

NETGEAR Supplier Code of Conduct

- A. **PURPOSE** NETGEAR, Inc. is committed to the highest standards of business ethics and corporate social responsibilities. This Supplier Code of Conduct is established to ensure that working conditions in our supply chain are safe, that workers are treated with respect and dignity, and that manufacturing processes are environmentally and socially responsible.
- B. **SCOPE** This Supplier Code of Conduct is based on the fundamental principle that a business, in all of its activities, must operate in full compliance with the laws, rules and regulations of the countries in which it operates. This Code also encourages Suppliers to go beyond legal compliance, drawing upon the highest internationally recognized standards, in order to advance social and environmental responsibility and business ethics.
- C. **REFERENCES** NETGEAR, Inc. is endorsing and modeling upon its Code portions of the Responsible Business Alliance (RBA) as documented below. Other standards were also used as references in preparing the Code and may be a useful source of additional information.

D. DEFINITIONS

For the purpose of this document,

- a. Supplier(s) means any company, corporation or other organization that may design, market, manufacture, provide, sell and/or seek to sell goods and services to NETGEAR, Inc., including their employees, agents, contracted labor and other representatives. “Supplier(s)” includes but is not limited to Original Design Manufacturers (ODM), Joint Design Manufacturers (JDM) or Contract Manufacturers (CM) to whom NETGEAR, Inc. outsources its manufacturing activities, software licensors, and logistics service providers.
- b. A Participant means a participating member of the RBA.
- c. A Labor Agent means labor brokers who help to recruit workers for suppliers or a labor dispatching agent who provides contractors as workers for suppliers.

E. CODE OF CONDUCT

a. LABOR

Suppliers should be committed to respect and uphold the human rights of workers, and to treat them with dignity. This applies to all workers including temporary, migrant, student, contract, direct employees, and any other type of worker.

The Labor standards include:

- **Freely Chosen Employment** - Forced, bonded or indentured labor, involuntary or exploitative prison labor, slavery or trafficking of persons is not permitted. There shall be no unreasonable restrictions of workers' freedom of movement in the facility and company-provided facilities including, if applicable, workers' dormitories or living quarters. All workers must be provided with a written employment agreement in their native language that contains the terms and conditions of employment. Foreign migrant workers must receive the employment agreement prior to the worker departing from his or her country of origin, and there shall be no substitution or change(s) allowed in the employment agreement upon arrival in the receiving country unless these changes are made to meet local law and provide equal or better terms. All work must be voluntary, and workers shall be free to terminate their employment any time without penalty if reasonable notice is given per contract. Employers, agents and sub-agents may not hold employees' identity or immigration documents, unless required by law. Workers shall not be required to pay recruitment or other aggregate fees for their employment. All fees charged to workers must be disclosed and repaid.
- **Young Workers** - Child labor is not to be used in any stage of manufacturing. The term "child" refers to any person under the age of 15, or under the age for completing compulsory education, or under the minimum age for employment in the country, whichever is the greatest. Suppliers should implement an appropriate mechanism to verify the age of workers. The use of legitimate workplace learning programs, which comply with all laws and regulations, is supported. Workers under the age of 18 shall not perform work that is likely to jeopardize the health or safety of young workers, including night shifts and overtime. Suppliers shall ensure proper management of student workers and provide appropriate support and training to all student workers. In the absence of local law, the wage rate for young workers shall be at least the same wage rate as other entry-level workers performing equal or similar tasks.
- **Working Hours** – Working hours are not to exceed the maximum set by local law. A workweek should not be more than 60 hours per week, including overtime, except in emergency or unusual situations. All overtime must be voluntary. Workers shall be allowed at least one day off per seven-day week.
- **Wages and Benefits** - Compensation paid to workers shall comply with all applicable wage laws, including those relating to minimum wages, overtime hours and legally mandated benefits. In compliance with local laws, workers shall be compensated for overtime at pay rates greater than regular hourly rates.

Deductions from wages as a disciplinary measure shall not be permitted. For each pay period, workers shall be provided with a timely and understandable wage statement that includes sufficient information to verify accurate

compensation for work performed. All use of temporary, dispatch and outsourced labor will be within the limits of the local law.

- **Humane Treatment** - The Suppliers' disciplinary policies and procedures shall be clearly defined and communicated to workers. There is to be no harsh and inhumane treatment, including violence, sexual harassment, sexual abuse, corporal punishment, mental or physical coercion or verbal abuse of workers, nor is there to be the threat of any such treatment.
- **Non-Discrimination** - Suppliers should be committed to a workforce free of harassment and unlawful discrimination. Companies shall not engage in discrimination based on race, color, age, gender, sexual orientation, gender identity and expression, ethnicity or national origin, disability, pregnancy, religion, political affiliation, union membership, covered veteran status, protected genetic information or marital status in hiring and employment practices such as wages, promotions, rewards, and access to training. Workers shall be provided with reasonable accommodation for religious practices. In addition, workers or potential workers should not be subjected to medical tests that could be used in a discriminatory way.
- **Freedom of Association** – In conformance with local law, suppliers are to respect the rights of workers to form and join trade unions of their own choosing, to bargain collectively and to engage in peaceful assembly as well as respect the rights of workers to refrain from such activities. Workers shall be able to openly communicate with management regarding working conditions and management practices without fear of discrimination, reprisal, intimidation or harassment.

b. HEALTH AND SAFETY

NETGEAR recognizes that a safe and healthy work environment enhances the quality of products and services, consistency of production and worker retention and morale. Suppliers should provide a safe and healthy work environment to all workers.

The health and safety standards include:

- **Occupational Safety** – Worker potential for exposure to potential health and safety hazards (e.g., chemical, electrical and other energy sources, fire, vehicles, and falling hazards etc.) are to be identified, assessed and controlled through proper design, engineering and administrative controls, preventative maintenance and safe work procedures (including lockout/tagout), and ongoing safety training. Where hazards cannot be adequately controlled by these means, workers are to be provided with appropriate, well-maintained, personal protective equipment and educational materials about risks to them associated with these hazards. Workers shall not be disciplined for raising safety concerns and shall have the right to refuse unsafe working conditions without fear of reprisal until management adequately addresses their concerns. Reasonable steps must also be taken to remove pregnant women/nursing mothers from working condition with high hazards, remove or reduce any workplace health and safety risks to pregnant women and nursing mothers including those associated with their work assignments, as well as include reasonable accommodations for nursing mothers.

- **Emergency Preparedness** – Potential emergency situations and events are to be identified and assessed, and their impact minimized by implementing emergency plans and response procedures, including: emergency reporting, employee notification and evacuation procedures, worker training and drills, appropriate fire detection and suppression equipment, clear and unobstructed emergency exits and recovery plans. Such plans and procedures shall focus on minimizing harm to life, the environment and property. Emergency drills must be executed at least annually or as required by local law, whichever is more stringent.
- **Occupational Injury and Illness** - Procedures and systems are to be in place to prevent, manage, track and report occupational injury and illness, including provisions to: a) encourage worker reporting; b) classify and record injury and illness cases; c) provide necessary medical treatment; d) investigate cases and implement corrective actions to eliminate their causes; and e) facilitate return of workers to work.
- **Industrial Hygiene** - Worker exposure to chemical, biological and physical agents is to be identified, evaluated, and controlled according to the hierarchy of controls. Potential hazards are to be eliminated or controlled through proper design, engineering and administrative controls. When hazards cannot be adequately controlled by such means, workers are to be provided with and use appropriate, well maintained, personal protective equipment. Protective programs shall include educational materials about the risks associated with these hazards.
- **Physically Demanding Work** - Worker exposure to the hazards of physically demanding tasks, including manual material handling and heavy or repetitive lifting, prolonged standing and highly repetitive or forceful assembly tasks is to be identified, evaluated and controlled.
- **Machine Safeguarding** - Production and other machinery shall be evaluated for safety hazards. Physical guards, interlocks and barriers are to be provided and properly maintained where machinery presents an injury hazard to workers.
- **Sanitation, Food and Housing** – Workers are to be provided with ready access to clean toilet facilities, potable water and sanitary food preparation, storage, and eating facilities. Worker dormitories provided by the Suppliers and/or labor agents are to be maintained clean and safe, and provided with appropriate emergency exits, hot water for bathing and showering, adequate lighting, heat and ventilation, individually secured accommodations for storing personal and valuable items, and reasonable personal space along with reasonable entry and exit privileges.
- **Health and Safety Communication** – Workers are to be provided with appropriate health and safety information and training, in the language of the workers or in a language that workers can understand, for all identified workplace hazards that workers are exposed to, including but not limited to mechanical, electrical, chemical, fire and physical hazards. Health and safety related information shall be clearly posted in the facility or placed in a location identifiable and accessible by workers. Workers shall be encouraged to raise safety concerns without retaliation.

c. ENVIRONMENT AND SUSTAINABILITY

NETGEAR recognizes that environmental responsibility is integral to producing world class products. Suppliers should minimize adverse effects on the community, environment and natural resources while safeguarding the health and safety of the public in manufacturing operations.

The environmental standards include:

- **Environmental Permits and Reporting** - All required environmental permits (e.g. discharge monitoring), approvals and registrations are to be obtained, maintained and kept current and their operational and reporting requirements are to be followed.
- **Pollution Prevention and Resource Reduction** – Emissions and discharges of pollutants and generation of waste are to be minimized or eliminated at the source or by practices such as adding pollution control equipment; modifying production, maintenance and facility processes; or by other means. The use of natural resources, including water, fossil fuels, minerals and virgin forest products, is to be conserved or by practices such as modifying production, maintenance and facility processes, materials substitution, re-use, conservation, recycling or other means.
- **Hazardous Substance** - Chemical and other materials posing a hazard to humans or to the environment are to be identified, labelled and managed to ensure their safe handling, movement, storage, use, recycling or reuse and disposal.
- **Solid Waste** –Suppliers shall implement a systematic approach to identify, manage, reduce, and responsibly dispose of or recycle solid waste (non-hazardous).
- **Air Emissions** – Air emissions of volatile organic chemicals, aerosols, corrosives, particulates, ozone depleting chemicals and combustion by-products generated from operations are to be characterized, routinely monitored, controlled and treated as required prior to discharge. Suppliers should conduct routine monitoring of the performance of its air emission control system, and ensure compliance with local regulations.
- **Materials Restrictions** – Suppliers are to adhere to all applicable laws, regulations and customer requirements regarding the prohibition or restriction of specific substances in products and manufacturing, including labeling for recycling and disposal. In additions, Suppliers are to adhere to all environmental requirements specified by NETGEAR.
- **Water Management** – Suppliers shall implement a water management program that documents, characterizes, and monitors water sources, use and discharge; seeks opportunities to conserve water; and controls channels of contamination. All wastewater is to be characterized, monitored, controlled, and treated as required prior to discharge or disposal. Suppliers shall conduct routine monitoring of the performance of its wastewater treatment and

containment systems to ensure optimal performance and regulatory compliance.

Energy Consumption and Greenhouse Gas Emissions – Suppliers shall track and document energy consumption and all relevant Scopes 1 and 2 greenhouse gas emissions at the facility and/or corporate level. Suppliers are to look for cost-effective methods to improve energy efficiency and to minimize their energy consumption and greenhouse gas emissions.

d. ETHICS

NETGEAR values and emphasizes ethics when conducting businesses with all our partners. Suppliers and their agents must uphold the highest standards of ethics within their operations and in the general marketplace.

The ethics standards include, but are not limited to:

- **Business Integrity** – The highest standards of integrity are expected in all business interactions. Any forms of corruption, extortion and embezzlement are strictly prohibited.
- **No Improper Advantage** - Suppliers must be in compliance with the Foreign Corrupt Practices Act (FCPA), UK Bribery Act and any applicable anti-corruption laws and regulations of the countries in which they operate. Bribes or other means of obtaining undue or improper advantage are not to be promised, offered, authorized, given or accepted. This prohibition extends to immediate family members of employees in both Suppliers and NETGEAR. In addition, Suppliers should have monitoring, record keeping, and enforcement policies and procedures to ensure compliance with anti-corruption laws.
- **Disclosure and Privacy of Information** – All business dealings should be transparently performed and accurately reflected on Suppliers' business books and records. Suppliers must disclose information regarding their labor, health and safety, environmental practices, business activities, structure, financial situation and performance in accordance with applicable regulations, prevailing industry practices and any agreed upon non-disclosure agreement between Suppliers and NETGEAR. In addition, Suppliers should have policies and procedures in place to ensure the safeguard of confidential information. Falsification of records and/ or misrepresentation of conditions or practices in the supply chain are unacceptable.
- **Intellectual Property** – Suppliers must respect intellectual property rights and customer information privacy. Any transfer of technology and know-how must be done in a manner that protects intellectual property rights.
- **Fair Business, Advertising and Competition** – Standards of fair business, advertising and competition are to be upheld. Collusive bidding, price fixing, and any other unfair business practices in violation of laws and regulations are strictly prohibited.
- **Protection of Identity and Non-Retaliation** – Programs that ensure the protection of a whistleblower's identity are to be maintained. Suppliers should not allow retaliation against workers who utilize the whistleblower programs and/or

follow this Code in good faith. In addition, Suppliers should notify NETGEAR promptly should there be any known or suspected improper behavior by employees of either NETGEAR or Suppliers relating to business with NETGEAR. Detailed contact information can be found here: <https://www.netgear.com/about/corporate-social-responsibility/ethics/whistleblower-protection/>

- **Responsible Sourcing of Minerals** – Suppliers shall have a policy to reasonably assure that the tantalum, tin, tungsten and gold in the products they manufacture to reasonably assure that they are sourced in a way consistent with the Organisation for Economic Co-operation and Development (OCED) Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas or an equivalent and recognized due diligence framework.. Suppliers shall exercise due diligence on the source and chain of custody of these minerals and comply with the NETGEAR Conflict Minerals Policy.
- **Privacy** – Suppliers are to commit to protecting the reasonable privacy expectations of personal information of everyone they do business with, including suppliers, customers, consumers and employees. Suppliers are to comply with privacy and information security laws and regulatory requirements, such as General Data Protection Regulation (GDPR) and California Consumer Privacy Act (CCPA) as applicable, when personal information is collected, stored, processed, transmitted, and shared.

e. MANAGEMENT SYSTEMS

Suppliers must adopt or establish a management system designed to ensure compliance with this Code and proportional to the individual Supplier's profile. The management system shall be designed to ensure a) compliance with applicable laws, regulations and customer requirements related to the Suppliers' operations and products; b) conformance with this Code; and c) identification and mitigation of operational risks related to this Code. It should also facilitate continual improvement.

The management system should include the following elements:

- **Company Commitment** – Corporate social and environmental responsibility policy statements affirming the Supplier's commitment to compliance and continual improvement.
- **Management Accountability and Responsibility** – Clearly defined roles and responsibilities for ensuring implementation and periodic review of the management systems and associated programs. Senior management reviews the status of the management system on a regular basis.
- **Legal and Customer Requirements** – Identification, monitoring and understanding of applicable laws, regulations and customer requirements, including the requirements of this Code.
- **Risk Assessment and Risk Management** – Identification of legal compliance, environmental, health and safety, labor practice and ethics risks associated with operations. In addition, the process should include determination of the relative significance of each risk, and implementation of appropriate procedures and physical controls to mitigate the identified risks and ensure regulatory compliance.

- **Improvement Objectives** – Written standards, performance objectives, targets and implementation plans to improve Supplier’s social and environmental performance, including a periodic assessment of the Supplier’s performance in achieving those objectives.
- **Training** – Programs for training managers and workers to implement Supplier’s policies, procedures and improvement objectives and to meet applicable legal and regulatory requirements.
- **Communication** – A process for communicating clear and accurate information about Supplier’s policies, practices, expectations and performance to workers, suppliers and customers.
- **Worker Feedback, Participation and Grievance** – An ongoing process, including an effective grievance mechanism, to assess workers’ understanding of and obtain feedback on or violations against practices and conditions covered by this Code and to foster continuous improvement. Workers must be given a safe environment to provide grievance and feedback without fear of reprisal or retaliation.
- **Audits and Assessments** – Periodic self-evaluations to ensure conformity to legal and regulatory requirements, the content of this Code and customer contractual requirements related to social and environmental responsibility.
- **Corrective Action Process** – A process for timely correction of deficiencies identified by internal or external assessments, inspections, investigations and reviews.
- **Documentation and Records** – Creation and maintenance of documents and records to ensure regulatory compliance and conformity to company requirements along with appropriate confidentiality to protect privacy. Records must be kept for a minimum of ten years per a Restriction of Hazardous Substances (RoHS) requirement.
- **Supplier Responsibility** – A process to communicate Code requirements to suppliers and to monitor supplier compliance to the Code.

F. REFERENCES

NETGEAR, Inc. consulted the following references in preparation of this Code:

Dodd-Frank Wall Street Reform and Consumer Protection Act <http://www.sec.gov/spotlight/dodd-frank.shtml>

Responsible Business Alliance Code of Conduct v7.0: <http://www.responsiblebusiness.org>

Eco Management & Audit System: http://ec.europa.eu/environment/emas/index_en.htm

Ethical Trading Initiative: www.ethicaltrade.org/

ILO Code of Practice in Safety and Health:
www.ilo.org/public/english/protection/safework/cops/english/download/e000013.pdf

ILO International Labor Standards: www.ilo.org/public/english/standards/norm/whatare/fundam/index.htm

ISO 14001 www.iso.org

National Fire Protection Association: www.nfpa.org/catalog/home/AboutNFPA/index.asp

OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict Affected and High Risk Areas: <http://www.oecd.org/corporate/mne/mining.htm>

OECD Guidelines for Multinational Enterprises: <http://www.oecd.org/investment/mne/1903291.pdf>

OHSAS 18001: <http://www.bsigroup.com/en-GB/ohsas-18001-occupational-health-and-safety/>

Universal Declaration of Human Rights: www.un.org/Overview/rights.html

United Nations Convention Against Corruption:
<https://www.unodc.org/unodc/en/treaties/CAC/>

United Nations Global Compact: www.unglobalcompact.org

United States Federal Acquisition Regulation: <http://www.acquisition.gov/far/>

SA 8000: <http://www.sa-intl.org/index.cfm?fuseaction=Page.ViewPage&PageID=937>

SAI www.sa-intl.org