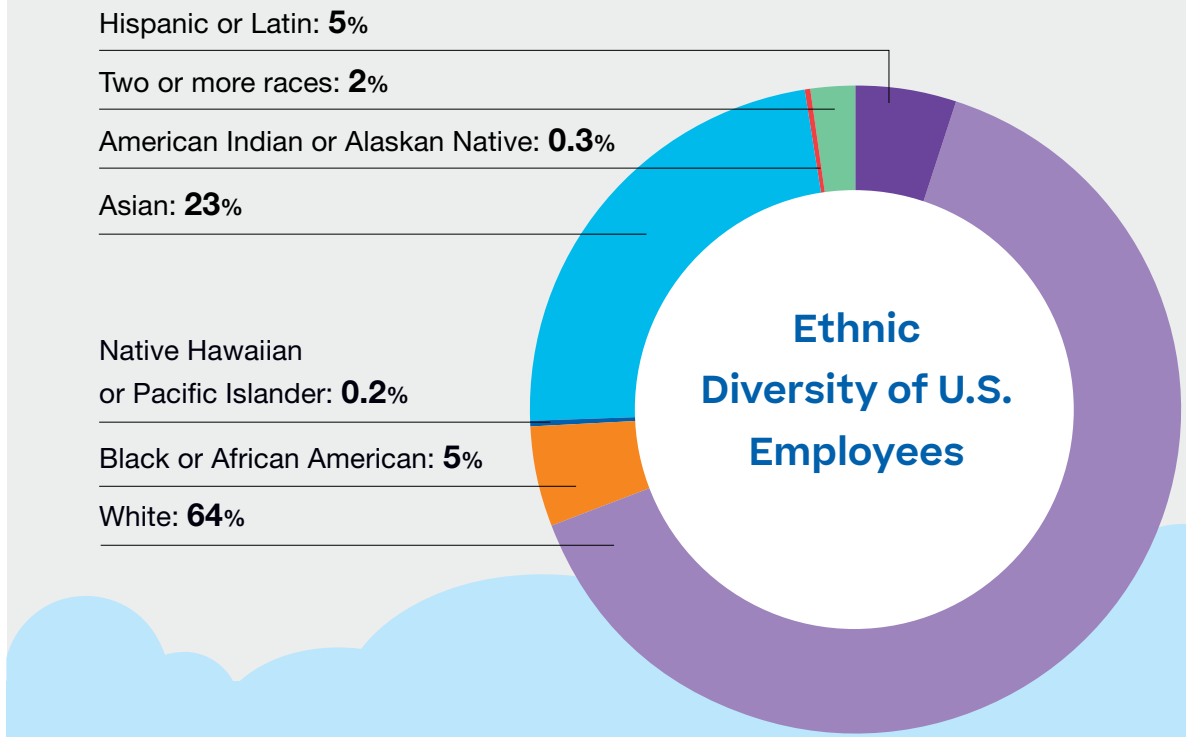
Our Approach

At NetApp, our differences give us strength. Innovation in our products and services is grounded in the unique and diverse perspectives of our teams. We've seen how our efforts to create an atmosphere of inclusion and belonging have benefited our company in more ways than one, and we will continue to develop new programs and actions to promote these values.

Promoting Diversity from the Top Down

NetApp's participation in **CEO Action for Diversity and Inclusion**, the largest CEO-driven business commitment to advance diversity and inclusion in the workplace, highlights our firm belief in diversity as an asset. Through this initiative, we've connected tangible incentives to achieving DIB goals, ensuring our efforts to advance DIB receive full support from our leaders.

Additionally, our Global DIB executive directs and influences company-wide efforts to promote DIB throughout our workforce. That includes diversity training and education, mitigating bias, monitoring concerns, and fostering a culture that is transparent, open, and equal.



NetApp EBRGs

- PROUD @ NetApp
- Latinos Unidos @ NetApp (LUNA)
- NetApp Network of Black in Tech (NNBT)
- NetApp Veterans (NetVets)
- Women in Technology (WIT)
- NetAbled

HBCUs and AIME

Our recruitment efforts include partnerships with Historically Black Colleges and Universities (HBCUs). To help prepare HBCU students for careers in the corporate world and to attract new talent to our teams, NetApp offers scholarships, resume critique, and mentorship programs.

NetApp also holds a board position with Advancing Minorities' Interest in Engineering (AIME). AIME facilitates partnerships between corporations, government agencies, and HBCU engineering schools with the goal of placing underrepresented students in engineering careers. We regularly collaborate with AIME on outreach initiatives including innovation challenges, hackathons, and senior design projects.

Nurturing Affinities

Our employee business resource groups (EBRGs) are communities within NetApp formed around shared experiences and identities. EBRGs offer an opportunity for communication, camaraderie, professional development, and extending our pipeline for diverse talent within an atmosphere of inclusion and belonging. All employees are welcome to join any EBRG, regardless of identity.

Twenty percent of our workforce participates in EBRGs, including team members who identify as Black, Latino, veterans, women, and LGBTQ+.

Equity

An important way we create belonging at NetApp is through equity. Employees compensated with equity are more likely to feel aligned with NetApp's corporate goals and overall performance. This year we expanded the eligibility criteria to all employees, regardless of level. The participation rate in our equity program increased from 35% to 41% year-over-year. We believe this effort will support talent retention over the long term.

We get top marks for diversity

Disability Equality Index (DEI) Score: 100

- The DEI helps companies advance disability inclusion with a focus on leadership commitment, workplace accessibility, benefits, recruitment, and employment practices. Scores of 80 and above are recognized as "Best Places to Work for Disability Inclusion."
- In FY22, we established NetAbled, an EBRG for employees with apparent and non-apparent disabilities, as well as allies.

Human Rights Campaign (HRC) Score: 100%

- HRC is a benchmarking tool for corporate policies, practices, and benefits pertinent to lesbian, gay, bisexual, transgender, and queer employees.

Employee Health and Safety

Protecting Well-being

At NetApp, we want everyone to operate at their best, and that means investing in the health and well-being of our employees. Our robust benefits program covers physical, emotional, and financial health.

- **Healthcare programs:** Comprehensive medical, dental, wellness, and vision plans for employees and their families.
- **Surrogacy support and family-care benefits:** In addition to paid leave that matches 100% of the regular salary for new parents in the U.S. and Canada, we provide financial support for surrogacy expenses, travel costs for reproductive services, and a range of services related to reproductive health for both men and women.
- **Insurance and income protection:** A full range of life and disability insurance is available for additional peace of mind.
- **Financial and savings programs:** Flexible spending, a discounted stock purchase program, and competitive retirement plans are some of the ways we focus on total compensation.
- **Work-life balance:** We offer a wide range of well-being programs, including paid and volunteer time off, educational assistance, legal services, child and elder care, and student debt repayment.

We recognize the importance of taking time to refresh and renew our focus on health, safety, and well-being.

- **Work from home health and safety:** Our global ergonomics program is designed to assess employees' personal ergonomics risks and provide education on proper workstation setup, neutral body positioning, and effective stretching techniques.
- **And more:** Mental and emotional health resources along with physical fitness incentives.

We recognize the importance of taking time to refresh and renew our focus on health, safety, and well-being. NetApp offers:

- **Four Global Wellness Days annually** (paid days off in addition to accrued vacation).
- **Weeklong, company-wide shutdowns** in July and December.
- **No Meeting Fridays** for one Friday each month to dedicate time to focused work and learning and development.

Compensation Transparency

Compensation transparency is a critical step on our journey to creating belonging at NetApp. Our third-party vendors conduct annual surveys to ensure that our market data is accurate and up to date and that our base salaries are on par with the market. Additionally, we have an annual Incentive Compensation Plan based on individual teammates' work impact and collaboration, creating an opportunity for managers to tie quarterly conversations with employees to tangible rewards. This practice reaffirms ongoing development and performance discussions with short-term or long-term incentive equity awards that align with feedback and goals. All employees are eligible to receive annual equity awards and can also participate in our employee stock purchase program to buy shares at a discount and participate in our culture of ownership.

NetApp and Social Impact

Our Approach

As data and technology have become exponentially more present in daily life, we've grown from a startup into a global operator, relevant not just to our industry but also to the countries, states, towns, and cities we call home.

Our ability to empower all sectors to leverage data and technology to tackle critical societal issues is more crucial than ever. We primarily focus our social impact efforts and investments in three areas: data and technology education, basic needs, and disaster relief. Collaborating with our employees, customers, and business and nonprofit partners, we seek to improve lives by applying the power of data and technology, plus our expertise and resources, to fuel collective impact.

Select Programs and Partnerships:

NetApp Data Explorers: *Opening Doors to Data Education Starting at a Young Age*

NetApp believes that the ability to understand and work with data has never been more critical, especially for youth as they learn, grow, and prepare for the societal and personal challenges that lie ahead. But the reality is that most classroom and learning experiences are not adequately teaching critical data literacy concepts and skills.

To address the need for data science learning experiences, NetApp created NetApp Data Explorers to empower teens to discover and develop critical data science skills, preparing them to thrive and take action in a data-driven world. The program is designed to reach and engage underrepresented youth in less-resourced communities and inspire them through their interest in creating social change.

Student feedback

"The program has shined a light on who I can be and how I can help people."

"I learned there are problems we can fix, and I know I'm going to make a difference."

Adult leader feedback

"The program opens up the doors for students to see issues in their communities."

"You can use data for any lesson to help kids learn."

NetApp partnered with TERC, The Tech Interactive, Concord Consortium, and the India STEM Foundation to develop the program curriculum. Placing the UN Sustainable Development Goals and data sets at the center of the experience, students ages 12–16 dive into a 12-week afterschool learning journey. They quickly deepen their awareness of how pervasive data is in our lives. The club-like program takes place in schools and other NGO locations near NetApp offices in the U.S., India, and Europe. Students learn how to question, manipulate, interpret, visualize, analyze, and problem-solve with data. Midway through the program, students work in teams to tackle a question regarding a local social issue that they are concerned about, such as climate change, poverty, or health. Applying their new skills, they share their project and passion for social change in a culminating presentation. NetApp employees coach student teams and share their personal experiences of how data is used in their diverse careers. Each year, we measure and reflect on the impact of the program on student learning and share insights with the field via networks such as DataScience4Everyone.

Since our launch in 2019:

88%
of students have rated NetApp Data Explorers positively.

74%
of students say that they can now use data to make a difference in their community.

60%
of students reported that they can gather data to answer important questions.

World's Largest Lesson Partnership: Engaging Youth Globally in Data Learning Experiences

To further expand NetApp's commitment to engaging students at a young age across the globe in data education and social change, NetApp forged a partnership with the **World's Largest Lesson (WLL)**. WLL is a program of Project Everyone, working with UNICEF and with the support of UNESCO, to empower young students across the world to act for quality education (SDG 4) by applying the power of data.

The Tech for Global Good

To celebrate innovators who use technology to tackle big problems, in 2019 NetApp joined The Tech Interactive's Global Good program. The program honors four laureates annually.

In 2022, NetApp was proud to present the Ushahidi platform as its laureate. Ushahidi allows people anywhere in the world to raise their voices anonymously online and report on events in their communities in real time, including natural disasters, armed uprisings, disease outbreaks, and human rights violations.

"Bringing student voices into the dialogue around how they would like to learn, informed by data, is an important part of our social impact work at NetApp."

— Michelle Mann, Director, Social Impact

With food insecurity on the rise, we consider hunger to be an ongoing crisis. For the last two years, NetApp executives have joined together to raise funds for global humanitarian organizations. At our virtual “Cooking in the Cloud” event, executives cook dishes live, and the event raised nearly $50,000 in FY22.

Rallying Together in Times of Disaster

As a global company, we are concerned about the troubling increase in natural and man-made disasters that could directly affect NetApp’s operations, supply chain, and communities. When disaster strikes, we mobilize to help communities through agencies responding on the ground. Our partners include the Red Cross, Mercy Corps, World Central Kitchen, and more. The pandemic, six natural disasters, and the humanitarian crisis created by the conflict in Ukraine were the focus of our efforts in FY22. Employees volunteer their time and donate financial resources that are matched by corporate funds.

NetApp is committed to fostering a culture of caring and collaboration beyond our business and into the communities where we live and operate. Our employees mobilize as volunteers and give back to diverse causes throughout the year via our NetApp Serves program.

Our Volunteer Time Off (VTO) program offers employees 40 hours of paid time off to support non-profit organizations of their choice. Additionally, our Matching Gifts program matches up to $1,000 in employee donations per year. In FY22, NetApp donated $2.5M through employee and corporate contributions, and 2,685 employees recorded 29,269 volunteering hours. Notably, 229 employees used all 40 of their VTO hours.

In total, NetApp Serves donated $2.5M to charitable causes in FY22, $1M of which came from employee donations.

Governance: Creating Trust

Material Issues

Data privacy and security
Supply chain management
Board oversight
Human rights
Business ethics and compliance
Risk and opportunity oversight

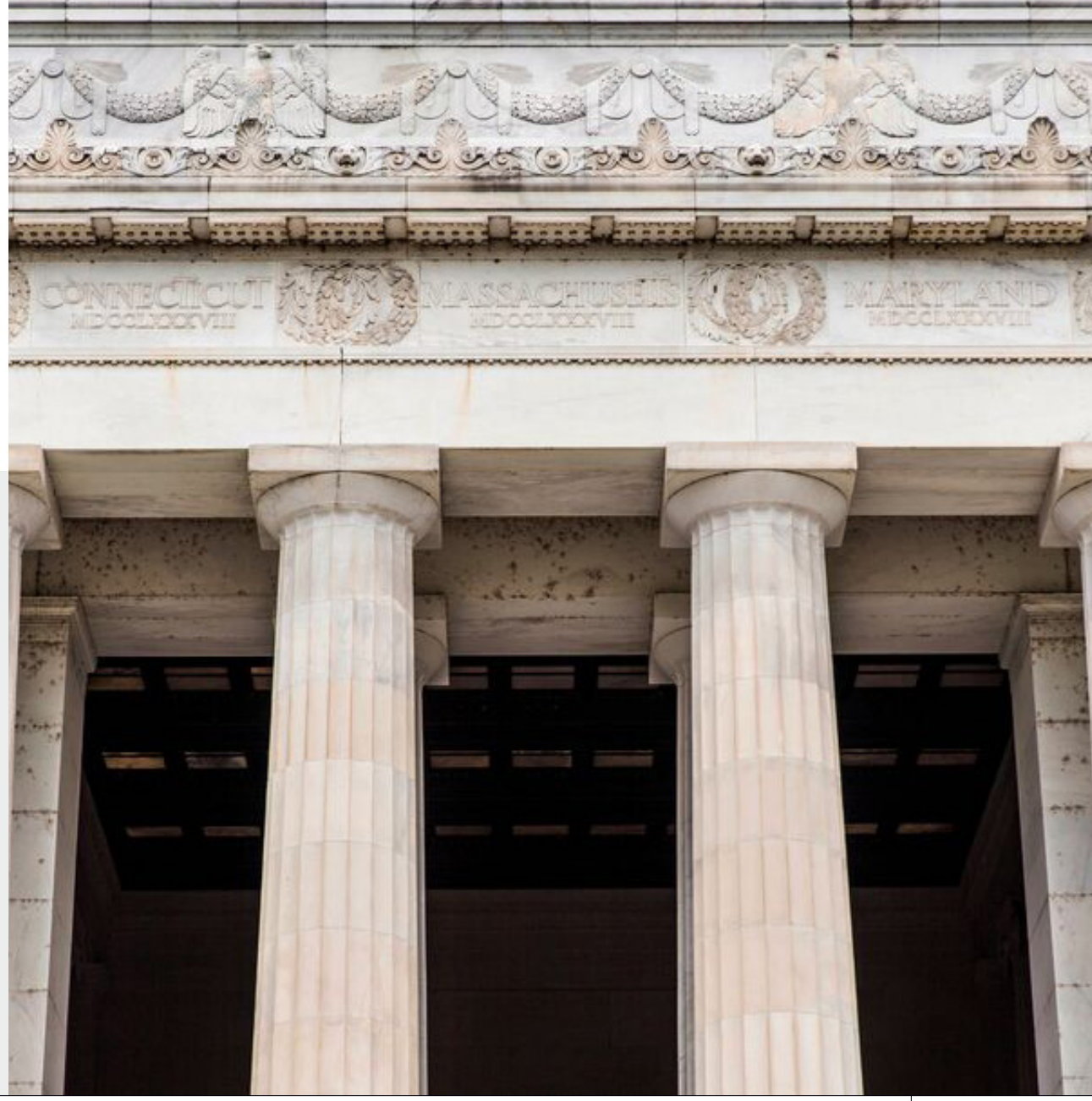
Corporate Governance and Ethics

Our Approach

The ever-present flow of data has powered us from our earliest beginnings in 1992, but throughout this time, our values have kept us grounded.

"Our commitment to putting our customers first and conducting business with integrity is essential to our culture. We also hope to serve as a model for other companies, leading with our business ethics, which has proven to be the commitment that secures our success in this industry."

— Elizabeth O'Callahan, Executive Vice President, Chief Legal Officer, and Corporate Secretary



Leading with Integrity

Because ethics inform how we work, our commitment to strong corporate governance structures, accountability, and transparent engagement with our stakeholders is the foundation of our company culture, business objectives, and success. Our Board of Directors and its committees are responsible for the oversight and **governance** of the company. Our **Corporate Governance Guidelines** outline NetApp's director qualification standards to ensure that each director has high professional and personal ethics, strong leadership skills, and broad-based operational and business expertise. The Board delegates some of its risk management to the following committees:

- **Audit Committee:** The Audit Committee oversees the integrity of financial statements and adequacy of the company's internal controls, reviews various auditing and accounting matters (including the selection of our independent registered public accounting firm), oversees the company's risk management programs, and provides Board-level oversight of our Enterprise Risk Management (ERM) program.
- **Corporate Governance and Nominating Committee:** The Corporate Governance and Nominating Committee reviews corporate governance matters and provides recommendations to the Board, including regarding Board and committee composition, evaluation of candidates for Board membership, director independence, and corporate governance policies, guidelines, and procedures. This committee also provides oversight and periodic review of our ESG programs, policies, and practices, including any feedback received from stockholders.
- **Talent and Compensation Committee:** The Talent and Compensation Committee assists the Board in completing its oversight, evaluation, and approval responsibilities for the compensation policies, plans, and programs for the CEO, executive officers, and non-employee Board members. This committee also oversees the company's human capital management strategy and programs, including talent strategy and key programs related to corporate culture, workforce diversity, inclusion, and belonging, as well as talent acquisition, engagement, development, and retention.

For additional information on the Board of Directors (or its committees) and its responsibilities, refer to our **2022 Proxy Statement**.

In FY22, with approval from the Talent and Compensation Committee, we tied key executive compensation elements to our diversity, inclusion, and belonging objectives. For more information, read our **2022 Proxy Statement**.

"We've gotten serious about one of our core values: building belonging every day. We seek to incorporate diversity everywhere, especially among our highest ranks."

— Debra McCowan, Executive Vice President and Chief Human Resources Officer

Additionally, NetApp's management has its **Executive Risk Committee**, which coordinates and oversees the operations of NetApp's ERM program, including the company's response to risks that could determine our overall strategic goals and business objectives. This committee is comprised of executive management, the ERM risk manager, and leaders from each of the five risk pillars: compliance, operations, strategy, human capital, and finance.

Board of Directors: Refreshment, Independence, and Diversity

Our Board has nine directors, eight of whom are independent (as defined by the U.S. Securities and Exchange Commission (SEC) and the Nasdaq Stock Market, LLC). George Kurian, NetApp's CEO, is the company's only non-independent director. All of NetApp's directors are elected on an annual basis.

At NetApp, we have taken a "top-down, bottom-up" approach when it comes to diversity. NetApp thrives with the proper mix of up-to-date expertise, tenure, and perspectives at its helm. Like our employment and workforce strategy, we have come to learn that diversity of origin, background, know-how, and experience, together with a sense of belonging, foster innovation and success.

Our Board, through delegation to the Corporate Governance and Nominating Committee, regularly evaluates sitting directors and director candidates to ensure our leadership reflects a broad diversity of experience, professions, skills, viewpoints, geographic representation, personal traits, and background. Our Board also evaluates each committee, individual directors, and the Board as a whole, facilitated by an independent third party, to continually assess the Board's effectiveness. Over the last five years, three Board members retired, and we added four new independent directors to the Board, each of whom brings fresh perspectives and experiences. For more information on our Board of Directors, visit our **website**.

To help us bring in new perspectives, our Board diversity in age, race/ethnicity, gender, and tenure guide us in doing business better.

Independence

Independent 8

Non-independent 1

Gender and Racial/Ethnic Diversity

Female Directors 3

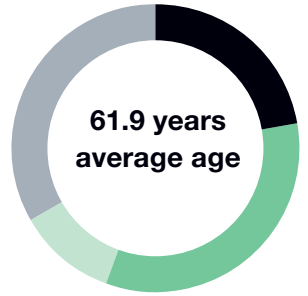
Racially/Ethnically Diverse Directors 2

56% Diverse

Board Refreshment

Over the last 5 years, 4 new directors have joined our Board, and 3 directors have retired.

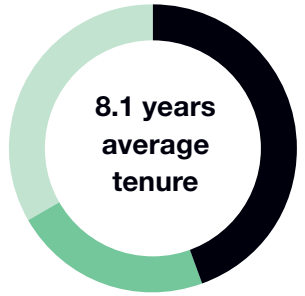
Age



- **2** 50 years and below
- **3** 51-60 years
- **1** 61-70 years
- **3** 70 years and above

As of July 2022

Tenure



- **4** 5 years and below
- **2** 6-10 years
- **3** 11 years and above

ESG Governance

In 2021, we appointed a vice president as our ESG leader, reporting to Executive Vice President, Chief Legal Officer, and Corporate Secretary, Elizabeth O'Callahan. This new ESG role drives the development of our ESG strategy and the implementation of our ESG-related efforts throughout the company. This role also leads our Global Business Conduct Council (GBCC), which has managerial oversight of our ESG program, including strategy, goal setting, and progress reporting. The GBCC is a cross-functional leadership team that includes executives from our finance, human resources, legal, go-to-market, investor relations, internal audit, operations, and engineering teams.

Ethics

We are committed to conducting business honestly, safely, ethically, with integrity, and in full compliance with laws, rules, and regulations applicable to the business. However, it's our people that ensure high standards of ethical conduct, from the Board and management providing a strong tone at the top to each NetApp employee who lives our values every day. We expect every NetApp employee to act with an ownership mindset; they're not just doing business but are part of the business.

Our **Code of Conduct** underlines how we work and make decisions in alignment with our values. Our Code is extensive and detailed, but it can be abridged simply: do the right thing, the right way, for the right reasons, wherever we have a presence.

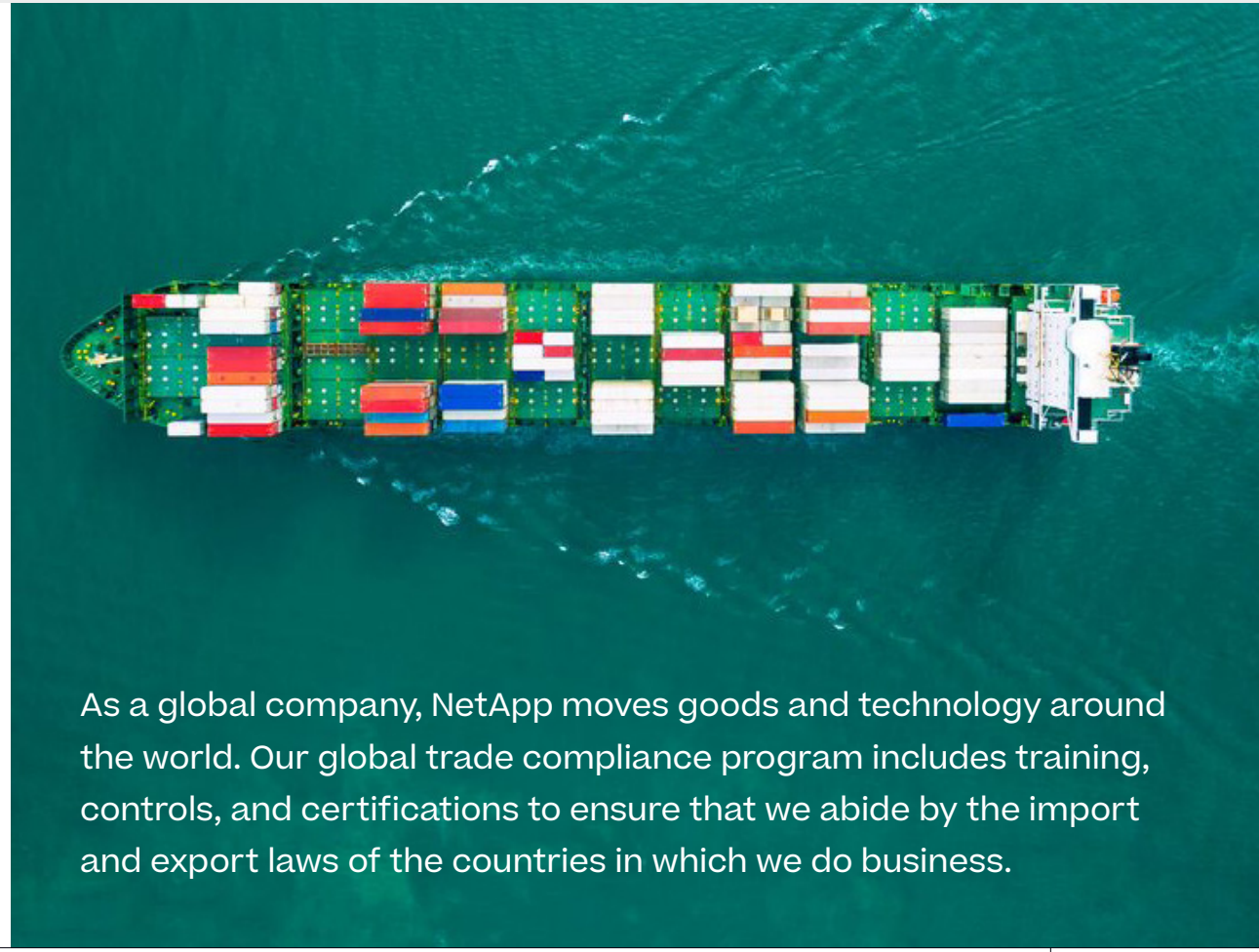
Our Code applies to everyone who works at NetApp, including all directors, officers, and employees globally. As part of our onboarding process, all new hires are required to complete a Code of Conduct course that covers a variety of topics:

- **Antibribery and anti-corruption**
- **Data privacy and security**
- **Diversity and anti-discrimination**
- **Human rights**
- **Speaking up**

NetApp takes a serious stand against corruption. Even a charitable or political contribution could be considered a bribe if offered by us or on our behalf to influence decisions. Therefore, we strictly prohibit political contributions of any kind made by or on behalf of NetApp.

Considering emerging trends, technological developments, and the fast-paced nature of our industry, the Code of Conduct course evolves each year to reflect our key priorities and the changing environment in which we operate. Recognizing this, each year, we require all employees to take training on and recertify their compliance with NetApp's Code of Conduct.

We take our commitment to our values and to operating in an ethical and legal manner seriously. The success of our commitments depends on our employees' making decisions that are consistent with our values, the law, our Code, and our policies. At NetApp, we have an open-door policy that encourages employees to report any concern that they feel should be addressed to their manager, their HR business partner, or anyone at higher levels of management. We also have our Compliance Hotline, available 24/7 for employees – or any third party – to report concerns. It is operated by an independent reporting service that allows our team to speak up at any time. To further encourage our speak-up mentality, NetApp has a policy of non-retaliation against anyone who reports concerns in good faith.



As a global company, NetApp moves goods and technology around the world. Our global trade compliance program includes training, controls, and certifications to ensure that we abide by the import and export laws of the countries in which we do business.

Data Privacy and Security

Our Approach

Our customers trust us with their most valuable asset – data – and we take this seriously. Data is at the heart of what we do. It's not only our business but drives our strategy and decisions.

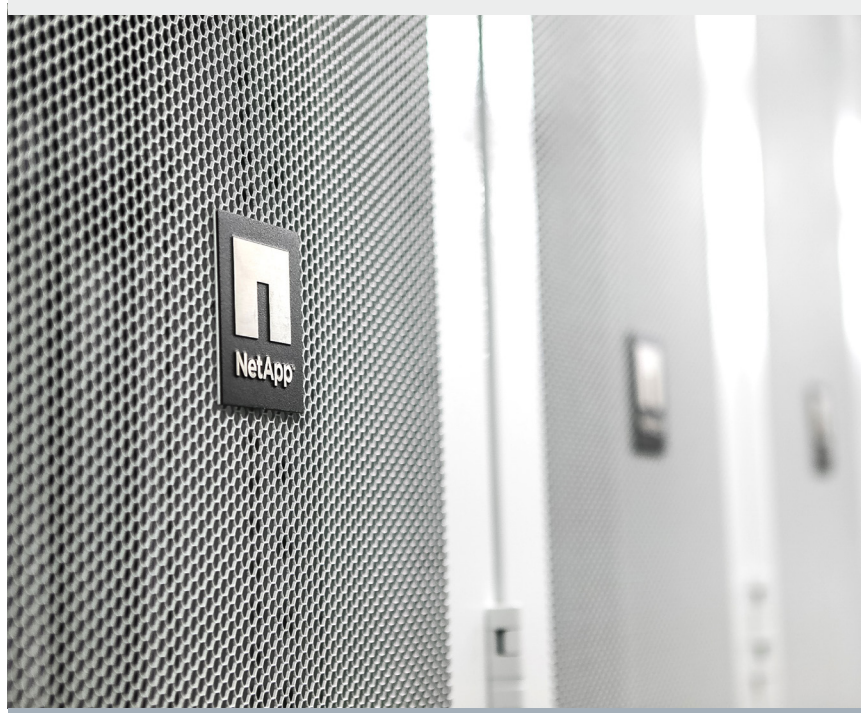
NetApp is the preeminent hybrid cloud data authority. We earned this reputation by faithfully protecting and securing our customers' data through strict regulatory compliance and industry-leading practices. We've always strived to exceed client privacy and security expectations while simultaneously delivering rich, deeply relevant experiences.

Backed by corporate policies, procedures, and standards, our comprehensive approach to data privacy and security gives customers control over the collection, use, and storage of their data. We offer technology that empowers our customers to protect the privacy of their employees, partners, and customers and that adheres to a full roster of national and international data security standards – but our journey to do better is never over.

Through self-assessment and rigorous audits by independent, accredited third parties, NetApp upholds our long-term, ongoing commitment to comply with an ever-evolving set of global and regional data security and privacy requirements.

These audits confirm that our products and services adhere to standards such as **ISO/IEC 27001, the GDPR, NIST SP 800-171, and the Common Criteria**. Furthermore, they demonstrate our integration of internationally recognized processes and best practices into our business, enabling customers to use our products and services, regardless of their compliance needs.

We deal with data. We store it. We deliver it. We protect it. Sounds simple, but it's a lot of responsibility.



Every year, NetApp employees complete updated information security training.

Empowering Digital Transformation Through Trust

Our **Trust Center** is a one-stop source of clear and concise information describing how we secure customer information and protect individual privacy. The Trust Center also explains the security policies and procedures that govern the management of our systems and our customers' data.

NetApp follows global best practices and relevant laws that apply to data storage, transmission, and processing. Concern for our customers and their data is at the center of each of our plans and actions. We test security measures, including encryption, authentication and authorization controls, data loss prevention, and patch management.

"Trust is the foundation of our relationships with our customers, partners, shareholders, regulators, and employees. Transparency about our products, services, and processes is essential to ensuring the strength of that foundation. NetApp is committed to building and maintaining trust in these important relationships."

— Elizabeth O'Callahan, Executive Vice President, Chief Legal Officer, and Corporate Secretary

NetApp was one of the first companies to file **Binding Corporate Rules** (BCRs) to govern the transfer of data from the European Union to other countries. BCRs require a comprehensive data privacy and security program, from training and governance to audits.

Protecting Privacy

Embracing a growth mindset, one of our core values, requires adaptability. Operating in an evolving legal environment with ever-increasing cybersecurity threats means we're in a constant race to improve our privacy and data security practices.

Privacy Champions

Our efforts to embed data privacy and security in the culture of NetApp never cease. We developed the NetApp **Privacy Champions Program** as part of this ongoing endeavor. Since 2020, it has become central to our corporate privacy operations.

The Privacy Champions Program provides a cross-functional, bottom-up, business-driven team that creates a culture where we can quickly recognize and address privacy compliance and data governance opportunities. Our Privacy Champions are rigorously trained to provide expertise, answer front-line privacy-related questions, identify issues, and collaborate with other experts to solve them. The program began with a pilot group in the U.S. Its continued success has allowed us to expand coverage to global operations in FY22, which will continue in FY23.

Successful deliverables, such as the Privacy Champions Program, emerge from internal trials that allow us to scrutinize a product thoroughly before offering it to the global market. We use our own operations to demonstrate industry-leading capabilities in data protection. Our in-house business processes have been designed to comply with global best practices in data privacy and security, and our internal privacy policy details how we collect or observe information through a variety of contexts.

NetApp holds itself accountable to physical, logical, process, and management controls throughout our business.

This is demonstrated by the certification of NetApp information security management systems to **ISO/IEC 27001:2013** by an independent auditor. ISO 27001 compliance helps NetApp maintain an information security management system that manages risk and meets information security objectives with policies, procedures, and controls that maintain the confidentiality, integrity, and availability of information; it also helps meet legal, regulatory, statutory, and contractual obligations. In FY22, NetApp's in-scope products and services met all controls defined by ISO 27001:2013.

Ensuring Data Security

At NetApp, data security is the foundation on which privacy and compliance are built. At a minimum, we abide by the requirements of data security laws that outline reasonable security measures for storing, transmitting, and processing data. We also apply the practice of data minimization – a fundamental data security principle that asserts that organizations should not collect or hold more personal information than is necessary and that data should be deleted when no longer needed for authorized purposes. Through this practice, compliance complexity is reduced, and data is protected against harm in the unlikely event of a security breach.

We are deeply committed to protecting the security and privacy of our customers and employees in the event of a breach. If any security events transpire, NetApp's Security Operations Center, our Chief Privacy and Data Protection Officers, and other senior executives are all prepared to provide timely and transparent notification. Affected parties receive notice regarding the data exposed, NetApp's response to the incident, the recommended steps to take, and where to locate additional information. Taking action to protect data and being transparent with our stakeholders is part of putting the customer at the center.

NetApp products and services are audited regularly against the **Service Organization Controls (SOC 2)** (AT Section 101) standard by an independent certified public accounting firm and services auditor. In FY21, an independent third-party auditor affirmed that NetApp in-scope cloud and managed services achieved SOC 2 Type 1 and Type 2 reports based on applicable Trust Services criteria.

NetApp fully acknowledges the extreme importance of data privacy and security, and we continue to fortify the digital protections that we offer. The transfer of our business and customer data to an increasingly cloud-based platform offers further enhancements to our security profile while merging with more sustainable technology.

Supply Chain Management

Our Approach

Putting the customer at the center requires us to work closely with a variety of stakeholders, including our suppliers. The overall integrity of our global supply chain is critical to the timely and uncompromised delivery of NetApp products to our customers and the market.

As identified in our materiality assessment, supply chain management is a high-priority issue for our stakeholders, as well as a key aspect of NetApp's risk management approach. Managing supply chain risk is a multifaced strategy—we analyze our suppliers through the lens of human rights, environment, social issues, health and safety, diversity, cost, and more.

To address several of our identified risks, we've collaborated with our suppliers on the development and implementation of NetApp's Business Continuity Program. As part of this comprehensive initiative, we conduct criticality surveys of our vital resources and processes. These efforts have enabled us to avoid major negative impacts on our supply chain or delivery commitments.

Supplier Screening

We expect suppliers at every link in our supply chain to comply with all applicable laws and observe the ethical business practices outlined in our own Code of Conduct. We actively evaluate our suppliers and strive to continuously enhance the ethics and performance assessments that we administer. Furthermore, NetApp Global Procurement Services employees directly engaged with sourcing and selecting suppliers are required to complete the course, "Modern Slavery in the Supply Chain."

In addition to employee training, we conduct reputational screenings following NetApp's Partner Risk Assessment and Due Diligence (PRADD) process, which includes reviews for bribery, trade sanctions, fraud, and other risk factors. In FY22, we vetted 100% of our strategic suppliers with this process and found they were in full compliance in each of these areas of concern.

Strengthening Our Supply Chain

We're only as strong as our weakest link. That's why we've taken action to strengthen our supply chain with the implementation of our **Supplier Code of Conduct**, which details our business conduct expectations. Suppliers who adopt the Code agree to operate in full compliance with the laws, rules, and regulations of the countries in which they operate and with the integrity that NetApp demands. The Code establishes the parameters regarding human rights, discrimination, safe working conditions, compliance with environmental regulations, and overall business integrity. It also encourages our partners and internal stakeholders to go beyond legal compliance, drawing upon internationally recognized standards to advance social and environmental responsibility and business ethics.

NetApp is also an active member of the Responsible Business Alliance (RBA), which establishes standards to ensure that working conditions in the technology industry – or industries in which technology is a key component – and its supply chains are safe, that workers are treated with respect and dignity, and that business operations are environmentally responsible and conducted ethically.

To comply with international labor and human rights standards, we follow the guidelines defined by the **RBA Code of Conduct**. Additionally, we continue to support the principles established under the **U.N. Universal Declaration of Human Rights** and expect suppliers to share this commitment.

Though we encourage all NetApp suppliers to observe the practices described by our Supplier Code of Conduct, some first-tier suppliers must adhere to it.

Our **Slavery and Human Trafficking Statement** is publicly available to our stakeholders, including suppliers, and describes how we promote human rights and transparency across our supply chain.

Based on the RBA Code of Conduct framework, NetApp's Supplier Code of Conduct expands on the principles behind five main subjects:

- Labor practices
- Environment
- Management systems
- Health and safety
- Ethics

Proper implementation of the strategies described in the RBA Code of Conduct Management Systems section is crucial to successfully incorporating our Supplier Code of Conduct. These systems provide a means for confirming compliance with all applicable laws and regulations and help ensure that suppliers conform to the entire Code. They also facilitate continuous improvement by equipping participants with methods for identifying and mitigating operational risks.

Systems integrating self-assessments, risk management, worker feedback, the external RBA Validated Audit Process, documentation, and prescribed corrective actions empower suppliers to discover and resolve issues, thereby verifying the integrity of their operations.

Supplier Diversity and Risk Management

NetApp recognizes diversity as an asset in all contexts, including our supply chain. We seek a diversity of ownership among the suppliers with whom we do business. We regularly partner with veteran-, minority-, and women-owned businesses of all sizes and with companies with representation from disabled or otherwise disadvantaged communities.

The choice to diversify our supplier base is also strategic from a risk management perspective. Because disruptions to our supply chain and production schedules would present market risk, NetApp's Business Continuity Plan and Enterprise Risk Management process prepare our global safety, security, and supply chain teams for any unforeseen incidents that could negatively affect our operations.

For example, climate-related occurrences such as extreme weather events, natural disasters, and regulatory changes, expose our supply chain to certain risks depending on the global region. To mitigate these risks, we have suppliers and contract manufacturers positioned in the Americas, Europe, the Middle East, Africa, and the Asia-Pacific region that have the capacity to balance production if one or more geographic areas become significantly affected.

Conflict Minerals

In compliance with the **U.S. Dodd-Frank Financial Wall Street Reform and Consumer Protection Act of 2010** and other SEC regulations, NetApp files a public disclosure (Form SD) with the SEC on an annual basis that outlines our assessment of our suppliers' use of conflict minerals.

We actively participate in the **Responsible Minerals Initiative (RMI)** and have conducted a Reasonable Country of Origin Inquiry (RCOI) on our supply base. As outlined in our **Conflict Minerals Policy**, we source our minerals from socially responsible suppliers and cooperate with regular reviews, surveys, and audits to ensure that our supply chain complies with conflict minerals regulations.

Appendix

NetApp is determined to accelerate progress across the technology industry, so we're transparent when it comes to our ESG activities. To track and benchmark global sustainability, we share our annual climate and water impact data with CDP, publish our ESG performance indicators in this report, and align our disclosures with the Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB), and Task Force on Climate-Related Financial Disclosures (TCFD).

Forward-Looking Statements / Disclaimers

Our ESG goals, projects, plans, targets, and expectations are long-term, directional and aspirational and, by their nature, include forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements provide current expectations of future events based on certain assumptions and include any statement that does not directly relate to any historical or current fact. Forward-looking statements also can be identified by words such as “will,” “should,” “intend,” “expect,” “estimate,” “believe,” “could,” “project,” “target,” or other similar words or expressions. Forward-looking statements in this report may include, but are not limited to: statements regarding our ESG goals, projects, plans, metrics, affiliations, pledges, commitments, and strategies. By their nature, they are based upon current plans, estimates, and expectations that are subject to risks, uncertainties, and assumptions. As such, no guarantees or assurances are made that they will be achieved or successfully executed. Additionally, the ESG data, statistics, and metrics included herein, unless otherwise specifically indicated, are non-audited estimates, were not prepared in accordance with U.S. generally accepted accounting principles (GAAP), have not been externally assured, continue to evolve, and may be based on assumptions believed to be reasonable at the time of preparation but should not be considered guarantees. The information provided herein is based in part on information from third-party sources that we believe to be reliable but which has not been independently verified by us, and we do not represent that the information is accurate or complete. Except to the extent required by applicable law, we undertake no obligation to publicly update or revise any forward-looking statement in this report, whether as a result of new information, future events, or otherwise.

This report may also use certain terms, including those that the GRI Standards and Guidelines or other reporting frameworks refer to as “material” topics, to reflect the issues of greatest importance to us and our stakeholders. Used in this context, these terms are distinct from, and should not be confused with, the terms “material” and “materiality” as defined by or construed in accordance with securities law or as used in the context of financial statements and reporting.

NetApp 2022 GRI Standards

Statement of use
NetApp has reported in accordance with the GRI Standards for the period May 1, 2021 to April 29, 2022.

GRI 1 used
GRI 1: Foundation 2021

Applicable GRI Sector Standard(s)
None.

GRI Standard	Indicator	Description	Response
GENERAL DISCLOSURES			
GRI 2: General Disclosures 2021	2-1	Organizational details	NetApp, Inc. Headquartered in San Jose, California, USA We have operations in North America, Europe, Asia, and Australia. Offices in 28 countries
			2022 Form 10-K, p. 6-9
	2-2	Entities included in the organization's sustainability reporting	NetApp discloses its global operating facilities in this report as well as other publicly disclosed documents, such as the Form 10-K. Manufacturing facilities are contracted and thus not included in this report.
	2-3	Reporting period, frequency, and contact point	This report, published in November 2022, provides information for the fiscal year ending April 29, 2022. The sustainability reporting period aligns with the financial reporting period. We publish our ESG Report annually. For any questions regarding the Report or our ESG information, please contact us using the address below: **NetApp, Inc., 3060 Olsen Drive, San Jose, CA 95128** **Attention: Legal Department**
	2-4	Restatements of information	There have been no significant changes in locations of operations, share capital structure, or capital formation.
	2-5	External assurance	We have not received external assurance for this report.
	2-6	Activities, value chain and other business relationships	2022 Form 10-K, p. 9
	2-7	Employees	12,000; NetApp has no material part-time workforce.
			2022 Form 10-K, p. 6 & 12
			NetApp 2022 Performance Data Table, p. 82-83

NetApp 2022 GRI Standards

GRI Standard	Indicator	Description	Response
GENERAL DISCLOSURES *(continued)*			
GRI 2: General Disclosures 2021	2-8	Workers who are not employees	In addition to full time employees, NetApp employs 5,627 contract workers.
	2-9	Governance structure and composition	Leading With Integrity, p. 48
			Our Board of Directors and its committees are responsible for the oversight and governance of the company and these values. As such, NetApp reviews the directors to ensure the board is comprised of individuals with the highest professional and personal ethics. Each director has broad experience at the policy-making level in business, education, and/or technology. Our Corporate Governance Committee oversees and periodically reviews the company's environmental, social and governance ("ESG") programs, policies and practices, including in light of any feedback received from shareholders of the Company. For more information on our Board of Directors and our Board committees, please review our Corporate Governance here. (**https://investors.netapp.com/corporate-governance**)
	2-10	Nomination and selection of the highest governance body	**Nomination Committee Charter**
	2-11	Chair of the highest governance body	**Board of Directors**
			2022 Proxy Statement, p. 23
	2-12	Role of the highest governance body in overseeing the management of impacts	Leading with Integrity, p. 48-49
	2-13	Delegation of responsibility for managing impacts	**2022 Proxy Statement, p. 23-24** Leading with Integrity, p. 48-49
			2022 Proxy Statement, p. 23-27

NetApp 2022 GRI Standards

GRI Standard	Indicator	Description	Response
GENERAL DISCLOSURES *(continued)*			
GRI 2: General Disclosures 2021	2-14	Role of the highest governance body in sustainability reporting	Our Corporate Governance Committee oversees and periodically reviews the company's environmental, social and governance ("ESG") programs, policies and practices, including in light of any feedback received from shareholders of the Company. For more information on our Board of Directors and our Board committees, please review our Corporate Governance here. (https://investors.netapp.com/corporate-governance) In 2021, we appointed a vice president as our sustainability leader, reporting to Executive Vice President, Chief Legal Officer, and Corporate Secretary Elizabeth M. O'Callahan. This role drives the development of our ESG strategy and the implementation of our ESG-related efforts throughout the company. This role also leads our Global Business Conduct Council (GBCC), which has managerial oversight of our ESG program, including strategy, goal setting, and progress reporting.
			2022 Proxy Statement, p. 24
	2-15	Conflicts of interest	Code of Conduct, p. 19
	2-16	Communication of critical concerns	Code of Conduct, p. 8-9
	2-17	Collective knowledge of the highest governance body	2022 Form 10-K, p. 13
			2022 Proxy Statement, p. 14-19
	2-18	Evaluation of the performance of the highest governance body	2022 Proxy Statement, p. 28
			Nomination Committee Charter
	2-19	Remuneration policies	2022 Proxy Statement, p. 30-37
	2-20	Process to determine remuneration	2022 Proxy Statement, p. 30-37
	2-21	Annual total compensation ratio	The ratio of CEO total compensation to median employee total compensation is 91:1. Further information on this is found in our 2022 Proxy Statement, p. 72.
	2-22	Statement on sustainable development strategy	CEO Message, p. 4

NetApp 2022 GRI Standards

GRI Standard	Indicator	Description	Response
GENERAL DISCLOSURES *(continued)*			
GRI 2: General Disclosures 2021	2-23	Policy commitments	Our Commitment to ESG, p. 10
			Corporate Governance
			Our Trust Center is a one-stop source of clear and concise information describing our policy commitments and how we secure customer information and protect individual privacy.
	2-24	Embedding policy commitments	**Code of Conduct**
	2-25	Processes to remediate negative impacts	Governance, p. 46
			Code of Conduct
	2-26	Mechanisms for seeking advice and raising concerns	**Code of Conduct, p. 8-9**
	2-27	Compliance with laws and regulations	The Code of Conduct is a guide that helps us meet our obligations to our stakeholders while staying compliant with the law and our own policies. In the last five years, NetApp has zero reported instances of material non-compliance and legal fines or monetary losses with regards to sales channel partner compliance, government contracting, anti-bribery and corruption, global trade compliance, data protection and governance, product compliance, anti-trust and competition laws, and global labor laws and human rights.
	2-28	Membership associations	Industry associations: Information Technology Industry Council (ITI), Computing Technology Industry Association (CompTIA), Professional Services Council (PSC), Silicon Valley Leadership Group (SVLG), Federal Budget IQ, Albright Stoneridge Group, Digital Europe, TechNet, US-China Business Council, Storage Networking Industry Association (SNIA)
	2-29	Approach to stakeholder engagement	Our Stakeholders, p. 9
	2-30	Collective bargaining agreements	**2022 Form 10-K, p. 12**

NetApp 2022 GRI Standards

GRI Standard	Indicator	Description	Response
MATERIAL TOPICS			
GRI 3: Material Topics 2021	3-1	Process to determine material topics	In 2022, NetApp hired a third-party expert to conduct an in-depth analysis on our environmental, social, and governance material risks and opportunities. After reviewing this assessment, NetApp has internally begun to address these risks.
			Our Commitment to ESG, p. 11
	3-2	List of material topics	Our Commitment to ESG, p. 11
ECONOMIC PERFORMANCE			
GRI 3: Material Topics 2021	3-3	Management of material topics	2022 Form 10-K
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	NetApp 2022 Performance Data Table, p. 80
			2022 Form 10-K, p. 31
GRI 201: Economic Performance 2016	201-2	Financial implications and other risks and opportunities due to climate change	2022 Form 10-K
			TCFD Index, p. 84-89
			CDP 2022 Response
ENERGY MANAGEMENT			
GRI 3: Material Topics 2021	3-3	Management of material topics	Sustainable Operations, p. 21
GRI 302: Energy 2016	302-1	Energy consumption within the organization	NetApp discloses its energy use in the Performance Data Table, p. 81, however, it does not currently disclose the fuel consumption data as it accounts for less than 2% of our global energy mix and is not considered material.
GRI 302: Energy 2016	302-4	Reduction of energy consumption	Energy Management, p. 22

NetApp 2022 GRI Standards

GRI Standard	Indicator	Description	Response
GHG EMISSIONS			
GRI 3: Material Topics 2021	3-3	Management of material topics	Beginning in 2021, we have elevated oversight of environmental sustainability to the board level. NetApp complies with all applicable legal, customer, and other requirements to prevent pollution and minimize environmental impacts of our activities, products, and services through continuous improvement of our Environmental Management System (EMS). Our EMS provides the framework for us to set, monitor, and continuously improve our environmental objectives. In addition to this, NetApp has been tracking its GHG emissions internally for over 10 years and has disclosed its data to CDP.
			Ambitious and Attainable: Our Decarbonization Strategy, p. 19
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	NetApp 2022 Performance Data Table, p. 81
GRI 305: Emissions 2016	305-2	Energy indirect (Scope 2) GHG emissions	NetApp 2022 Performance Data Table, p. 81
GRI 305: Emissions 2016	305-3	Other indirect (Scope 3) GHG emissions	NetApp 2022 Performance Data Table, p. 81
GRI 305: Emissions 2016	305-4	GHG emissions intensity	NetApp 2022 Performance Data Table, p. 81
GRI 305: Emissions 2016	305-5	Reduction of GHG emissions	NetApp 2022 Performance Data Table, p. 81

NetApp 2022 GRI Standards

GRI Standard	Indicator	Description	Response
WASTE MANAGEMENT			
GRI 3: Material Topics 2021	3-3	Management of material topics	Waste Management, p. 23
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	NetApp has identified e-waste as having a significant waste-related impact. Throughout our product lifecycle, e-waste is produced. The nature of e-waste (electronic equipment no longer in use due to displacement or replacement) can have a significant negative impact on the environment if it's not managed well. NetApp has taken the initiative to track and reduce its e-waste generation over the past years. Our Performance Data on page 81 discloses the annual e-waste generation and handling. While e-waste is identified as a significant waste-related impact, NetApp continues to search for ways to reduce other waste.
GRI 306: Waste 2020	306-2	Management of significant waste-related impacts	E-waste is a significant waste product for us – from our own office center and lab operations as well as from downstream sources at end of life. In FY22 NetApp partnered with a new global e-waste provider to manage the collection and processing of e-waste and we have enhanced the management of employees' e-waste, as well as our Product Take Back Program for customers. We continue to work towards better capture, analysis, and disclosure of our data. Please review the Performance Data for more information.
GRI 306: Waste 2020	306-4	Waste diverted from disposal	In FY22, NetApp continued to focus its efforts in diverting e-waste from landfills and this information can be found in the data tables in the Performance Data section. While this has been our focus, we continue to work toward better capture, analysis, and disclosure of our data.
GRI 306: Waste 2020	306-5	Waste directed to disposal	In FY22, NetApp continued to focus its efforts on diverting e-waste from landfills, and this information can be found in the data tables in the Performance Data section. While this has been our focus, we continue to work toward better capturing, analyzing, and disclosing our data related to waste from our office operations globally.

NetApp 2022 GRI Standards

GRI Standard	Indicator	Description	Response
MATERIAL SOURCING			
GRI 3: Material Topics 2021	3-3	Management of material topics	NetApp is committed to shrinking the volume of waste sent to landfills, not only in our own operations, but also in the fulfillment of our products to our customers. In 2021, a packaging engineer was hired, and significant work has been done to research more sustainable types of packaging for our products, so that more sustainable materials are used in the packaging and so there is greater opportunity for the customer to utilize "curbside" recycling for all of our packaging. We also reduce waste by combining shipments, and reusing wooden material where possible.
			Waste Management, p. 23
GRI 301: Materials 2016	301-1	Materials used by weight or volume	For FY22, NetApp had incomplete data to allow accurate disclosure of this information. We continue to work toward better capture, analysis, and disclosure of our data.
PRODUCT DESIGN, EFFICIENCY, AND LIFECYLE			
GRI 3: Material Topics 2021	3-3	Management of material topics	Waste Management, p. 23
GRI 301: Materials 2016	301-2	Recycled input materials used	For FY22, NetApp had incomplete data to accurately disclose this information. We continue to work toward better capture, analysis, and disclosure of our data.
TRAINING AND EDUCATION			
GRI 3: Material Topics 2021	3-3	Management of material topics	Developing Tomorrow's Talent, p. 33
GRI 404: Training and Education 2016	404-2	Programs for upgrading employee skills and transition assistance programs	Developing Tomorrow's Talent, p. 33-36
GRI 404: Training and Education 2016	404-3	Percentage of employees receiving regular performance and career development reviews	Part of NetApp's employee engagement strategy has been to transition performance reviews to quarterly conversations between employees and their managers. These conversations offer an opportunity to provide feedback on employee performance, career development goals and progess, impact, and growth potential. In FY22, 84% of our employees participated in quarterly conversations with their managers.

NetApp 2022 GRI Standards

GRI Standard	Indicator	Description	Response
DIVERSITY, INCLUSION, AND BELONGING			
GRI 3: Material Topics 2021	3-3	Management of material topics	At NetApp, we're proud to foster an environment that celebrates our differences, authenticity, and individuality as strengths. We're not just a company of products, but of people, all working together in the spirit of collaboration and mutual growth. We fully embrace and advance a diverse, inclusive global workforce. We see diverse talent as central to our future success and prioritize hiring and retaining women and underrepresented minorities globally.
			Employee Diversity, Inclusion, and Belonging, p. 37
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	NetApp 2022 Performance Data Table, p. 82-83
			2022 Proxy Statement, p. 13
			NetApp 2021 EEO-1 Diversity Report
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	Due to confidentiality, NetApp does not report details regarding specific incidents of discrimination during the reporting period.
EMPLOYEE HEALTH AND SAFETY			
GRI 3: Material Topics 2021	3-3	Management of material topics	Our benefits program is designed to improve our employees' physical, financial, and emotional well-being.
			Employee Health and Safety, p. 40-41
GRI 401: Employment 2016	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employee Health and Safety, p. 40-41
			NetApp Benefits
GRI 403: Occupational Health and Safety 2018	403-6	Promotion of worker health	Employee Health and Safety, p. 40-41

NetApp 2022 GRI Standards

GRI Standard	Indicator	Description	Response
COMMUNITY ENGAGEMENT			
GRI 3: Material Topics 2021	3-3	Management of material topics	NetApp and Social Impact, p. 42
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	NetApp and Social Impact, p. 42
GRI 413: Local Communities 2016	413-2	Operations with significant actual and potential negative impacts on local communities	We do not have operations with significant actual or potential negative impacts on local communities.
ETHICS AND COMPLIANCE			
GRI 3: Material Topics 2021	3-3	Management of material topics	Our values are the foundation of our Code of Conduct. These values reflect our culture and our commitment to doing things the right way, for the right reasons, and everywhere we operate. This Code enables us to live our values and meet our obligations to our stakeholders — employees, customers, shareholders, partners, and communities. By living our values every day, we foster an environment of mutual trust and respect and advance a reputation of integrity. Our Code applies to everyone who works at NetApp, including all directors, officers, and employees. We also expect our partners, service providers, customers, suppliers, vendors, and contractors to work ethically and in a manner that is consistent with the standards in our Code and our policies. Ethics, p. 51 Code of Conduct
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	NetApp assesses 100% of its operations for risks related to corruption. NetApp has a dedicated compliance team that regularly evaluates risks related to corruption. Additionally, on a quarterly basis, the Enterprise Risk Management (ERM) program addresses any potential corruption risks identified by the compliance team.

NetApp 2022 GRI Standards

GRI Standard	Indicator	Description	Response
GRI 205: Anti-corruption 2016	205-2	Communication and training about anti-corruption policies and procedures	All employees are required to complete a Code of Conduct course upon hire and then annually. The course evolves to address key priorities, which may include topics such as anti-bribery and anti-corruption. In addition, selected groups of employees based on job function undergo specific anti-corruption training every two years.
GRI 205: Anti-corruption 2016	205-3	Confirmed incidents of corruption and actions taken	NetApp cannot report on this topic due to confidentiality constraints.
SUPPLY CHAIN MANAGEMENT			
GRI 3: Material Topics 2021	3-3	Management of material topics	Our Supplier Code of Conduct is aligned with the RBA Code of Conduct and implements its key sections, including workers' rights and noncompliance reporting. We encourage and, in some cases require, our first-tier suppliers to adhere to the RBA Code of Conduct. Supply Chain Management, p. 57-58 **Supplier Code of Conduct**
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	100% of strategic suppliers are screened through the PRADD process, which includes labor/human rights violations.
GRI 414: Supplier Social Assessment 2016	414-2	Negative social impacts in the supply chain and actions taken	100% of strategic suppliers are screened through the PRADD process, which includes labor/human rights violations. The process includes continuous monitoring.

NetApp 2022 GRI Standards

GRI Standard	Indicator	Description	Response
HUMAN RIGHTS			
GRI 3: Material Topics 2021	3-3	Management of material topics	Code of Conduct
GRI 408: Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	Code of Conduct, p. 50
GRI 409: Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Code of Conduct, p. 50
GRI 410: Security Practices 2016	410-1	Security personnel trained in human rights policies or procedures	NetApp uses a third-party vendor for all onsite safety and security teams. In addition to the requirement to take NetApp's annual Code of Conduct training, the third-party vendor also provides and requires training specifically for "harassment and retaliation prevention" and "bribery, corruption, financial misconduct & conflict of interest" for 100% of teams.
GRI 412: Human Rights	412-1	Operations that have been subject to human rights reviews or impact assessments	To proactively manage its modern slavery awareness program, NetApp has performed a global modern slavery risk assessment in the current fiscal year (FY23) focusing on its organization structure and operations and its supply chain. This information is unavailable for previous years. The overall risk profile of NetApp has been evaluated at medium level, based on region, value and sector risk levels.
GRI 412: Human Rights	412-2	Employee training on human rights policies or procedures	Corporate Governance and Ethics training are provided to our employees include: • Code of Conduct. • Anti-corruption. • Anti-discrimination and harassment prevention. • Data privacy. • Modern slavery in supply chains. • Human rights. • Protection of confidential information. New hires receive all compliance-related training.

NetApp 2022 GRI Standards

GRI Standard	Indicator	Description	Response
GRI 412: Human Rights	412-2		NetApp Global Procurement Services (GPS) employees directly engaged with sourcing and selecting suppliers are required to complete the course “Modern Slavery in the Supply Chain”.
			Code of Conduct
GRI 412: Human Rights	412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	NetApp's Code of Conduct clearly outlines our support of the United Nations Universal Declaration of Human Rights and prohibits the employment of underage children, forced labor, and human trafficking, as well as any form of physical punishment and abuse. We expect suppliers throughout our global supply chain to share our commitment to the same high standards. We produce a slavery and human trafficking statement each fiscal year that outlines the steps we take to promote human rights and transparency in our supply chains. This statement is made publicly available to all our stakeholders, including suppliers. Additionally, new contracts ask our suppliers to comply with the Supplier Code of Conduct, which includes RBA standards around human rights. NetApp also screens our suppliers through a due diligence process called PRADD, which includes human rights checks. 100% of strategic suppliers have undergone this process, with some suppliers completing the process based on certain criteria.
DATA PRIVACY AND SECURITY			
GRI 3: Material Topics 2021	3-3	Management of material topics	Data privacy and security are foundational to NetApp’s business and align with our values of respect, integrity, and building a model company. We believe privacy and security practices based on these values lead to greater trust (with customers and all stakeholders).
			Data Privacy and Security, p. 53
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Our customers trust us with their most valuable digital asset –data –and we take this seriously, as data is at the heart of what we do. Through self-assessment and rigorous audits by independent, accredited third parties, NetApp upholds our long-term, ongoing commitment to comply with an ever-evolving set of global and regional data security and privacy requirements. For customers, partners, and stakeholders who want to know how we secure client information and protect individual privacy, our Trust Center is a one-stop source of clear and concise information. Due to confidentiality reasons, NetApp does not disclose the number of complaints, identified privacy breaches, or data losses.

NetApp 2022 SASB Index

SASB Sustainability Accounting Standards 2018*

SASB Code	Accounting or Activity Metric	FY22 Cross-Reference, Omissions, and Explanation
HARDWARE		
PRODUCT SECURITY		
TC-HW-230a.1	Description of approach to identifying and addressing data security risks in products	NetApp follows secure development principles throughout our product development lifecycle. We expand and improve on our secure-development programs on a continuing basis. As a part of our standard procedures, we implement secure design principles, developer training, and extensive testing programs.
		Details regarding NetApp's product security can be found at https://Security.NetApp.com.
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.	NetApp's 2022 Performance Data Table, p. 82-83
PRODUCT LIFECYCLE MANAGEMENT		
TC-HW-410a.1	Percentage of products by revenue that contain IEC 62474 declarable substances	100% of NetApp's products contain IEC 62474 declarable substances.
TC-HW-410a.2	Percentage of eligible products, by revenue, meeting the requirements for EPEAT registration or equivalent	Since EPEAT does not have a standard for storage systems, EPEAT registration is not applicable to NetApp products.
TC-HW-410a.3	Percentage of eligible products, by revenue, meeting ENERGY STAR® criteria	Approximately 30% of NetApp's FY22 hardware revenue came from products sold meeting the requirements for ENERGY STAR® certification.
TC-HW-410a.4	Weight of end-of-life products and e-waste recovered, percentage recycled	NetApp's 2022 Performance Data Table, p. 81

**NetApp's 2022 ESG Report applies the 2018 version of the Hardware Sustainability Accounting Standard;"2018" refers to the Standards issue date, not the date of information presented in this report.*

NetApp 2022 SASB Index

SASB Sustainability Accounting Standards 2018*

SASB Code	Accounting or Activity Metric	FY22 Cross-Reference, Omissions, and Explanation
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	NetApp did not conduct any RBA VAP audits in FY22 because none of NetApp's major suppliers that are RBA members and who completed the Self Assessment Questionnaire ("SAQ") scored as "high risk" on the SAQ.
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 nonconformances and (b) other non-conformances	NetApp did not conduct any RBA VAP audits in FY22 because none of NetApp's major suppliers that are RBA members and who completed the Self Assessment Questionnaire ("SAQ") scored as "high risk" on the SAQ.
MATERIALS SOURCING		
TC-HW-440a.1	Description of the management of risks associated with the use of critical materials	NetApp does not directly source critical materials, although our component parts may contain critical materials. NetApp files a Specialized Disclosure form for conflict minerals to the Securities and Exchange Commission (SEC) on an annual basis. This filing identifies the smelters responsible for processing any tin, tantalum, tungsten, and gold in the components that NetApp buys.
ACTIVITY METRICS		
TC0103-A//TC-HW-000.A	Number of units produced by product category (Quantitative—Number)	NetApp's 2022 Performance Data Table, p. 79
TC0103-B // TC-HW-000.B	Area of manufacturing facilities (Quantitative—Square feet (ft^2))	Because NetApp outsources manufacturing to third parties, this metric is not applicable.
TC0103-C // TC-HW-000.C	Percentage of production from owned facilities (Quantitative—Percentage (%))	Because NetApp outsources manufacturing to third parties, this metric is not applicable.

**NetApp's 2022 ESG Report applies the 2018 version of the Hardware Sustainability Accounting Standard;"2018" refers to the Standards issue date, not the date of information presented in this report.*

NetApp 2022 Performance Data

Product Portfolio Performance

	FY22	FY21	FY20
PRODUCT QUANTITY BOOKED			
Cloud Data Services			
AltaVault	0	1	4
Cloud Infrastructure			
NetApp Hybrid Cloud Infrastructure (HCI)	1,936	4,463	7,154
SolidFire All Flash Array (AFA)	1,079	963	3,837
STORAGEGRID	8,398	7,996	6,190
Storage Systems and Software			
All Flash FAS (AFF)	24,366	22,944	20,344
E-Series Hybrid	25,701	21,674	22,238
EF-Series	1,295	1,315	1,279
FAS Hybrid	31,278	27,726	29,245

NetApp 2022 Performance Data

Economic Performance

	FY22	FY21	FY20
FINANCIAL PERFORMANCE (MILLIONS, USD)			
Revenue			
Product	$3,284	$2,991	$2,995
Services	$3,034	$2,753	$2,417
Net revenue	$6,318	$5,744	$5,412
Cost of Revenues			
Cost of product	$1,554	$1,432	$1,368
Cost of services	$544	$497	$421
Total cost of revenues	$2,098	$1,929	$1,789
Profit			
Gross profit	$4,220	$3,815	$3,623
Operating Expenses			
Sales and marketing	$1,857	$1,744	$1,585
Research and development	$881	$881	$847
General and administrative	$279	$257	$263
Restructuring charges	$33	$42	$21
Acquisition-related expense	$13	$16	-
Gain on sale or derecognition of assets	—	($156)	($38)
Total operating expenses	$3,063	$2,784	$2,678
Income			
Net income	$937	$730	$819
COMMUNITY INVESTMENT (MILLIONS, USD)			
Total donations	$2.50	$3.00	$2.00

NetApp 2022 Performance Data

Environmental Performance

	FY22	FY21	FY20
ENERGY (KWH)			
Total energy consumption[1]	193,516,657	193,647,549	201,562,327
Total for largest energy consuming locations	169,363,894	167,051,858	173,611,475
Bangalore	16,914,810	16,757,820	17,417,042
Wichita	18,916,280	18,430,019	19,003,037
Sunnyvale & San Jose	22,959,189	25,917,138	29,025,677
Research Triangle Park (RTP)	110,573,615	105,946,881	108,165,719
GREENHOUSE GAS EMISSIONS (METRIC TONS CO_2E)[2]			
Total absolute emissions	1,066,434	124,285	157,925
Scope 1	2,182	2,359	4,677
Scope 2	44,983	61,146	91,525
Scope 3	1,019,269	60,780	61,723
GHG emissions intensity (metric tons CO_2e / total revenue)[3]	0.000007	0.000011	0.000018
WATER USE (MEGALITERS)			
Total water withdrawal	164	194	244
Total water consumption	140	164	200
Total water discharge	24	30	44
ELECTRONIC WASTE (E-WASTE) (LBS)			
Total e-waste processed	804,687	970,526	1,003,069
Total e-waste recovered	798,006	965,931	997,539
Recycling	736,061	897,337	964,608
Resale	51,909	54,958	32,931
Return to Service	10,036	13,636	—
Total e-waste sent to landfill	6,681	4,595	5,530
Landfill diversion rate for e-waste	<1%	<1%	<1%

Footnotes

[1] Includes electricity only.

[2] NetApp only includes CO_2 in the calculation of Scope 1, 2, and 3 emissions.

[3] The GHG emissions intensity calculation includes Scope 1, 2, and 3 emissions.

NetApp 2022 Performance Data

Governance Performance

	FY22	FY21	FY20
GENDER COMPOSITION OF GLOBAL WORKFORCE AND BOARD OF DIRECTORS			
Total Global Workforce	**12,177**	**11,218**	**10,967**
Male	9,255	8,489	8,421
Female	2,922	2,728	2,545
Unknown	—	1	1
Board of Directors	9	9	7
Male	6	6	5
Female	3	3	2
Total Global Workforce — Age Breakdown			
18-19	5	—	—
20-30	1,832	—	—
30-40	3,615	—	—
40-50	3,385	—	—
50+	3,340	—	—

NetApp 2022 Performance Data

Governance Performance

ETHNIC COMPOSITION OF U.S. WORKFORCE[1]	2021	2020	2019
American Indian or Alaska Native			
Total	**0.2%**	**0%**	**0%**
Male	0.1%	0%	0%
Female	0.3%	0%	0%
Black			
Total	**5%**	**4%**	**4%**
Male	4%	4%	3%
Female	7%	6%	5%
White			
Total	**64%**	**65%**	**65%**
Male	67%	67%	68%
Female	55%	56%	55%
Hispanic or Latino			
Total	**5%**	**5%**	**5%**
Male	5%	5%	5%
Female	6%	6%	6%
Asian			
Total	**23%**	**25%**	**24%**
Male	22%	22%	22%
Female	29%	31%	32%
Two or more races			
Total	**2%**	**1%**	**2%**
Male	1%	2%	2%
Female	2%	1%	2%
Native Hawaiian/Pacific Islander			
Total	**0.3%**	**0%**	**0%**
Male	0.3%	0%	0%
Female	0.2%	0%	0%

Footnote

[1] These data are collected each year and do not follow NetApp's fiscal year.

NetApp 2022 TCFD Index

Task Force on Climate-Related Financial Disclosures

GOVERNANCE	
Describe the board's oversight of climate-related risks and opportunities.	NetApp has a board-level Governance and Nominating Committee that provides oversight of its environment, social, and governance (ESG) program, policies, and practices. The Governance and Nominating Committee approved NetApp's FY22 ESG goals, including three related to environmental sustainability. Throughout the year, the Governance and Nominating Committee reviews progress toward those goals, ESG strategy, and the annual ESG report. The Governance and Nominating Committee is a sub-set of the Board with 3 external members. NetApp's board-level Audit Committee receives regular briefings from its Executive Risk Committee regarding the risks relating to the company's business and operations, including climate-related risks. In the event that a significant issue arises, the Audit Committee may bring that risk and its mitigation plans before NetApp's full Board of Directors. For more details on the governance of climate-related issues, please review our **CDP disclosure**.
Describe management's role in assessing and managing climate-related risks and opportunities.	NetApp maintains a robust Enterprise Risk Management (ERM) Program and Policy. NetApp's ERM Program has two governing bodies – the Audit Committee and the Executive Risk Committee (ERC). The ERC is the coordinating body that oversees NetApp's response to risks that could impact NetApp's ability to achieve its overarching strategic goals, as well as its underlying business objectives. The ERC consists of selected members from each of the five risk pillars (strategic, operational, financial, compliance, and human capital – Vice President/Executive Vice President level, cross-functional membership), members of Executive Management, and the ERM Risk Manager. Individual Risk Owners share their function's top risks with the ERC every quarter. The ERC has clearly defined categories of risk, including moderate, major, and catastrophic. If the risk is significant, the board is informed at the Annual Audit Committee Meeting or even sooner, if necessary. The ERC is responsible for accountability and oversight of our ERM process in the following areas: (1) Identifying climate-related risks; (2) Ownership for identification of climate-related risks; (3) Approval of risk mitigation strategies and resource allocations to manage risks as appropriate; (4) Ensuring stakeholders are adequately informed about the long-term, risk-adjusted business strategy; and (5) Escalation of significant risks and risk events to the Board. NetApp's Risk Manager holds a central role in coordinating ongoing global ERM program activities. The life cycle of our enterprise risk program includes steps to identify, assess, decide, act, respond, recover, and monitor individual risks related to climate. NetApp has a governance structure in place to address climate change. If a significant climate-related risk is identified, the Executive Risk Committee would inform the board. The Risk Committee and Risk Manager would provide detailed information to the board about the risk/incident and the timeline for response and next steps. For more detailed information on the management of climate-related risks and opportunities, please visit the **CDP website**.

NetApp 2022 TCFD Index

Task Force on Climate-Related Financial Disclosures

STRATEGY

Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	2022 10-K, pp. 19, 27-28 NetApp has a process for identifying, assessing, and responding to climate-related risks and opportunities. The short-, medium-, and long-term time horizons are defined as 0 to 2 years, 2 to 5 years, and 5 to ten years. Our process is the same for all time horizons, though we would escalate response and mitigation if there is a short-term substantive risk that needs to be addressed. Business units from all across the company take part in the risk management process and updating of the risk register, and all stages of the value chain are covered (upstream with our contract manufacturers, downstream for our logistics and fulfillment of products), and for our own direct operations at offices/labs/data centers located throughout the world. Additionally, this year NetApp worked with a third-party expert to help identify potential ESG materiality risks for the company. The ESG Materiality Assessment identified key risks for NetApp to understand and manage. A detailed description of the climate-related risks and opportunities is found in our CDP submission. We also address climate change risks in our SEC 10K filings. NetApp has identified the following risks: emerging regulations/enhanced emissions-reporting obligations, chronic and acute physical risks (climate change risk), market risk including supply chain management/material sourcing, and reputational risk. NetApp has identified the following opportunities: development of new products and services through R&D and innovation, procurement of renewable energy for facilities' electricity sources, and moving to more energy-efficient buildings/labs.

NetApp 2022 TCFD Index

Task Force on Climate-Related Financial Disclosures

STRATEGY (continued)

Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	As enterprise data centers continue to migrate to the cloud, NetApp is uniquely positioned in this market transformation, and it has become an integral part of NetApp's long-term strategic planning. The benefit of the migration to the cloud is that data centers in locations that have significant risk to climate change can transition to data centers that are in locations that have less risk to climate change. The market opportunity is tremendous – and current growth in the cloud market is greater than $100B. NetApp is uniquely positioned with our Data Fabric Product strategy to increase market share significantly and increases our opportunity as customers use the cloud as part of their climate change risk mitigation. NetApp's portfolio of Data Fabric products is not directly marketed as low-carbon products. However, the efficiency gains of higher utilization and improved optimization of IT infrastructure and data management systems are in effect going to contribute to customers' GHG reduction. This would be nearly impossible to quantify due to the proprietary nature of our customers' data management. We require that our contract manufacturers throughout the world have business continuity plans in place in case of natural disaster. We have diversified our supply chain to be able to pivot as necessary if there is a natural disaster in a specific area that affects production. Our main contract manufacturers are located in each of the three main geos (Americas, EMEA, APAC), and should there be a major, disruptive event in one location, the other two could pick up the workload and help meet customer requirements. Our long-term strategy is focused on ensuring that our labs/data centers use energy efficiently, future facilities are designed to green building standards (LEED), and our products are as or more energy efficient compared to other storage products. The first part of this long-term strategy is evaluating lab and data center energy consumption through metering and other means. Climate-related risks have influenced NetApp's direct cost planning due to the increase in temperature. We use outside air to cool our data centers and labs. We purchase less electricity when we are able to use outside air to cool because the chilled water plant can be turned off, eliminating the energy necessary to run chillers, pumps, and cooling tower fans. Rising temperatures mean less time will be available where temperatures are conducive to using outside air cooling. Therefore, we must forecast an increase in spending on purchased electricity. In addition, we continue to look into opportunities to invest in acquisitions that enable our customers to transition to the cloud, optimize their cloud performance and optimize their use of computing power. Over time, this will enable customers to store more data, with less energy usage and fewer GHG emissions. We also expect our revenue generated from hybrid and cloud sales to increase over time, and that forecast is taken into account as we build our financial plans. [CDP Climate Change Response 2022, Section C3.3, p. 23-25]

NetApp 2022 TCFD Index

Task Force on Climate-Related Financial Disclosures

STRATEGY (continued)	
Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Specific climate change-related scenario analysis is being considered to inform our business strategy in the future. This year NetApp hired a third-party expert to conduct an ESG materiality assessment for our company and its operations. The results have been reviewed internally and we anticipate incorporating many of the findings into our ESG strategy over the next few years.
	We have an extensive Enterprise Risk Management (ERM) program through which climate risks can be addressed. Our robust Business Continuity Plan ensures we have geographic resilience in our supply chain, operations, and human capital (Americas, APAC, EMEA). Our Environmental Management System (EMS) provides us the framework for setting, monitoring, and continuously improving our environmental goals and objectives, helping to mitigate potential risks. More details on the management of climate-related scenarios and risks are found in the **CDP disclosure**.
RISK MANAGEMENT	
Describe the organization's processes for identifying and assessing climate-related risks.	Functional executives are assigned as Risk Owners and they are charged with identifying any new risks to NetApp's achievement of objectives. SWOT analysis, review of megatrends, and changes to the regulatory environment are potential sources of information that may yield risks. To ensure each risk is evaluated consistently, NetApp uses risk likelihood and risk impact measurement criteria to evaluate the raw risk score for each risk. NetApp then determines the effectiveness of the controls to develop a residual risk score. For more information on the scoring system please review the **CDP disclosure**. After the risks are assessed and prioritized, the Risk Owner and/or Risk Liaisons will prepare a recommendation on how to treat the risk for decision at the appropriate level.
Describe the organization's processes for managing climate-related risks.	NetApp believes in being proactive rather than reactive and is able to foresee climate-related risks and mitigate these risks by placing necessary procedures and processes in place. Extreme weather events caused by climate change (storms, droughts) could affect our supply chain. However, our suppliers have been diversified to a point where the impact is mitigated. Our key suppliers and contract manufacturers are located in all three geographies (Americas, EMEA, APAC). If one location were impacted due to any man-made or natural disaster, the other two locations could pick up the workload and help meet our customers' requirements. Our Business Continuity Plan prepares NetApp for any unforeseen incidents and reduces potential financial and strategic impacts.
	CDP Climate Change Response 2022, Section C2.2, p. 10-13

NetApp 2022 TCFD Index

Task Force on Climate-Related Financial Disclosures

RISK MANAGEMENT (continued)

Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	Risks identified at the enterprise level are managed in accordance with the processes set forth in this table and in our **CDP disclosure**. Our Committees and Board members meet regularly to discuss these risks, including with the applicable Risk Owners, and the management or mitigation of such risks. For more information, please review our CDP submission. In 2022, backed by our Board of Directors, NetApp is actively pursuing a series of milestones en route to substantial carbon emissions reductions by the year 2030. The strategy is multifaceted, targeting Scope 1, 2, and 3 emissions. To achieve a science-aligned 42% reduction of Scope 1 and 2 emissions by 2030, we plan to continue to focus on including renewable energy procurement contracts and programs at our Wichita, Bangalore, and San Jose sites. We will develop a supplier engagement strategy to address Scope 3 reduction goals. In some cases, managing risks has led NetApp to innovative business opportunities. As enterprise data centers continue to migrate to the cloud, NetApp is uniquely positioned in this market transformation. The benefit of the migration to the cloud is that data centers in locations that have significant risk of climate change can transition to data centers in locations with less risk of climate change. NetApp is uniquely positioned with our Data Fabric product strategy to increase market share significantly and increases our opportunity as customers use the cloud as part of their climate change risk mitigation. NetApp's portfolio of Data Fabric products is not directly marketed as low-carbon products. However, the efficiency gains of higher utilization and improved optimization of IT infrastructure and data management systems are, in effect, going to contribute to customers' GHG reduction. Additionally, NetApp's All Flash Fabric-attached storage (AFF) is our data storage system that utilizes solid-state flash drives in place of traditional spinning disk drives. The NetApp AFF configuration reduces the size of IT data storage equipment and avoids GHG emissions by reducing the energy the IT equipment uses to perform the same task if using a different solution. We invest in research and development related to the sustainability of our products and many of our data storage products are ENERGY STAR® 2.0 certified. Additionally, our long-term strategy (5+ years) is focused on ensuring our labs and data centers use energy efficiently. Future facilities are designed to green building standards (LEED), and our products are as or more energy efficient than others' storage products. **CDP Climate Change Response 2022, Section C1.1 & 1.2, p. 3-7**

NetApp 2022 TCFD Index

Task Force on Climate-Related Financial Disclosures

METRICS AND TARGETS	
Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	Performance Data, p. 81
	NetApp measures Scope 1, 2, and 3 emissions in metric tons of CO_2e. Our Scope 2 emissions are solely electricity purchased. We use data provided by each utility where we purchase electricity directly from the supplier. To calculate our Scope 3 emissions, we collected energy and emissions data from our two largest contract manufacturing partners. NetApp does not manufacture the products it sells, so emissions from our contract manufacturing partners are relevant to Scope 3 sources. This year, NetApp included its product lifetime emissions ("use of sold products") in its Scope 3 reporting.
Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	Performance Data, p. 81
	NetApp discloses Scope 1, 2, and 3 emissions, as well as information regarding reduction targets and plans.
Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	In 2017, as part of our corporate strategy to reduce energy, we set out to reduce electricity consumption in North America by 20% within five years compared to the base year of 2016. The electricity consumed by our North American operations constitutes approximately 70% of Scope 2 emissions. We have reduced Scope 2 emissions in this category by 36,800 tCO_2e, meeting over 226% of the goal within five years. The largest impact to the reduction was the relocation and consolidation of our lab and data center equipment to more efficient facilities which reduced the overall energy consumed. In 2022, backed by our senior leadership and Board of Directors, we set a new absolute target using the baseline year of FY20 — to reduce Scopes 1 & 2 emissions by 42% by 2030. This target is aligned with climate science and we plan to continue to focus on including renewable energy procurement contracts and programs at our Wichita, Bangalore, and San Jose sites. We plan to achieve a 50% intensity reduction for Scope 3 and will be implementing a supplier engagement program. For more information please read about our decarbonization strategy on page 19.

NetApp

3060 Olsen Drive
San Jose, CA 95128
United States

netapp.com