



2023 ESG Report



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Letter from our CEO

When I was growing up in India, computers as we now know them did not yet exist. And data was largely written by hand, filed alphanumerically, and locked away in steel filing cabinets. Over the past thirty years, NetApp has pioneered innovations in digital, networked storage technology that have replaced paper filing systems. This has made it vastly more cost effective, and easier to access data which has become, according to the British mathematician Clive Humby, the new oil.

If left unrefined, data—like oil—is effectively worthless. But when it’s collected, processed, and treated, it can power innovation. And for over three decades, NetApp has a proven history of enabling data-driven innovation for our customers. Today, we combine industry leading storage products with integrated data services and infrastructure monitoring capabilities to enable customers to efficiently manage any type of data for any application, across its entire lifecycle, in any environment, either in a customer’s data center or on the leading public clouds.

Sustainability in the data center is among one of the most complex business problems our customers face. As data grows extremely quickly, and the demand for its retention and broader use increases, so could the energy consumed to keep the data available. Our customers look to us for solutions to manage it efficiently and securely. Like most complex business problems, sustainability requires access to real data.

By providing intelligent insights and high-performing, efficient data storage systems, we help our customers save energy, protect their data, and advance their sustainability goals. Our fourth annual environmental, social, and governance (ESG) report underlines the importance of the work we’ve done to address these concerns and helps us sharpen our focus to meet the challenges ahead.

As technological advances continue to increase data storage demand, we recognize our role in meeting this demand in ways that minimize the impact on our communities. In 2023, we implemented technologies to more efficiently keep our own equipment cool to avoid straining local electricity providers or tapping into local resources. We’re able to create innovative technologies that best serve our customers when every individual at NetApp is empowered to contribute their unique skills, capabilities, and perspectives. We believe cultivating a diverse workforce enables access to the best talent available. Additionally, bringing this talent together with a culture of trust, inclusion and belonging makes it possible to drive innovation in 2024 and beyond.

We are also committed to applying this innovation mindset to serve not only our customers, but our communities. What sets NetApp apart is the unique combination of high caliber, passionate people and an undeniable camaraderie and dedication to service. In FY23, NetApp and our employees gave back to

the communities where we live and work. This year, 4,454 NetApp employees representing 36% of our workforce participated in social impact initiatives (giving and/or volunteering) benefitting our local and global communities.

At NetApp, we believe that long-term business success requires balancing the drive for near-term results with investments to sustain our business for the long-term. In that vein, we’re inspired by the belief that enduring business success requires us to enable our customers and communities to succeed and constantly improve the impact we all have on the environment. For the benefit of our employees, customers, shareholders, and communities, we are committed to effective ESG management.

In this report, you’ll see that NetApp continues to make take steps forward to reduce our direct carbon impact and progress our ESG journey. These strides are a testament to the ingenuity of our team, the commitment of our Board and leadership team, and the strength of our collaboration with our customers, partners, and suppliers. We have more work to do. By leaning into innovation, NetApp will continue to help reduce our collective environmental impact and drive innovation through our portfolio in 2024 and beyond.

I look forward to keeping you updated on our progress.



George Kurian
Chief Executive Officer

About This Report

NetApp's fourth annual ESG Report provides details on our environmental, social, and governance (ESG) strategies, activities, progress, metrics, and performance for our global operations for the fiscal year ending April 28, 2023, unless otherwise noted. Information included in this report is in accordance with the Global Reporting Initiative (GRI) Standards, the Sustainability Accounting Standards Board (SASB) Hardware sector standards, the Task Force on Climate-Related Financial Disclosures (TCFD) framework, and the United Nations Sustainable Development Goals (UN SDGs).

About NetApp

NetApp is a global, cloud-led, data-centric software company. Building on more than three decades of innovation, we give our customers the freedom to manage applications and data across hybrid multi-cloud environments. We deliver value in simplicity, security, savings, sustainability with automation, and optimization for IT teams to thrive on premises, in the cloud, and everywhere in between. Our industry-leading tools audit consumption, locate waste, set guardrails against overprovisioning, and help customers achieve their sustainability goals.



\$6.36B
FY23 net revenue



~12,000
employees



Offices in
31 countries



Founded in
1992



Headquartered in
San Jose, California, USA



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

Introduction

Our Values

Our Commitment to ESG

Materiality Assessment

Sustainable Development Goals

Our Goals



Our Values

From customer interactions and design solutions to company culture and community engagement, our values inspire all that we do. Threaded throughout our value system is one overarching truth: we care about something bigger than ourselves.

We care for our customers, our employees, our communities, and our environment.

As it turns out, caring makes good business sense, too. We leverage the power of our people, technology, and innovation to serve our customers and to build a positive culture for our teams, give back to our communities, and protect the greater environment we share.



Our core values are guideposts as we work as a united team to build a better and more sustainable business:

- 1 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.
- 2 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.
- 3 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.
- 4 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.
- 5 Think and Act as 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 Commitment to ESG

Our integrated ESG strategy is driven by data and built on this foundational belief: technology drives positive change. Technology propels our development of cutting-edge products and solutions for our customers. It enables us to advance our company goals and progress on our ESG journey. Technology is vital to creating a more sustainable, inclusive, and connected world. Visit our [website](#) to learn more about ESG at NetApp.



EcoVadis is a leading evidence-based ESG rating agency, providing supplier ratings across the themes of environment, labor and human rights, ethics, and sustainable procurement. Our latest score places us in the top 5% of companies assessed, earning us a Gold medal for the second year in a row.

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.

Materiality Assessment

Like us, our stakeholders hold values that guide their decision making and actions. To identify the issues and topics that align with our stakeholders' values, we completed an ESG materiality assessment in 2022.

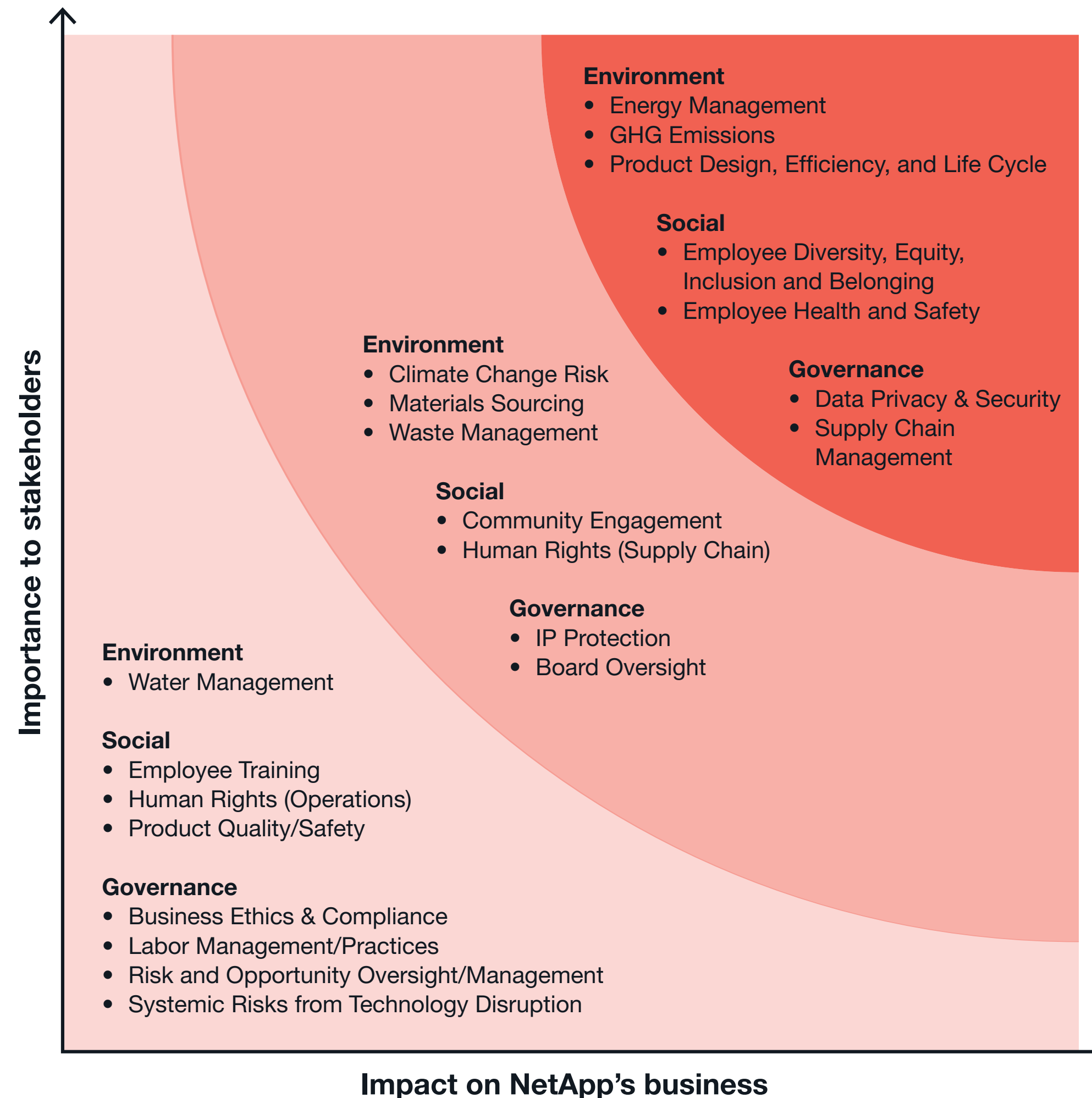
Using a systematic, data-driven approach, and with the help of a third-party expert, we measured the perspectives of a range of internal and external stakeholders, including customers, employees, partners, and shareholders.

The resulting materiality matrix shows the issues that emerged as priority topics. As we mature our ESG programs and initiatives, we continue our work to integrate these topics into our overall company strategy.

Priority Issues

- Energy Management
- GHG Emissions
- Product Design, Efficiency, and Life Cycle
- Employee Diversity, Equity, Inclusion, and Belonging
- Employee Health and Safety
- Data Privacy & Security
- Supply Chain Management

Materiality Matrix



Sustainable Development Goals

The United Nations Sustainable Development Goals (SDGs) provide a global framework for achieving global peace and prosperity. While all 17 SDGs are critical, our business most supports SDGs 4, 7, 8, 10, 12, and 13.



SDG 4: Quality Education

Our social impact initiatives—including the NetApp Data Explorers™ Program—equip youth with critical data literacy concepts and skills that can create employment opportunities and address social inequities.



SDG 10: Reduced Inequalities

We believe our differences give us strength. We work internally and partner externally to recruit, retain, support, and empower women and underrepresented groups.



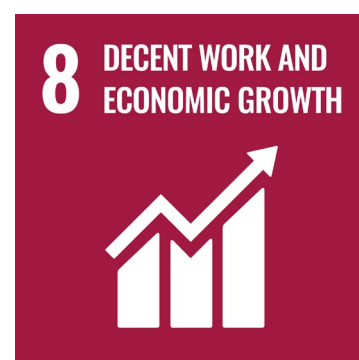
SDG 7: Affordable and Clean Energy

We are committed to reducing our carbon footprint, with a strategy focused on clean energy. We look to use renewable energy to power our offices around the world wherever possible.



SDG 12: Responsible Consumption and Production

Our solutions enable customers to use real-time data to make more sustainable decisions. Using NetApp products and services, customers can more efficiently and effectively manage their data.



SDG 8: Decent Work and Economic Growth

From internships and mentorships to our military fellowship program in the U.S., we offer development within and outside of NetApp to give individuals the skills they need to grow their careers.












SDG 13: Climate Action





For over a decade we have disclosed data about our climate-related risks and opportunities, greenhouse gas (GHG) emissions and energy management programs to CDP. We set ambitious, yet attainable decarbonization targets in FY23.

Our Goals






Our Environmental, Social, and Governance goals help us continue to strive for a more sustainable and equitable future while delivering value for our stakeholders.





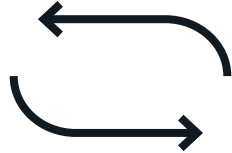
GOAL	STATUS
ENVIRONMENT	
<p>Establish science-based targets as part of our initiative to reduce greenhouse gas emissions.</p>	 <p>On track. In 2021, we committed to set an emissions reduction target aligned with the Science Based Targets initiative (SBTi), doing our part to limit global temperature rise to 1.5 degrees Celsius. The target verification process will occur in FY24.</p>
<p>Reduce Scope 1 and Scope 2 absolute emissions by approximately 42% by 2030.</p>	 <p>On track. We have achieved significant carbon emissions reductions, decreasing our Scope 1 and Scope 2 emissions by 31% from our baseline (FY20).</p>
<p>Reduce Scope 3 emissions intensity by 50% by 2030.</p>	 <p>On track. In FY23, NetApp joined the CDP Supply Chain program and conducted a baseline Scope 3 supplier survey. This survey will serve as the basis for engagement with our suppliers moving forward to encourage suppliers to set their own targets and drive down our Scope 3 emissions. We also continue to engage with partners and customers to educate about the use phase of our products, which makes up a large percentage of our total Scope 3 emissions.</p>
<p>Use reclaimed water for operations in highly water-stressed areas.</p>	 <p>On track. In FY23, we completed an innovative project that allows us to substitute reclaimed water—non-potable water that cannot be used for drinking—for data center cooling towers at our Research Triangle Park (RTP) facility in North Carolina. To date, the project has reduced our potable water consumption by 20%. In FY24 we will complete this same initiative at another building on the RTP campus.</p>

GOAL	STATUS
ENVIRONMENT	
Energy management.	 <p>On track. We look to use renewable energy to power our offices around the world wherever possible. We have increased our renewable energy use by 113% as compared to our FY20 baseline.</p>
Emissions verification.	 <p>On track. We plan to use a third-party to verify the carbon emissions inventory that will be submitted to CDP.</p>
PEOPLE	
Extend accountability for DEI&B objectives by extending the diversity MBO to all VPs and above in FY23.	 <p>Achieved. Accountability for DEI&B objectives was set at the corporate level in FY23 with executives being responsible for meeting corporate goals. Organizational diversity action plans were created to support corporate goals.</p>
Annually, increase women and underrepresented minorities among U.S. employees.	 <p>Below Target. NetApp improved representation of the targeted groups in FY23 but did not meet threshold representation numbers mainly due to a slowdown in hiring and in organizational growth.</p>
In FY24, introduce an expanded career growth and mobility platform to develop talent and strengthen diverse talent at NetApp.	 <p>On Track. We plan to launch a new internal marketplace that will provide employees an opportunity to inventory their skills, identify short-term development opportunities (gigs) to build skills, find new roles, and identify mentors that will help them grow and develop their career within NetApp.</p>

GOAL	STATUS
SOCIAL IMPACT	
<p>Reach 1,000 students with data science education.</p>	 <p>Achieved.</p> <p>In the 2022-2023 school year (June 30, 2022 - July 1, 2023), our NetApp Data Explorers™ program reached the following K-12 students globally:</p> <ul style="list-style-type: none"> • 1,255 students participated in the 12-week course • 74,688 students participated in the 1-hour “Be a Fact-ivist” data literacy lesson and activity
<p>Donate \$2 million to global charities.</p>	 <p>Achieved.</p> <p>In FY23, NetApp and NetApp employees donated more than \$3.3M to charities.</p>
<p>Achieve 35% employee participation in social impact programs.</p>	 <p>Achieved.</p> <p>In FY23, employee participation in social impact programs reached 36%.¹</p>
<p>Continue to develop volunteering and giving initiatives that support and expand employee engagement.</p>	 <p>On track.</p>
<p>Continue to evolve and expand NetApp Data Explorers™ program to reach more students with data science awareness and education initiatives globally.</p>	 <p>On track.</p>

¹ Historically, we have reported this metric in terms of calendar year, but beginning in FY23 we are reporting based on fiscal year.

GOAL	STATUS
PRODUCTS	
<p>Increase the number of products that are ENERGY STAR 2.1 certified.</p>	 <p>On track. In FY24, we plan to have our FAS2820 and AFF A150 systems certified.</p>
<p>Implement new, more sustainable packaging in FY24.</p>	 <p>On track. In FY24, we plan to introduce foam-free, fully recyclable packaging made from 100% recycled content.</p>
<p>Measure and disclose packaging metrics in FY24.</p>	 <p>On track. Begin reporting packaging-related sustainability metrics, including total weight of packaging and materials.</p>
GOVERNANCE	
<p>Enhance ESG oversight in FY23.</p>	 <p>Achieved. In FY23, we formalized the Corporate Governance and Nominating Committee’s responsibility to oversee and periodically review the company’s ESG programs, policies, and practices, including in light of feedback received from stockholders. The Talent and Compensation Committee and Audit Committee also assist the Board of Directors (Board) in fulfilling its oversight responsibility on ESG matters, in connection with our DEI&B objectives.</p>
<p>Reflect Board ESG skills in FY23.</p>	 <p>Achieved. We added cybersecurity and human capital management to the skills evaluated for Board members.</p>

GOAL	STATUS
GOVERNANCE	
<p>Increase Board competency on ESG in FY24.</p>	 <p>On track. We plan to provide our Directors with additional education on sustainability and ESG, with the aim of increasing their competency on ESG matters that impact our company.</p>
<p>Enhance contractual clauses in our supply chain in FY23.</p>	 <p>Achieved. We implemented new, standard contractual clauses for transferring data across borders in our customer and supplier agreements.</p>
<p>Expand the Privacy Champions Program in FY23.</p>	 <p>Achieved. We expanded the Privacy Champions Program through Europe, the Middle East, Africa, the Asia-Pacific region, and across all business units.</p>
<p>Expand our BCR filing in FY23.</p>	 <p>Achieved. We submitted for approval Binding Corporate Rules governing transfers of data from the U.K.</p>
<p>Continue to automate data.</p>	 <p>Recurring. Implement automated data mapping throughout our environment.</p>

Products

Designing Sustainable, Intelligent Solutions

Technology and collaboration are vital to creating a more sustainable and connected world. From the real-time insights of our new carbon-aware dashboard to the improved sustainability of our packaging, we continually innovate and expand our portfolio to help customers manage data more efficiently and effectively and to help deliver on their own sustainability commitments.



Product Design and Innovation

At NetApp, we believe that reducing our own greenhouse gas emissions simply isn't enough. Our commitment is aligned to our values to put customers at the center of everything we do, including helping our customers build a more sustainable world. NetApp drives innovation through our portfolio and provides a complete solution for our customers' needs. From real energy use data that informs decisions in real time to tools that help manage data efficiently and securely, our suite of products empowers our customers to meet or exceed their sustainability and savings goals.

We consider sustainability at every stage of planning and design for every product in our portfolio. By 2030, an estimated 8% of the world's energy consumption will power data storage, a significant increase over the industry's 2% energy use in 2020.² This rapid increase in energy demand is driven by the importance of data in powering our society; as data increases, so does the energy needed to manage it and its subsequent carbon footprint. And as our customers seek to reduce their carbon footprint, NetApp is ready with sustainable solutions. Visit our [website](#) to learn more about how our products advance sustainability.

NetApp® ONTAP® based storage and NetApp BlueXP™—continued development and improvements to these products are part of our long history of bringing innovations to the market. We built on this history with the launch of our new energy-efficient ONTAP-based AFF C-Series and AFF A150 flash storage options, and the NetApp BlueXP™ sustainability dashboard, which helps customers understand their energy use and carbon emissions and provides guidance to make improvements. In addition, NetApp's published power consumption reports are based on AutoSupport® telemetry that provides data on the median wattage of thousands of NetApp customers. That data shows that NetApp systems deliver up to 70% lower power usage than the systems of leading competitors.

² <https://www.bloomberquint.com/business/cutting-back-on-sending-emails-could-help-fight-global-warming>



We help customers reduce energy use by:

Storage Optimization

Storing only the data they need, allowing customers to reduce their storage footprint

- ONTAP Deduplication, Compression, and Compaction
- NetApp BlueXP™ classification
- NetApp BlueXP™ tiering

Energy Use and Carbon Emissions Dashboard

Understanding infrastructure energy use and carbon emissions using real data, not estimates

- NetApp BlueXP™ sustainability dashboard

Efficient On-premises Storage

Using the most sustainable on-premises storage solutions delivering lower power consumption as calculated through actual customer data

- AFF C-series efficiency leadership and ONTAP® efficiency by design

Public Cloud Migration

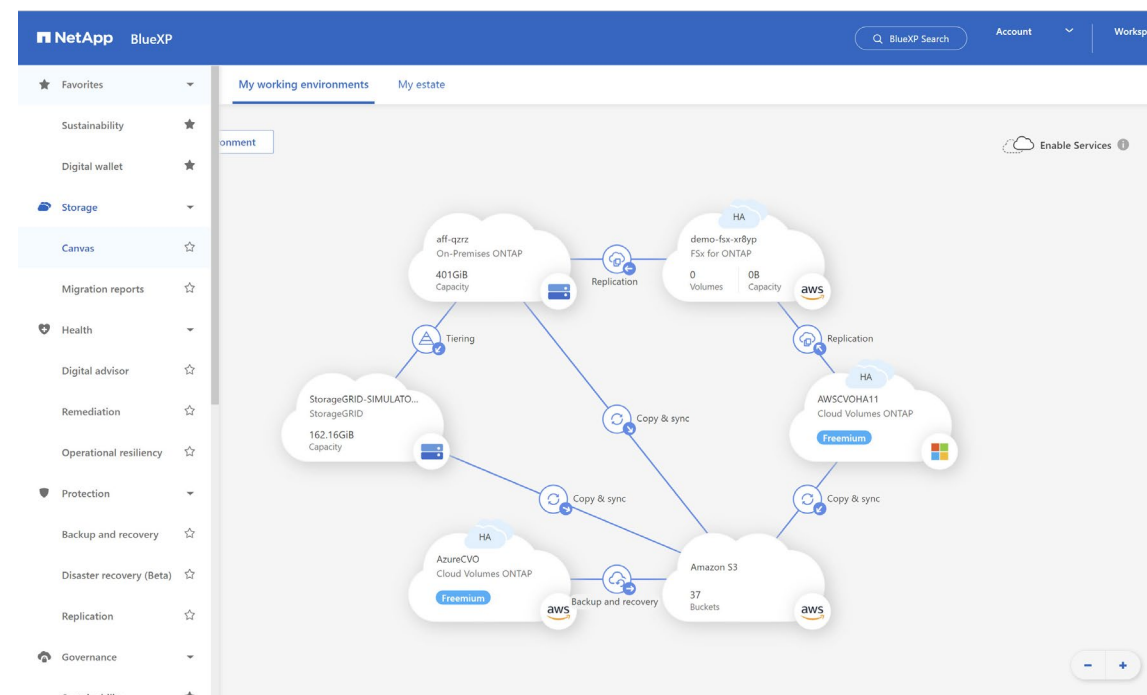
Moving appropriate workloads and data to public cloud, which is almost always more energy efficient than corporate data centers

- NetApp BlueXP™ replication
- NetApp BlueXP™ copy and sync
- NetApp BlueXP™ tiering
- NetApp BlueXP™ backup and recovery
- NetApp BlueXP™ classification

NetApp Suite of Products and Services

By enabling seamless storage, effortless data management, and unparalleled ransomware protection, NetApp products and services safeguard businesses' core infrastructure, cloud storage, and other critical operations.

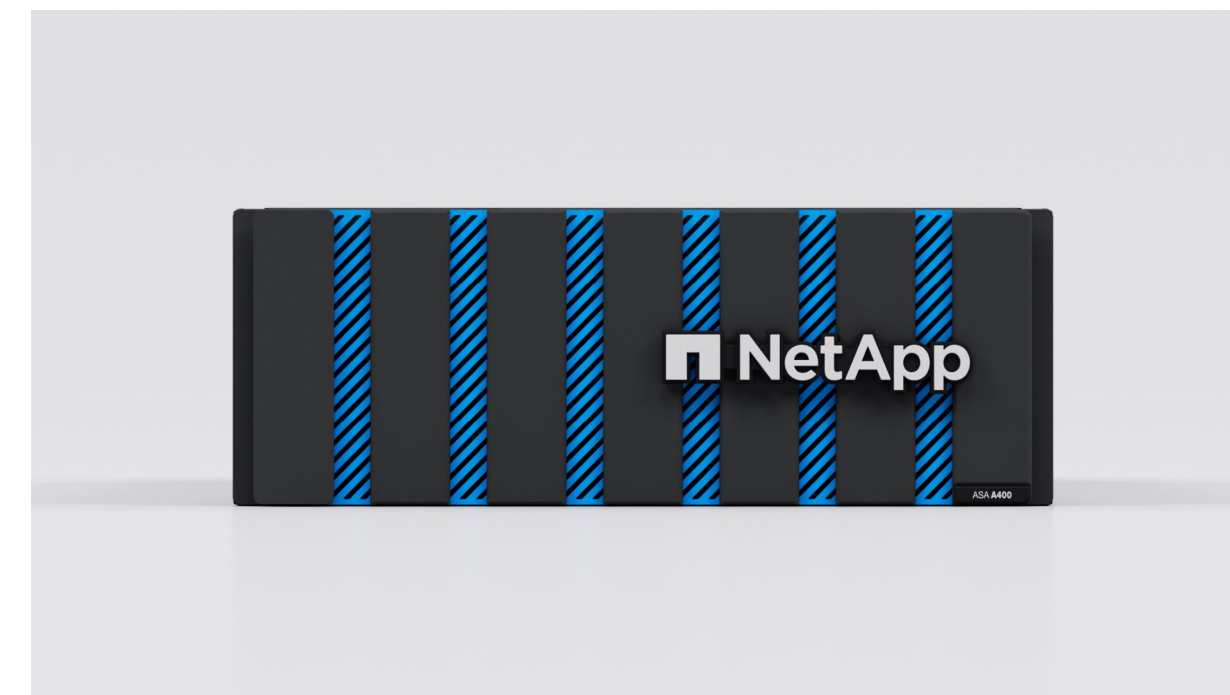
Unified Management



Unified experience for storage and data services across on-premises and cloud environments

[READ MORE](#)

On-Premises Storage



Efficient and scalable data center systems, including our newest highly-efficient and budget-friendly AFF C-series

[READ MORE](#)

Cloud Storage



Native hyperscaler and third-party cloud storage services based on ONTAP®

[READ MORE](#)

ONTAP® Data Management Software



Our flagship proprietary operating system for seamless management of customer data across on-premises and cloud environments

[READ MORE](#)

Product Solutions to Advance Customers' Sustainability Goals

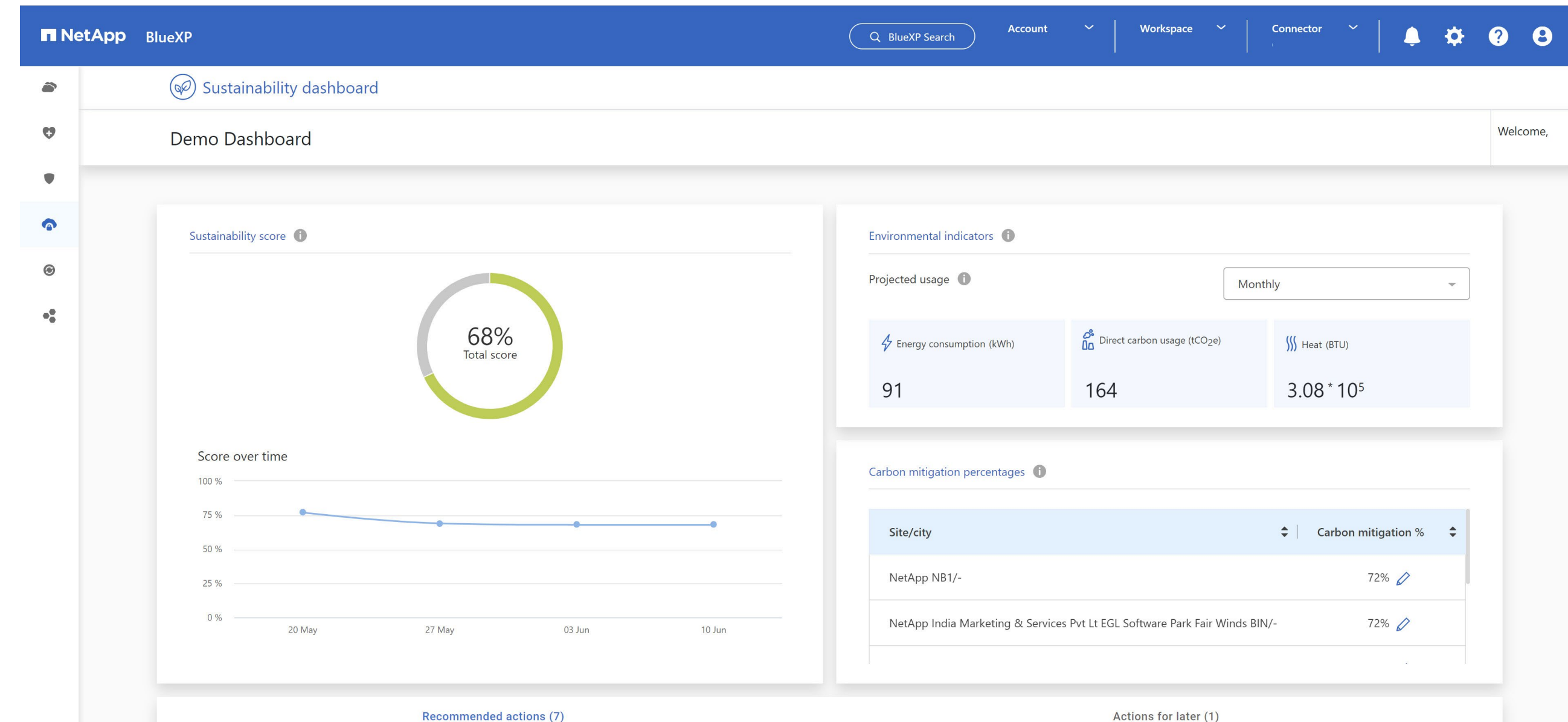
Sustainability in the data center is among the most complex business problems our customers face today. By providing high-performing, fast, and efficient data storage systems and intelligent insights, we help our customers save energy and advance their sustainability goals.

NetApp BlueXP™ sustainability dashboard

At NetApp, we believe that data center sustainability is optimized when our customers have access to real data. We equip NetApp BlueXP™ customers with the information and resources they need to manage and optimize data more efficiently, while enabling them to extend to the cloud easily, in turn helping advance their sustainability goals.

Our new, carbon-aware dashboard enables our customers to collect metrics on actual usage and provides a picture of the full data estate. It enables direct access to the information collected by NetApp BlueXP™, our unified management control plane. NetApp BlueXP™ delivers a unified experience for storage and data services across on-premises and cloud environments. It allows customers to manage their entire data estate with one point of control, delivering operational simplicity.

The NetApp BlueXP™ sustainability dashboard continues that simplicity with its intelligent insights on power, energy consumption, storage utilization and optimization, and more. The dashboard offers recommended actions with guided remediation to help customers to proactively address areas for improvement and implement more efficient storage and data management. Equipped with the dashboard, NetApp BlueXP™ now provides a top-line sustainability score, representing the efficiency of the NetApp data estate in a single key performance indicator. This sustainability score includes trending so that progress can be viewed over time. Data and information are available at the asset level, local site level, and entire fleet and estate level for consumption and can be incorporated into standard reporting platforms as needed. Prescriptive recommendations to improve overall sustainability at the asset level and fleet level are provided to enable the best outcomes possible.



Efficient Flash Storage

With higher density and fewer systems, flash storage consumes less power and requires less cooling than other storage types. In FY23, we introduced our **AFF C-series**, a budget-friendly, high-capacity all-flash storage, allowing customers to move more workloads to flash easily and on budget. These arrays allow users to save up to 95% of rack space and 85% of power and cooling costs over hybrid flash storage. Because flash storage is three times more resilient than spinning hard drives, transitioning to all-flash storage also results in fewer replacement parts manufactured, fewer service requests made, and less waste.

ENERGY STAR® Certification

NetApp AFF/FAS and E-Series data storage systems have earned ENERGY STAR® 2.1 certification for high performance and efficiency.

The global industry standards against which the ENERGY STAR program assesses data storage technologies are developed by the Storage Networking Industry Association (SNIA)'s Green Storage Technical Working Group, with input from SNIA's Green Storage Initiative (GSI). As a member of the GSI and founding member of the EPA's ENERGY STAR® program for data center storage, we believe all storage systems should be designed for efficiency. Beginning in FY24, NetApp will seek ENERGY STAR certification for all new platforms.

View a full list of our ENERGY STAR certified products [here](#).

High Storage Efficiency

Our ONTAP® data management software delivers exceptional storage efficiency. ONTAP® delivers an industry-leading raw to usable capacity ratio, making 82% of raw storage capacity available as usable capacity. More usable capacity means less physical storage, which translates to less power consumption. In addition, ONTAP® uses industry-leading compression and compaction algorithms to make more efficient use of 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 impacts 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.

Actionable Analytics

NetApp's **Cloud Insights** interface gives storage administrators a real-time view of the power consumption in all their ONTAP® systems and across their entire data center ecosystem. Armed with these insights, they can tune workloads to minimize environmental impact.

NetApp Solutions Power TAG Heuer Porsche Formula E Team

NetApp has partnered with TAG Heuer Porsche Formula E Team since July 2022. ABB FIA Formula E World Championship (Formula E) is the world's premier all-electric racing series. Cars—all powered by electricity—pave the way for the road cars of tomorrow, with the series acting as a competitive platform to test and develop the latest in electric technology.³

NetApp technology solutions enable the TAG Heuer Porsche Formula E Team to access data in real time to support driver and team performance. Live analysis at the track and at HQ informs race strategy, supports data-driven decision making, and predicts outcomes to aid the trackside team. Whether data is collected from the car or created through simulations, a single version of the truth is held in NetApp Cloud Volumes ONTAP® in a Microsoft Azure cloud. The data is processed synchronously with the help of NetApp Global File Cache across multiple locations. NetApp Cloud Backup ensures that data is backed up and secure, with archived data available at all locations.

“We needed a data solution that was fast, reliable, and mobile that enabled us to use telemetry data for real-time decision making during a Formula E race. This data is not only used for improving race performance but also R&D within the TAG Heuer Porsche Formula E Team as we continually innovate. Before NetApp, our teams spent weeks setting up truckloads of data management equipment we can now manage entirely through NetApp BlueXP™ without forfeiting security.”

- Friedemann Kurz, Head of IT, Porsche Motorsport

³ <https://www.fiaformulae.com/en/what-is-formula-e>

Active IQ® digital advisor and NetApp BlueXP™ unified control plane

Active IQ® is a digital advisor which is integrated into the NetApp BlueXP™ unified control plane and that simplifies the proactive care and optimization of NetApp storage. It uses advanced artificial intelligence and machine learning to uncover opportunities to reduce risk and improve the performance and efficiency of storage environments. It then provides the prescriptive guidance and actions to make it happen. This “actionable intelligence” simplifies storage administration and leads to comprehensive visibility, higher availability, improved security, enhanced sustainability insights, and higher-performing storage.

Spot by NetApp™

Spot by NetApp™ continually optimizes cloud resources, providing cost savings as well as reducing the electricity consumption, generated heat, and physical resources needed to deliver workloads running in AWS, Microsoft Azure, or Google Cloud. Workloads get the precise resources they need, precisely when they need them, avoiding overprovisioning and reducing wasted resources. Our Spot by Netapp™ technology assesses and predicts resource requirements and auto scales customer infrastructure in the most efficient way possible.

Cloud Storage

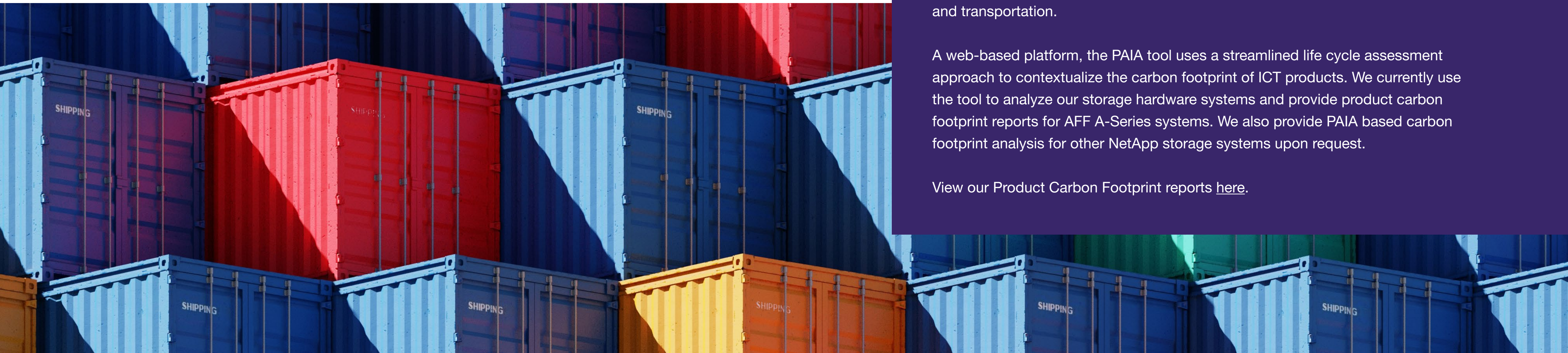
NetApp storage and data management customers get the benefit of a native service that is sold by, supported by, and tightly integrated into the control plane of three cloud providers: AWS, Microsoft Azure, and Google Cloud. And because it’s powered by ONTAP®, NetApp’s cloud storage service provides data efficiency technologies (deduplication, compression, space-efficient Snapshot™ copies, and clones) that reduce both the amount of data stored on-premises and the carbon footprint of data stored in the cloud.

PAIA Partnership

NetApp is a member of MIT’s [Product Attribute to Impact Algorithm \(PAIA\)](#) consortium of information and communications technology (ICT) peers, whose goal is to develop quantitative and consistent environmental evaluation of ICT products. We also participate in working groups to identify additional tools to help reduce the environmental impact of ICT products during development, use phase, and transportation.

A web-based platform, the PAIA tool uses a streamlined life cycle assessment approach to contextualize the carbon footprint of ICT products. We currently use the tool to analyze our storage hardware systems and provide product carbon footprint reports for AFF A-Series systems. We also provide PAIA based carbon footprint analysis for other NetApp storage systems upon request.

View our Product Carbon Footprint reports [here](#).



Sustainable Packaging

To help our customers meet their sustainability commitments and goals, we're working to improve the sustainability of our product packaging. By partnering with manufacturers to identify alternative materials, we're developing new packaging that produces less waste today and has a reduced footprint throughout its life cycle.

In FY22, we conducted a life cycle analysis of our packaging to evaluate its sustainability and circularity. Informed by the assessment, we identified changes that we could make to reduce the environmental impact of our packaging. Those changes include replacing expanded polyethylene foam cushions with thermoformed cushions made from content that's 100% post-consumer recycled and 100% curbside recyclable; replacing edge guards with corrugated vertical supports to allow for more comprehensive stacking strength and a higher likelihood of recyclability; and decreasing the overall size of our corrugated cardboard box to increase stack height from two boxes to three boxes for a 50% improvement in shipping efficiency. When we rolled out the changes in packaging for select products in FY23, we not only saw improved sustainability but also enhanced quality and design, as well as a better opening experience. We expect to roll out the new packaging to all new NetApp branded system products over the next two years.

Driving sustainability through packaging improvements

Recycled Content and Recyclability

Transitioning from foam packaging to curbside recyclable cushions made from 100% recycled content

Reduced Shipping Materials

Downsizing the corrugated cardboard boxes and wood pallets used to ship products

Shipping Efficiency

Enhancing stacking strength of packaging, increasing shipping efficiency by 50%



Product Quality and Safety

Companies that rely on NetApp products and services aren't just our customers, they're our partners—82% of surveyed customers view NetApp us as a “strategic business partner” for their growth and success. As a partner, we're committed to delivering innovative, high-quality, and consistent products and services our customers can count on to meet or exceed their expectations and our industry's standards. Our companywide [Quality Management System \(QMS\)](#) ensures we uphold our commitment across our operations.

Certified to ISO 9001:2015 standards, our QMS applies principles related to customer focus, leadership commitment, people engagement, process improvements, evidence-based decision making, and relationship management. We require all NetApp contract manufacturers to maintain this same ISO 9001:2015 certification. To verify that all processes comply with QMS standards, we conduct remote and on-site audits and require that manufacturers address any identified concerns in an agreed upon time frame. Furthering our commitment to quality, we conduct quarterly business reviews to identify any potential concerns and track trends associated with manufacturer performance.

Maintaining quality and safety is a commitment shared at every level of our business. We require QMS procedures and systems training for all NetApp product quality engineers. We also track and monitor quality metrics during production and while products are in use. When a quality concern or outage impacts our customers, we work quickly to address the issue and its root cause. Quality metrics are reported to the executive leadership team and to the Board during quarterly updates or more frequently, as needed.

We are 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. All NetApp Power Supply Units are currently 80 PLUS platinum certified, with power efficiencies of 95% or higher across all load points. We monitor evolving standards worldwide in an effort to stay ahead of any future regulation or compliance changes. For more information, see our [environmental statements and certifications](#).



Maintaining Rigor Behind Our Claims

At NetApp, every assertion we make about the sustainability and quality of our products is data driven and substantiated.

Environment

Harnessing the power of data

Data driven. It's our north star as we work to manage resources, handle e-waste, and serve as responsible global citizens. Informed by data, NetApp continually works to improve energy efficiency, reduce our reliance on carbon-intensive energy sources, and conserve resources in communities where we live and work.



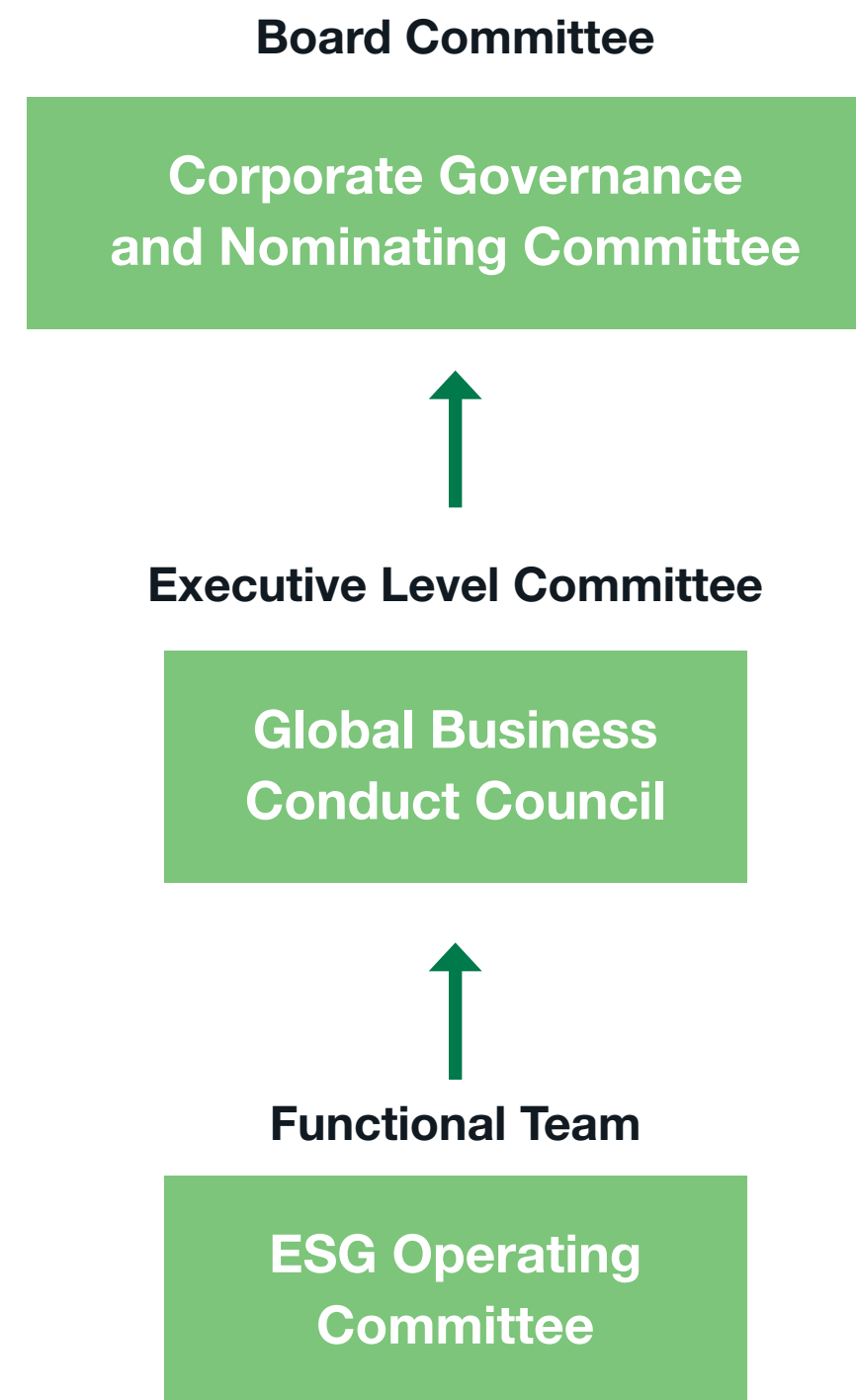
Oversight

The Corporate Governance and Nominating Committee (CGN Committee) of our Board provides oversight for our ESG program, which includes our environmental initiatives. The Committee oversees environmental targets, strategy, and performance, and reviews potential environmental risks and opportunities, including those related to climate change.

At least twice a year, the CGN Committee is briefed by the Vice President of ESG, on behalf of our Global Business Conduct Council (GBCC). This cross-functional, executive leadership group is responsible for approving ESG-related initiatives and tracking our performance and progress against environmental targets and climate-related issues. Individual GBCC members also drive ESG performance across each of their functions.

Reporting to the Chief Human Resources Officer, our Workplace Experience team identifies and implements on-the-ground projects and initiatives to reduce our Scope 1 and Scope 2 emissions and water use. Similarly, our operations, supply chain, and products teams are targeting initiatives to reduce our Scope 3 emissions.

Environmental Oversight Structure



Our Footprint

We're committed to developing solutions to help manage the environmental impact of business operations—both ours and our customers'. Across our real estate portfolio, we continue to work to limit our direct impact by reducing resource use and waste at our data centers and offices, the primary source of our Scope 1 and Scope 2 emissions.

In FY23, our international HQ in Cork, Ireland, received **LEED Platinum Certification**. Read more about our sustainable operations on [our website](#).

Our Wichita facility runs on **100% wind energy** and features drought-resistant landscape, rainfall capturing systems, and automatic sunshades. Our Bangalore campus uses a combination of wind generators, mini hydroelectric plants, and onsite solar plants to achieve nearly 90% renewable energy.

Environmental Management System

To hold ourselves accountable for managing and reducing our global environmental footprint, NetApp maintains a comprehensive Environmental Management System (EMS). Our EMS allows us to set clear, time-bound objectives and targets by establishing standards, systems, roles, and responsibilities for managing and measuring emissions, waste, and water.



of our global sites are certified to ISO 14001 standards.

To ensure our rigorous standards are applied consistently across our sites, we regularly conduct internal audits on our EMS. Our environmental programs also undergo annual third-party audits as part of our certification process. Our EMS is [certified to ISO 14001:2015](#) standards, signifying our compliance with relevant environmental laws and regulations. It also affirms that our company has a defined environmental reporting structure and training programs that ensure that employees understand our EMS and their responsibilities. ISO standards require internal and external communication of our programs and processes, consistent labeling, and life cycle analyses of products and services.



Decarbonization Strategy

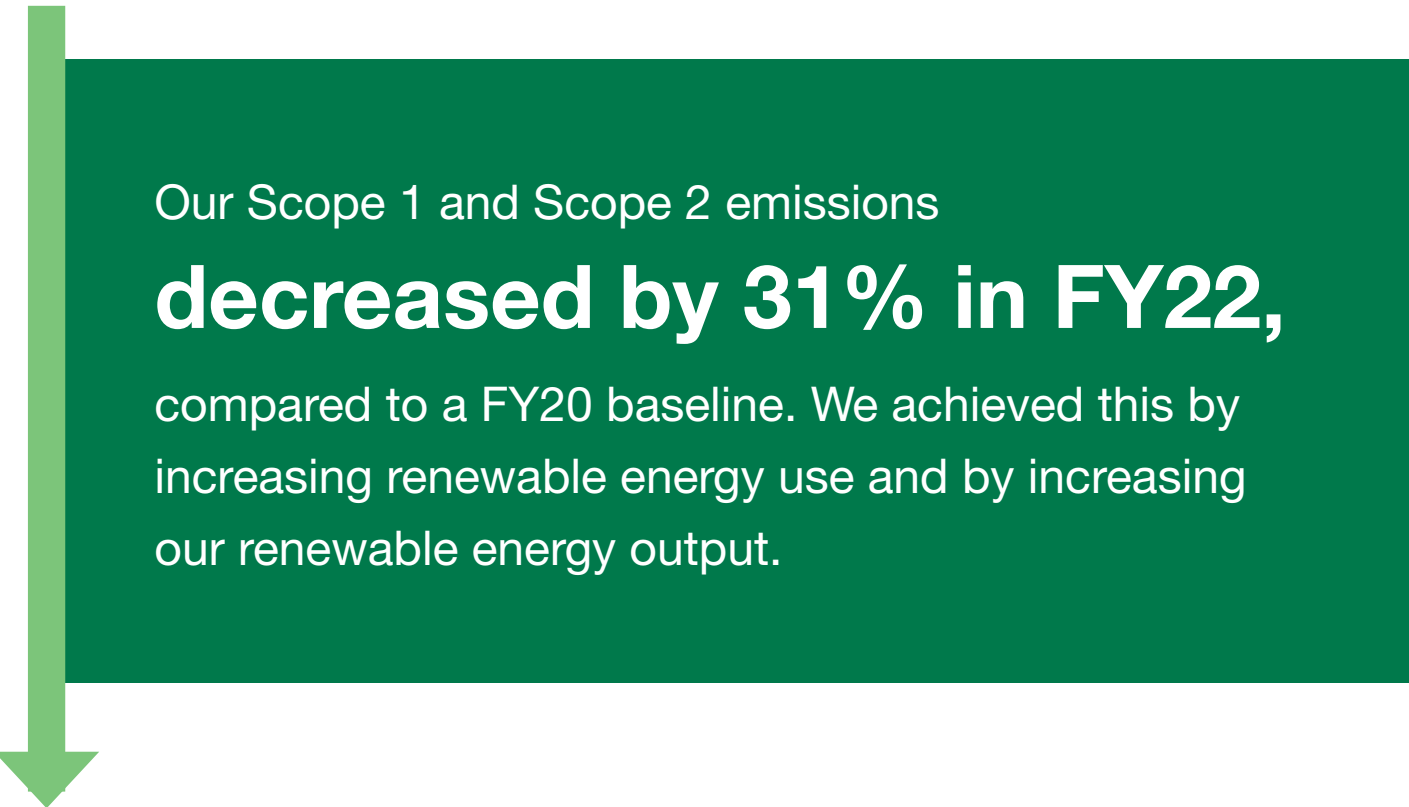
Our decarbonization strategy encompasses our emissions reduction goals as well as the actions and initiatives established to help us achieve them. We have committed to two ambitious emissions reduction targets: a science-aligned target to decrease Scope 1 and Scope 2 emissions by approximately 42% by 2030 and a 50% intensity reduction target for Scope 3 emissions by 2030. Set in 2022 and using a baseline of 2020, our targets will be submitted to SBTi for verification in FY24.

In FY23, we formed the Sustainability Innovation Group (SIG). A global, cross-functional team of employees, SIG’s vision is to be a thriving community of professionals working together across the globe to help transform NetApp into a company that weaves sustainability into every aspect of our customer relationships, our product development, and our way of doing business.

Emissions and Energy Use⁴

Because data centers and other real estate are the primary sources of our direct emissions, Scope 1 and Scope 2 emissions reduction efforts center on transitioning to renewable energy use and achieving improved energy efficiency.

In FY23, we undertook a site utilization and efficiency evaluation of our real estate portfolio. We subsequently streamlined our portfolio to reduce emissions and costs.



Our Scope 1 and Scope 2 emissions **decreased by 31% in FY22**, compared to a FY20 baseline. We achieved this by increasing renewable energy use and by increasing our renewable energy output.

⁴ Note that metrics are not yet available for FY23.

⁵ Historically, we have reported these metrics in terms of calendar year, but beginning in FY22 we are reporting based on fiscal year.

Scope 1 and Scope 2 Emissions⁵

	FY22	CY21	CY20
Scope 1 emissions (Metric Tons CO ₂ e)	3,164	2,182	2,359
Scope 2 emissions (Metric Tons CO ₂ e)	44,847	44,983	61,146
Total Scope 1 and Scope 2 emissions (Metric Tons CO ₂ e)	48,011	47,165	63,505
Carbon Intensity (mtCO ₂ e/total revenue)	0.000008	0.000008	0.000011

Energy Use

	FY22	CY21	CY20
Total energy consumed (kWh)	197,946,325	193,516,657	193,647,549
Total for largest energy consuming locations (kWh)	182,236,226	169,363,894	167,051,858
Bangalore	16,980,577	16,914,810	16,757,820
Wichita	37,560,697 ⁶	18,916,280	18,430,019
Sunnyvale & San Jose	16,907,823	22,959,189	25,917,138
Research Triangle Park (RTP)	110,787,129	110,573,615	105,946,881
% from grid	83%	83%	92%
% renewable	17%	17%	8%

⁶ The increase in energy use in FY22 is a result of opening our new Wichita facility.

Data Center Efficiency

Our data centers share one critical focus: maximum efficiency. To increase energy efficiency, we use innovative electrical distribution design and free cooling systems to keep equipment cool. Our energy-saving ambient cooling and cold-aisle containment system achieved a power usage effectiveness ratio of 1.15 at our Research Triangle Park campus, securing an ENERGY STAR rating of 100 for both Global Dynamic Labs at our North Carolina facility.

Scope 3 Emissions

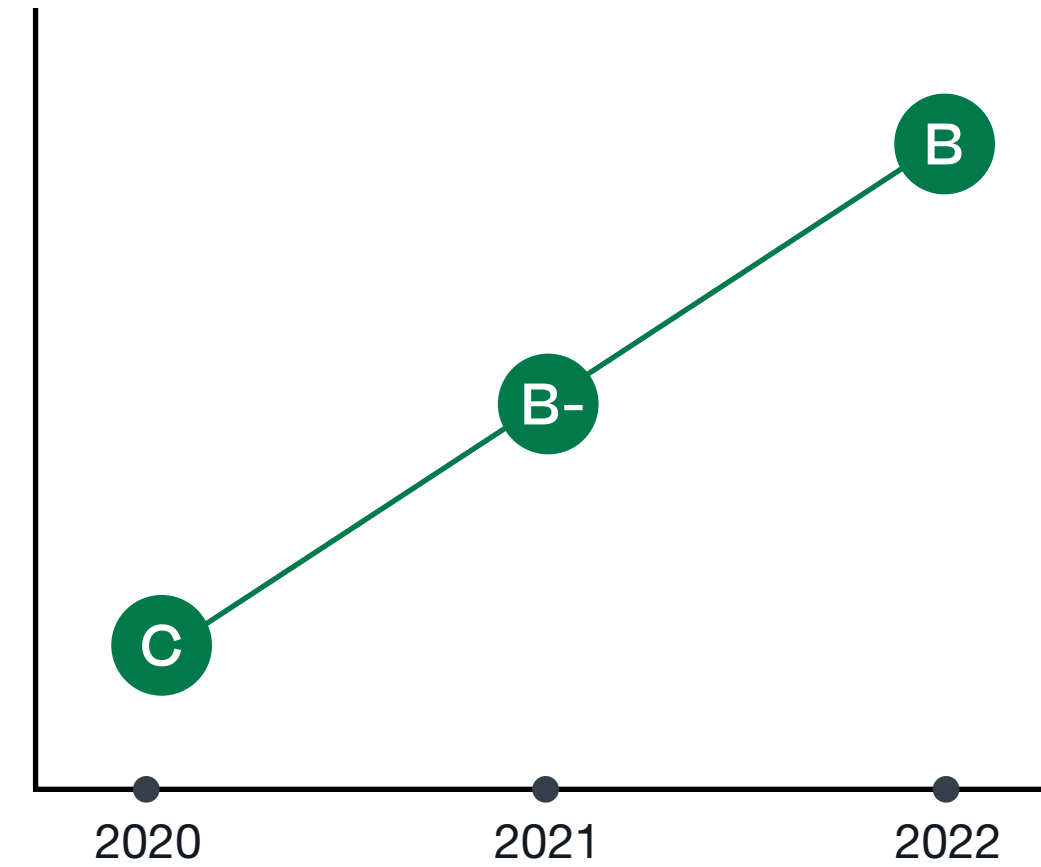
Scope 3 emissions account for more than 90% of our total emissions inventory. We understand that reducing the emissions associated with our full value chain is of critical importance, and we're working with suppliers and customers to reduce these emissions, to mitigate our overall impact, and to make progress against our Scope 3 target.

In FY23, we initiated a supplier engagement initiative to measure our Scope 3 emissions and target reductions more accurately. To gather the data, we asked suppliers to document their emissions information into CDP, a global disclosure system used by companies, investors, and others to understand and manage their environmental impacts. This information will be used to conduct targeted engagements and work with suppliers to set their own targets.

In FY24, we plan to introduce ESG questions into the procurement process to better inform our supplier selection process, requiring suppliers to provide information about their ESG goals and commitments.

We're also working to reduce emissions related to business travel. We plan to introduce new screening criteria for global travel partners, allowing us to make decisions informed by emissions and environmental impact.

⁷ Scope 3 emissions are reported for relevant categories. We are exploring other categories to report in FY24.



Our **CDP Climate Change** score has steadily increased over the past few years. Scores for 2023 will be released in January 2024.

Scope 3 Emissions⁷

	FY22	CY21
Scope 3 category 1 emissions: purchased goods and services	181,127 ⁸	13,445
Scope 3 category 2 emissions: capital goods	11,961	7,770
Scope 3 category 6 emissions: business travel	2,982	1,251
Scope 3 category 8 emissions: upstream leased assets	395	249
Scope 3 category 11 emissions: use of sold products	1,064,218	996,554

⁸ In FY22, we calculated purchased goods and services data from all suppliers rather than only contract manufacturing suppliers as in prior reporting years.

Water

Water is a factor in the design of all NetApp data centers and office spaces. We remain steadfast in our efforts to monitor and actively reduce water consumption across our operations. Our commitments and practices are outlined in our [Global Water Policy](#).

Our policy prioritizes improvements to our largest sources of water use and our sites in water-stressed regions. In Bangalore, India, our zero-discharge campus collects rainwater for irrigation and uses a water recycling system to supplement purchased water. In Wichita, Kansas, our state-of-the-art facility saves approximately five million gallons of water per year by cooling equipment with wind-powered rooftop HVAC units, rather than water-cooled chillers.

To help prioritize our investment in water reduction initiatives, we use the WRI Aqueduct Water Risk Atlas to annually assess the water stress of our locations. Our most recent assessment results showed that our facilities in Bangalore, India and Research Triangle Park, North Carolina are located within water-stressed basins. The two sites account for 69% of our total withdrawals and are priorities in our water reduction strategies.

In FY23, we scaled up our efforts to address water usage in our Research Triangle Park campus in North Carolina, a region facing water stress. The site’s largest source of water use is cooling; therefore, the primary objective of our project is to reduce reliance on potable water and transition to non-potable water for cooling. This project will reduce our water withdrawals from the water-stressed river basin by using reclaimed water, rather than potable drinking water. We completed the first phase in FY23 and will transition the site’s remaining cooling towers in FY24, realizing an estimated 16 million gallons of potable water savings.



Water ⁹	FY22	CY21	CY20
Total water withdrawal (megaliters)	151	164	194
Total water consumption (megaliters)	127	140	164
Total water discharge (megaliters)	24	24	30
% recycled	19%	18%	22%
% withdrawn in water-stressed areas	69%	67%	54%

⁹ Note that metrics are not yet available for FY23.

Waste

We work to reduce waste across our operations and our products. Our waste footprint consists primarily of office-related waste and electronic waste (e-waste). When we generate office waste, we divert as much as possible through recycling, reusing, or composting.

E-Waste

Without proper handling and disposal, electronic parts and equipment that no longer work or are no longer needed can cause negative environmental impacts. We have a responsibility to appropriately handle [e-waste](#) generated by our business, as well as our customers' and partners'. We maintain an extensive internal e-waste program for laptops and other electronic equipment. For our customers, we address e-waste through our global product take-back program.

The program is regularly audited and complies with the EU directive on Waste Electrical and Electronic Equipment (WEEE), as well as India's Extended Producer Responsibility (EPR) regulations.



Using a simple, easy-to-use product take-back interface, customers can request free e-waste pickups at the click of a button. They can also use our program to properly dispose of e-waste from competitors. Once e-waste is picked up, customers receive documentation to confirm the e-waste's proper handling and disposal.

E-Waste (Lbs)	FY23	FY22	FY21
Total e-waste processed	846,659	804,687	970,526
Total e-waste recovered	842,425	798,006	965,931
Recycling	782,162	736,061	897,337
Resale	49,705	51,909	54,958
Returned to Service	10,558	10,036	13,636
Total e-waste sent to landfill	4,234	6,681	4,595
% e-waste diverted from landfill	99%	99%	100%

People

Empowering our People

Our employees invest their talent, passion, and ingenuity into everything we do. To continue to attract, encourage, engage, and retain the best talent, NetApp provides a human-centered culture, supports employees' health and well-being, and invests in opportunities for every employee to contribute at their highest potential.

Our values-based, people-first culture guides all that we do—because when we do what's best for our employees, we find it's best for our business, too. NetApp is committed to an inclusive, human-centered culture that starts during recruitment and extends across our engagement and development programs. We empower our senior leaders to foster inclusivity, model engagement, and champion the development of others.



Attracting Talent and Building a Pipeline

We work hard to attract, develop, and retain talented people for the long run. In the last few years, we've invested in technology to support career growth and talent development.

Talent Acquisition

Created in close collaboration with top leaders, our formal talent acquisition strategy ensures we build out a ready bench of talent today to have the skills we need to take on tomorrow. Our strategy centers on planning ahead, forecasting talent needs 12 to 18 months out.

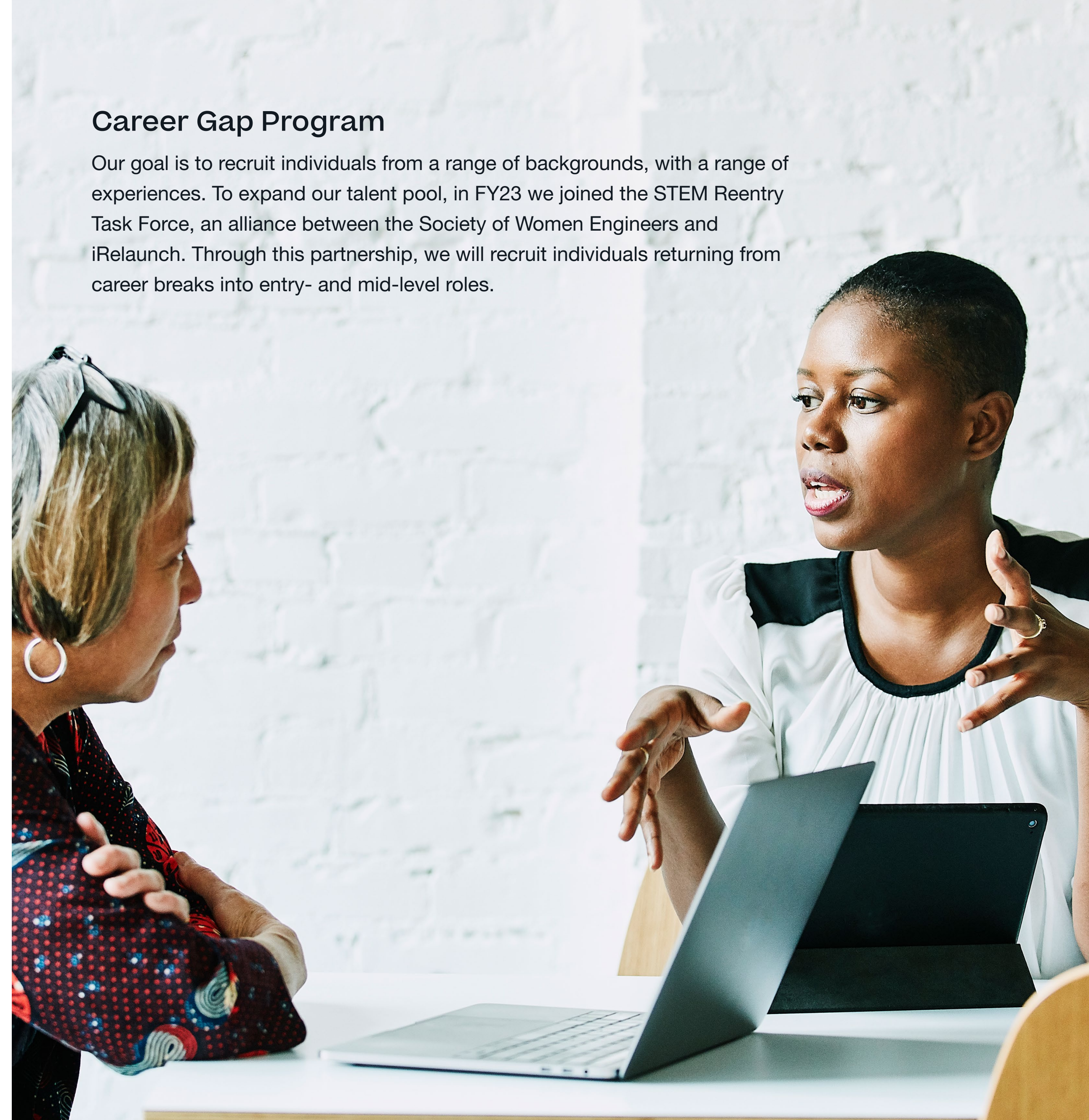
Our recruiting team uses state-of-the-art technology to match diverse talent with career opportunities. This technology not only allows us to recruit strong external candidates but also creates internal opportunities for promotion or cross-functional growth. This is why in FY23 we achieved an internal hire rate of 20%.

We seek to empower talent from a variety of backgrounds and career paths to find success at NetApp. Alongside specific diverse recruitment initiatives, we post open roles to diverse recruiting websites and our recruiting team receives training on best practices for inclusive and equitable recruitment.

FY23 marked a big change in our visibility to candidates. We launched a new [career site](#) and created opportunities for more targeted and sponsored advertising for open positions, as well as expanded our use of tools to assess internal talent. We believe managers and interviewers have an important role to play in ensuring all candidates—internal and external—have an exceptional experience when interviewing for NetApp positions. We're in the process of rolling out comprehensive interview guides and training to ensure we deliver an exceptional experience to all candidates.

Career Gap Program

Our goal is to recruit individuals from a range of backgrounds, with a range of experiences. To expand our talent pool, in FY23 we joined the STEM Reentry Task Force, an alliance between the Society of Women Engineers and iRelaunch. Through this partnership, we will recruit individuals returning from career breaks into entry- and mid-level roles.



Early in Career Programs

Through our global Early in Career (EIC) programs, we recruit, hire, and retain entry-level employees. By building strategic partnerships with top institutions and organizations—including Historically Black Colleges and Universities (HBCUs) and Hispanic-serving institutes—we can recruit the next generation of leaders. These employees often participate in our award-winning EIC programs, including our Intern and Emerging Talent programs, as well as the Sales Support, and Services (S³) Academy.

NetApp Global Intern Program

Our award-winning NetApp Global Intern Program gives college and graduate school students real-world career experience, provides the business with project support, and develops a robust talent pipeline for entry-level positions. We expanded our internship offering globally to provide interns in every location a transformational experience to refine their interests, passions, and career aspirations.

Just as if they were full-time employees, we provide pay, benefits, and time off to our interns and give them opportunities for cross-collaboration, mentorship, and feedback. Interns participate in Quarterly Conversations, regular one-on-one conversations with managers, and our all-employee Thrive Pulse surveys, while building meaningful relationships with employees across the company.

Campus to Corporate Workshop

In FY23, we piloted our first Campus to Corporate Workshop—a week-long program designed to equip interns for professional life. Facilitated by an expert speaker, the workshop offers an opportunity for interns to build their professional network, interact with other interns, participate in career development activities, and prepare themselves for a successful transition from campus to corporate life.

NetApp: A Top Company for Students

Our talent outreach efforts have been recognized by colleges, universities, recruiters, and career-building platforms. We made the HBCU Top Supporter ranks in 2023 for the sixth straight year and Vault’s Firsthand listed us among their Top 100 Best Internships, among other top global rankings in 2023.

#46

best internship program

#6

best internship for sales, marketing, and communications

#16

best internship for software engineering and development

#8

best internship for software engineering and development

#15

in quality of assignment for interns

#20

in quality of life for interns

#30

in overall career development

#28

for LGBTQ+

NetApp Emerging Talent

The NetApp Emerging Talent (NET) program is designed to help full-time new hires with 0–3 years of relevant experience grow their career, sharpen their skills, and foster meaningful relationships through our Executive Speaker Series, networking opportunities, volunteer engagements, and many other events and offerings. When our participants join the NET Program, they join a diverse, global community where innovative ideas flourish.

In FY23, the NET program had 1,127 participants.

S³ Academy

The S³ Academy is a two-year global development program for EIC talent who aspire to become the next generation of NetApp leaders, sales professionals, and technical pioneers. A truly global program, new customer-facing employees from all over the world spend 90 days at our Research Triangle Park campus in North Carolina. During the S³ Academy, employees receive extensive training on the IT industry, our products and solutions, as well as the professional skills they need to succeed. The program enables participants to fast-track their careers and offers mentoring, leadership exposure, and hands-on experience.

More than 700 individuals from 20+ countries participated in S³ in FY23.

U.S. Military Fellowships Program

Through the Skill Bridge program, we partner with the Department of Defense and the U.S. Government to provide active-duty military personnel with four- to six-month fellowships that ease the transition to civilian life. In FY23, we provided 30 military fellowships. We ensure military fellows have access to workshops, receive professional development, and have a support system through the NetVets Employee Business Resource Group (EBRG).

We proudly meet the [Military Friendly® standards](#) that require organizations to demonstrate a successful, actionable commitment to creating and maintaining meaningful, supportive benefits for the military community.

In FY23, we joined the Military Spouse Employment Program, which facilitates the recruiting, hiring, and retaining of military spouses in partnership with the U.S. Government.

Creating a Culture of Continuous Improvement

Our culture of belonging starts with understanding each other's perspectives. We actively engage with our teams to seek feedback on company and manager performance, and we readily act on suggestions for improvement.

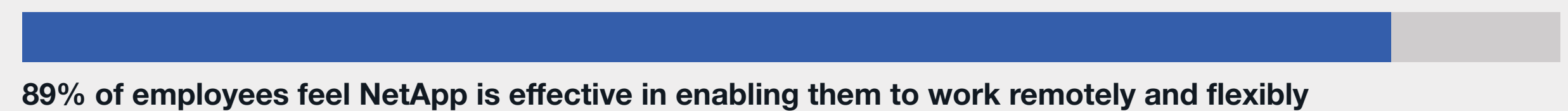
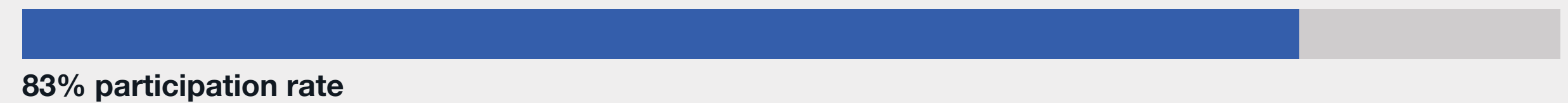
Employee Feedback

One way we measure employee engagement and sentiment is through our regular Thrive Pulse employee surveys. Surveys are conducted at least annually, and results help us gauge the effectiveness of company directives and develop new employee programs.

With our data-driven, people-centric culture, we ensure that these surveys result in meaningful changes for our employees. Results are used to identify macro themes discussed at NetApp-wide global all-hands meetings, where top line findings are communicated to the entire company. In addition, all managers in the company have access to their team-level results and action planning guidance to help them debrief survey findings and plan ways to improve within their respective teams.

Beyond the formal Thrive Pulse surveys, NetApp offers a number of other mechanisms for feedback. Business unit leaders host regular all-hands meetings and often travel to various sites to hear from employees in an in-person setting. Every quarter, we host a global all-hands meeting with the CEO and executive leadership team to outline goals, highlight company performance, and address top-level questions and challenges for the company. Questions can be submitted ahead of time or during the meeting by any NetApp employee.

2023 Employee Survey Results¹⁰



¹⁰Based on results from the March 2023 Thrive Pulse employee survey. Technology industry benchmark is provided by our survey vendor.

Thrive Everywhere

Thrive Everywhere, launched in January 2022, represents our unique approach to flexible, hybrid work that's built on employee feedback and aligns with our culture and values. In our most recent employee survey, it emerged as a top engagement driver and highest scoring item across all job levels, business units, and locations.

Thrive Everywhere represents a shift in the way we work to enable people to perform the right work in the right location to maximize productivity and business performance. Thrive Everywhere entrusts employees to work together to consider their distinctive personal, team, and stakeholder needs when determining their approach to flexible work to deliver the best business outcome as well as the best personal outcome.

Reducing Turnover

We want our employees to see NetApp not just as a stopping point—but as a place where they can have fulfilling long-term careers.

For FY23, NetApp's global turnover was 16.9%. In the current economic environment, this is still well below industry benchmarks. That said, we continuously work to improve our employee experience and to retain key talent.





Developing Talent

Our employees operate with a growth mindset—whether that means taking skill-building courses, participating in personalized coaching, or moving into a new role—and we empower employees to take the next step in their career.

All NetApp employees have access to a range of professional development courses—both internal and external. We provide instructor-led training as well as access to thousands of LinkedIn Learning courses to support professional skills and career management. Beyond these courses, we offer an education reimbursement program for our employees to use to obtain additional degrees or professional certifications.

Employees are encouraged to enroll in courses based on the match between the training topics and their own career journey. Our Learning Services team offers additional, focused training that enables employees to develop skills in the context of our go-to-market and technical capabilities.

Promoting Internal Talent

In FY23, we launched an internal job marketplace and expanded internal postings to all open roles, including non confidential Vice President roles. The marketplace allows current NetApp employees to view open roles, set up job alerts, and curate their career paths.

Employees can also take on short-term “gig” assignments—where they can get hands-on experience to determine job interest and develop the skills needed to take their career to the next level. In FY24, we plan to continue to enhance our internal talent development platform to recruit internal candidates for open roles.

Career Week at NetApp

Our Career Week aims to get employees excited about their current and future careers and show our employees the broad range of opportunities they have at NetApp. This year, our annual career week focused on a theme of connectivity—reflecting findings from our Thrive Pulse survey that surfaced a desire from employees to connect and belong to each other. We offered events in a variety of formats, including fireside chats with executives and moderated panels with internal and external speakers. We also used the opportunity to highlight initiatives taken by specific NetApp teams that contribute to our connective culture.

Personal Coaching

We offer all employees at Director level and below access to coaching through BetterUp coaching. 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. One of our most highly rated and requested developmental experiences, more than 500 employees participated in BetterUp in FY23.

Breakthrough Leadership

Our Breakthrough Leadership program removes barriers to cross-functional cooperation and execution and teaches employees that anyone can lead—anytime, anywhere. In FY23, 216 employees participated in the experience.

Achieving Inspiring Performance & Activate!

Achieving Inspiring Performance (AIP) and Activate! are 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.

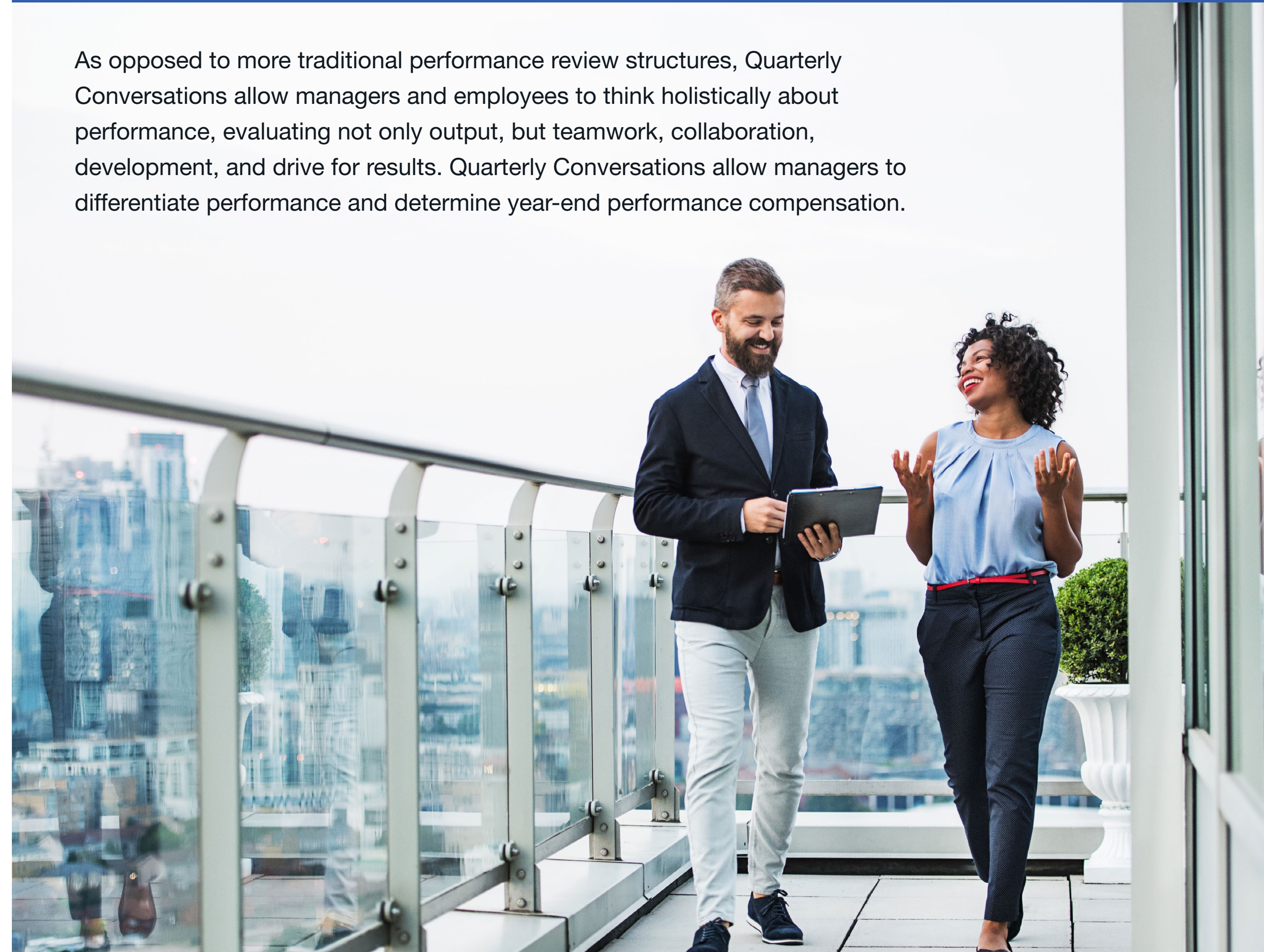
AIP and Activate! prepare directors and managers to lead a hybrid workforce and foster an employee experience that enables teams to thrive everywhere, break down silos, improve collaboration across teams, and cultivate a growth mindset to build world-class leadership teams.

Quarterly Conversations

At NetApp, we aim to inspire our people and help them unleash their full potential. We developed Quarterly Conversations as our performance review format to align with our values and humanize the manager-employee relationship.

In our most recent Thrive Survey, 81% of employees reported having a Quarterly Conversation in the previous quarter.

As opposed to more traditional performance review structures, Quarterly Conversations allow managers and employees to think holistically about performance, evaluating not only output, but teamwork, collaboration, development, and drive for results. Quarterly Conversations allow managers to differentiate performance and determine year-end performance compensation.



Employee Rewards

NetApp delivers market-competitive rewards programs that recognize how employees make a difference for NetApp every day.

Delivering competitive pay

At NetApp, we design our programs to reward contributions and performance—with fairness and equity of opportunity in mind. Our aim is to ensure employees have the resources they need to feel secure and be well. We do this by offering competitive base pay as well as performance-based and long-term incentive programs.



Protecting well-being and promoting balance

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

Healthcare programs

We offer comprehensive, wellness-focused plans for employees and their families.

Surrogacy support and family-care benefits

In addition to 12 weeks of 100% paid leave for new parents in the U.S., 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. This year we added medical travel reimbursement for reproductive health for those who have to travel out of state to receive care and two cycles of IVF to our health care plan.

Caretaker benefits

To further our commitment to NetApp families, we offer paid leave for U.S. employees who become the primary caretaker for a relative with serious health care needs.

Insurance and income protection

A full range of life and disability insurance is available for additional peace of mind. Our U.S. offering expanded in FY23 to include long-term or end-of-life care insurance.

Financial and savings programs

A discounted Employee Stock Purchase Plan (ESPP) and competitive retirement/pension plans in the U.S. and most EMEA countries are some of the many ways we focus on total compensation. ESPP enrollment was over 74% at the end of FY23.

Work-life balance

We offer a wide range of well-being programs, including paid and volunteer time off, educational assistance, and employee assistance. New hires in the U.S. (below VP level) accrue 15 days of vacation and two weeks of sick time. Accruals increase with tenure. VPs and above in the U.S. have access to unlimited time off. Outside of the U.S., time off allocations vary by country.

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

To support employee well-being, we provide 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:

 **Three Global Wellness Days annually**
paid days off in addition to accrued vacation

 **No Meeting Fridays**
for one Friday each month to dedicate time to focused work and learning and development

 **A weeklong, company wide shutdown**
every year

Equity Incentive Plan

As is the case with NetApp's overall total rewards offerings, our equity program is reviewed annually and is designed to ensure it meets the set objectives of the plan and aligns with market best practices. Our equity program is a critical component of our talent/human capital strategy, particularly for attracting and retaining key talent within a competitive tech industry. We firmly believe that equity compensation is the right vehicle and long-term incentive program for aligning the long-term interests of our employees with those of our shareholders, and it helps us ensure we continue to drive an ownership mindset across our employee base and maintain a solid pay for performance culture.

Health and Safety

Our Health and Safety program is informed by ISO 45001 standards, underpinned by regional policies and standards, and supported by a global safety and security team. Our global safety and security operations center operates 24/7 to monitor health and safety performance and help us stay ready to respond to potential issues.

We provide training to help our employees understand our safety expectations. In the event of a safety incident, we document the incident through our case management system and follow up with investigations and corrective actions as necessary.

At our data centers, we provide hearing protection, materials handling training, and equipment training to appropriate personnel to ensure the safety of everyone.

	FY23	FY22	FY21
Total recordable incident rate (TRIR)	0.23	0.63	0.72
Near miss frequency rate (NMFR)	0.04	0.01	0.02
Total fatalities	0	0	0

Our safety goal is zero injuries and zero fatalities.



Diversity, Equity, Inclusion, and Belonging (DEI&B)

Fostering a sense of belonging for all

At NetApp, we recognize that our employees thrive best when every individual is empowered to contribute their skills, capabilities, and perspectives. And when our employees thrive, our company can thrive. By cultivating a diverse workforce and creating a culture of belonging and inclusion, we aim to drive innovation and become the employer of choice for diverse talent.



At NetApp, our differences give us strength. We've seen how our efforts to create an atmosphere of inclusion and belonging have benefited our company in more ways than one. In FY23, we hired our first Chief Diversity Officer and identified four pillars to drive our DEI&B strategy:

Demographics

Evaluate who are we, what we look like, and whether we reflect a global world.

Culture of Equity, Inclusion, and Belonging

Build a culture that allows individuals to bring their whole selves to work while allowing everyone to be heard.

Outside-in perspective

Partner with communities to build relationships and give us perspective.

Products

Promote inclusivity in our products.

In FY23, we focused on representation for women and underrepresented groups at the enterprise level and increasing diversity in leadership at the senior director level and above. At the beginning of FY23, we created aggressive representation goals for women and underrepresented groups. While we were not able to achieve our set goals, primarily due to a slowdown in hiring and an increase in attrition beginning in the middle of the fiscal year, we still made progress. Recognizing the importance of accountability, we reset our goals for FY24 by leveraging workforce planning and assessing realistic hiring opportunities and attrition trends by organization and geographies. We're also in the process of creating organizational diversity action plans with regular progress checks to further drive performance and accountability.

DEI&B Awards and Recognition

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."

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.

Work 180: Australia's Top 101 Workplaces for Women

Work 180 assesses company practices pertaining to inclusive hiring practices, strategic commitments to DEI&B, employee voice and EBRGs, and flexible working arrangements, among others.

Israel Workplace Equality Index for LGBTQIA Inclusion:

Gold

The Israel Workplace Equality Index assesses policies and practices for LGBTQIA+ workplace inclusion.

DEI&B Oversight

Oversight for DEI&B starts at the highest level of the company, with our Board. The Talent and Compensation Committee of the Board discusses DEI&B during each of its scheduled, quarterly meetings. The full Board also receives annual updates on our DEI&B programs. To further our directors’ understanding of our DEI&B initiatives, each Board member has engaged directly with the global Chief Diversity Officer to discuss our strategy. NetApp’s global Chief Diversity Officer also meets regularly with CEO leadership and Employee Business Resource Group executive sponsors to progress NetApp’s DEI&B strategy.

Creating a Culture of Diversity, Equity, Inclusion, and Belonging

At NetApp, we believe diversity goals alone are not enough to promote diversity, equity, inclusion, and belonging. Our DEI&B strategy touches everything we do as we work to become the employer of choice for diverse talent.

Our global Chief Diversity Officer directs and influences company wide efforts to promote DEI&B throughout our workforce, where differences are leveraged to innovate and enable our mission. That includes diversity training and education, mitigating bias, and fostering a culture that is transparent, open, and equal.

We also look outwardly at our suppliers, investors, relevant government agencies, advocacy groups, and our own communities to extend our efforts. Throughout this report we’ve detailed the ways that DEI&B are embedded in the practices of NetApp.

Rewarding Inclusive Leadership

It’s not enough to have company wide goals—we have to make our goals personal and meaningful at the individual level to make significant progress. All named executive officers have a specific, measurable DEI&B goal as part of their performance objectives. Leaders are then incentivized for their performance against these objectives. More details are provided in our [proxy statement](#).



We wanted to lead with DEI&B for the opening of our Cork, Ireland, international headquarters. Our 225 Cork employees represent 36 different nationalities. We celebrate this diversity through events such as the site’s International Food Festival, where employees shared stories about culture and tradition while sampling dishes from all over the world.

DEI&B Training

We require our employees to take rigorous training programs related to DEI&B. Training begins during onboarding when all NetApp employees receive mandatory training on unconscious bias and our Code of Conduct.

Once onboarded, employees receive regular DEI&B training at least annually but often multiple times a year. Through our EBRGs we conduct historical monthly observances and celebrations that include an educational and training element. We provide information and training in response to episodic events occurring in society and provide a range of courses that are available to all employees. Discrimination and harassment training is also required on an annual basis.

While we offer specific and targeted DEI&B training for our employees, DEI&B is embedded in everything we do, from training to career development. It's an active, lived part of the employee experience—not just a once-a-year training.

We rolled out psychological safety training for leaders in FY23. This training helps NetApp leaders understand the definition of psychological safety, learn how to create a work environment based on this definition, and activate change behavior for their teams.

To ensure the integration of DEI&B considerations into all of our HR functions, we provide all employees involved in talent planning and talent management with additional, function-specific bias training.

Recruiting Diverse Candidates

We continue to strengthen and expand our efforts to recruit and retain diverse candidates. To ensure we reach a breadth of candidates, we're actively working to expand our talent pool, casting an even wider net during the search process.

We have longtime relationships with HBCUs and Hispanic-serving institutes, both to recruit talent and to develop programs that can better prepare talent for future careers in our industry. We host webinars, develop relationships with faculty and staff, and consult on curriculums at these universities to align with the skills needed for our industry now and as the market continues to evolve. To help develop HBCU students for careers in the corporate world and to attract new talent to our teams, we offer scholarships, resume critique, and mentorship programs.

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

In the future, we plan to further expand our diverse recruitment efforts to facilitate diverse interview panels and ensure diverse candidates for all open roles.

In FY23, we leveraged our affiliations with the following organizations to increase the diversity of our workforce and connect with qualified candidates from underrepresented backgrounds:

- Black Engineer of the Year Awards (BEYA)
- CodePath
- Grace Hopper Conference (GHC)
- Girls in ICT
- HerCAREER
- Historically Black Colleges and Universities (HBCU) partnerships
- Hispanic Serving Institutes (HSI) partnerships
- Lucy Mentoring
- Women Innovathon
- Rewriting the Code
- Society of Hispanic Professional Engineers (SHPE)



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, mentorship, 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.

EBRGs exist to drive our culture of DEI&B and create a sense of community for our employees. One critical element of EBRGs is events—where EBRGs celebrate days or months of significance and help to raise awareness across the company.

Through EBRGs, we pair education with action. For example, after a campaign to educate the NetApp community on the significance of Juneteenth, we announced a Juneteenth company holiday. We also engaged external speakers throughout the year to educate and inspire our employees.

20%

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

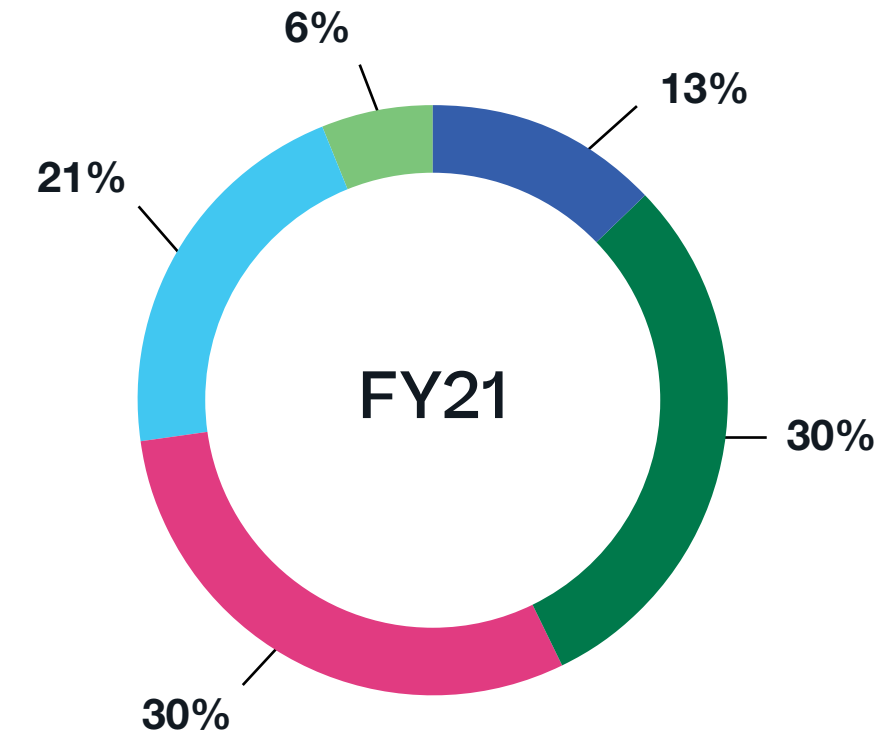
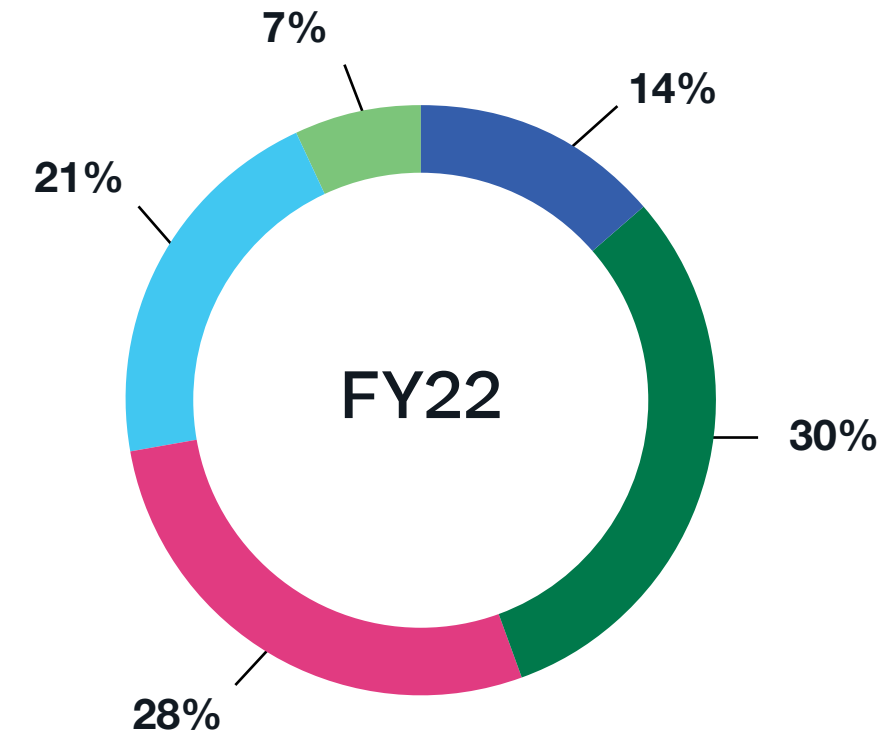
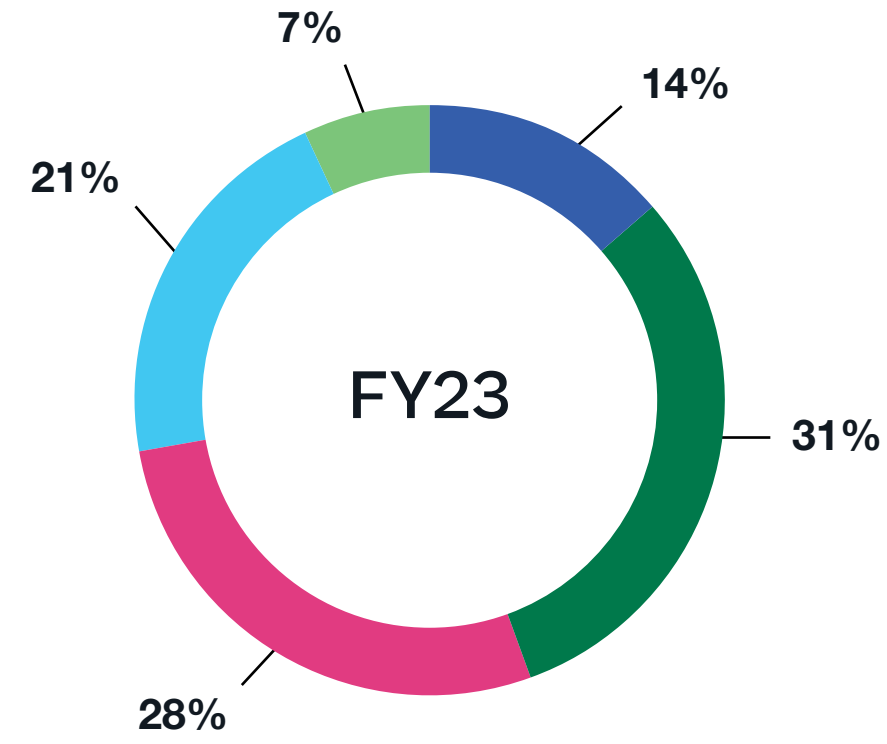
- PROUD @ NetApp
- Latinos Unidos @ NetApp (LUNA)
- NetApp Network of Blacks in Tech (NNBT)
- NetApp Veterans (NetVets)
- Women in Technology (WIT)
- NetAbled

DEI&B Metrics

Age¹¹

Total (Global)

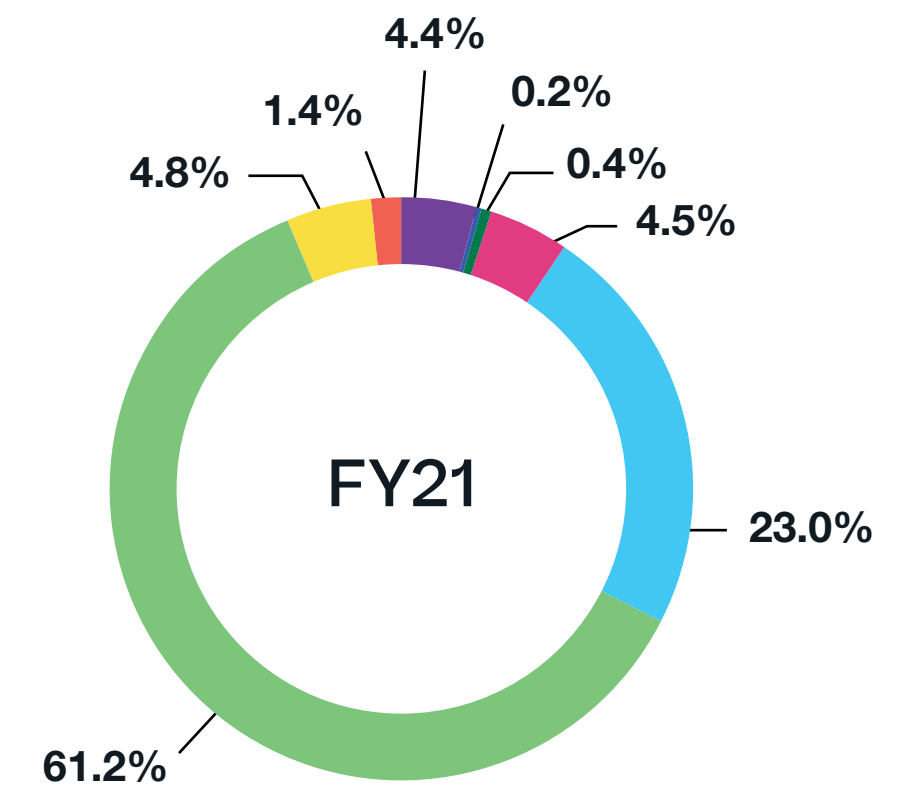
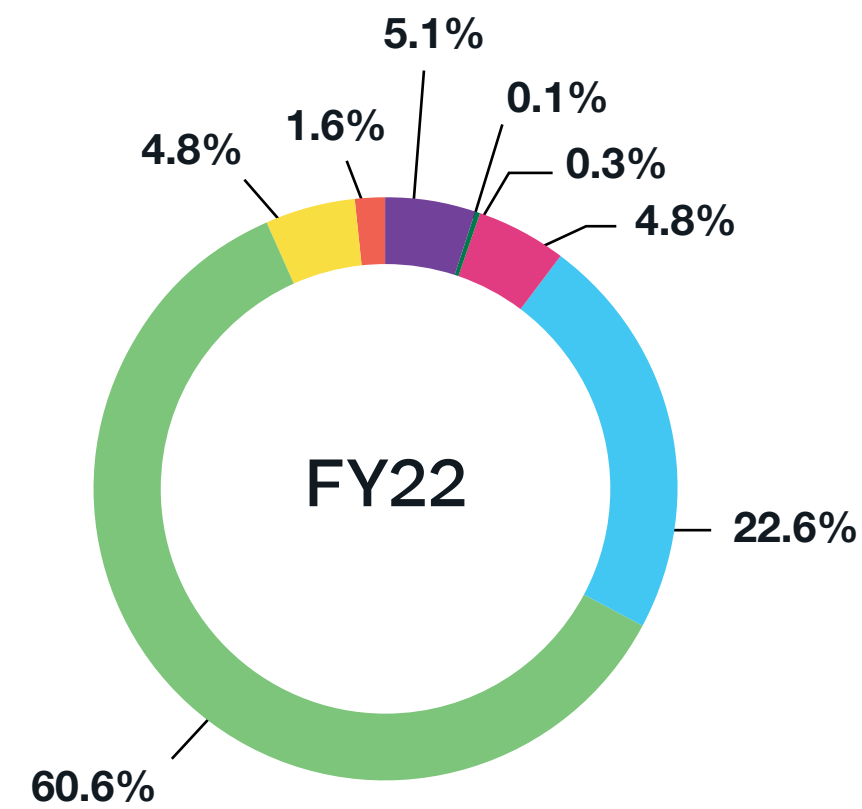
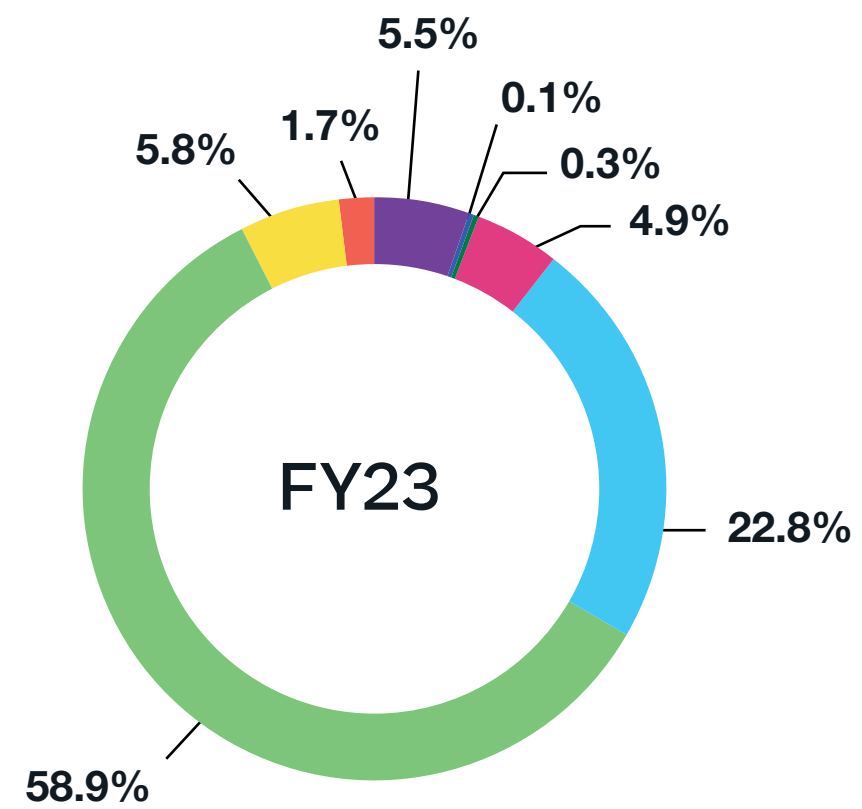
- 20-30
- 30-40
- 40-50
- 50-60
- 60+



Racial/Ethnic Diversity

Total (U.S.)

- % Black or African American employees
- % Native Hawaiian or other Pacific Islander employees
- % American Indian or Native Alaskan employees
- % Hispanic or Latino employees
- % Asian employees
- % White employees
- % Unspecified
- % Two or more races



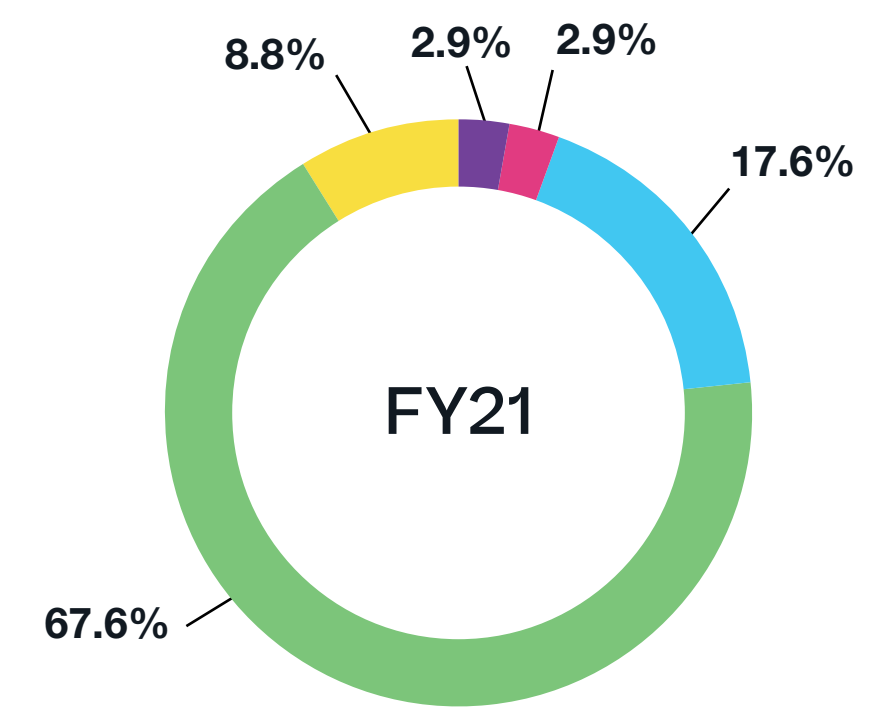
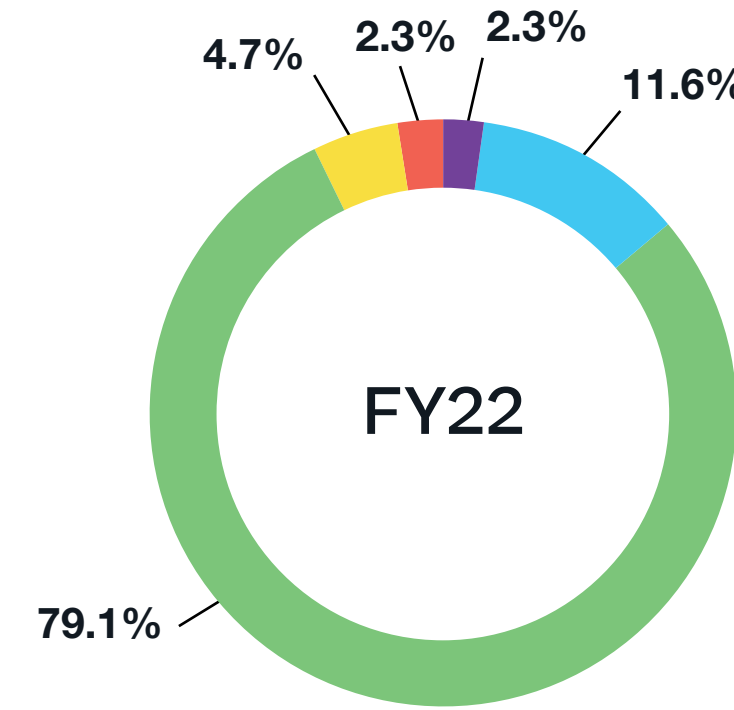
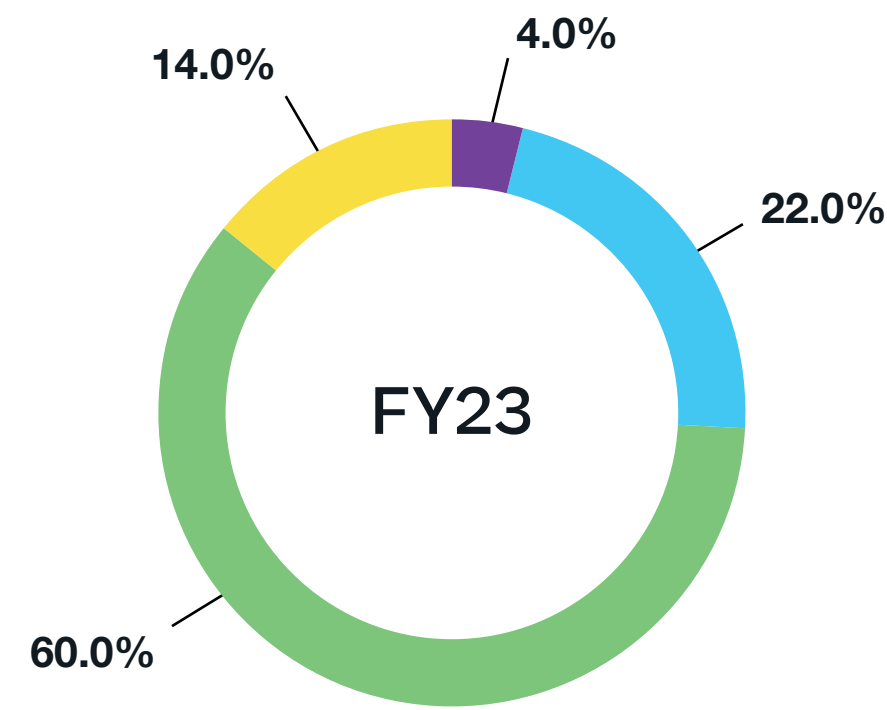
¹¹ Due to rounding, these figures might not add to 100%.

DEI&B Metrics

Racial/Ethnic Diversity

Executive/Senior-level officials and managers (U.S.)

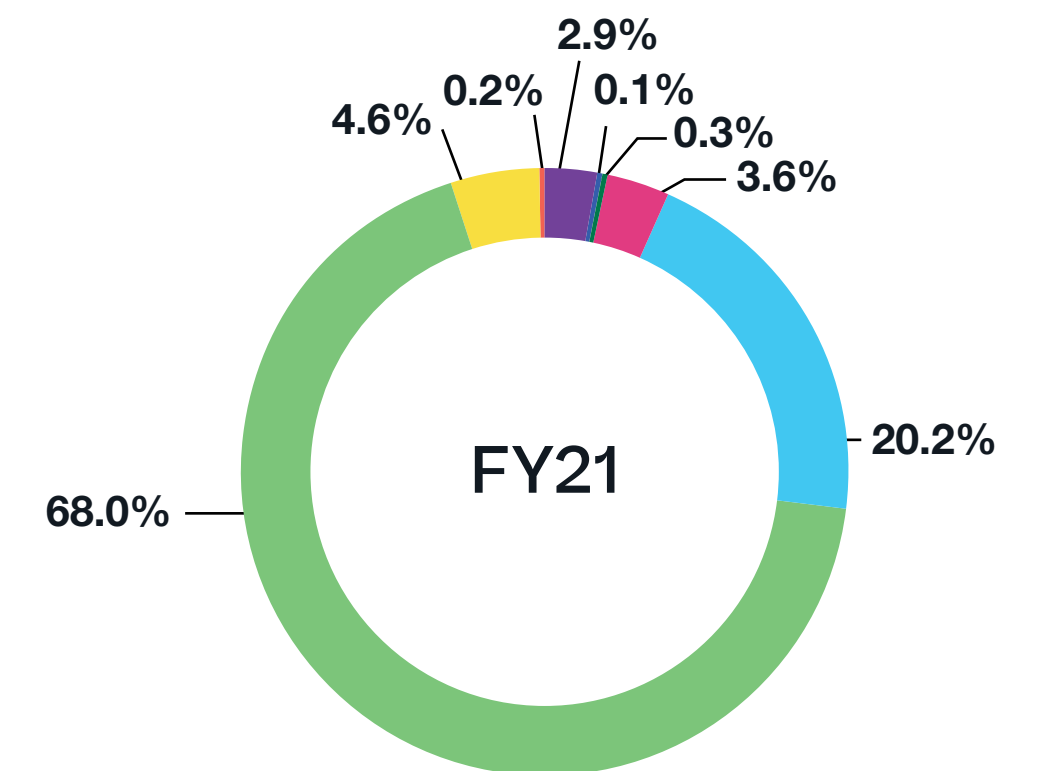
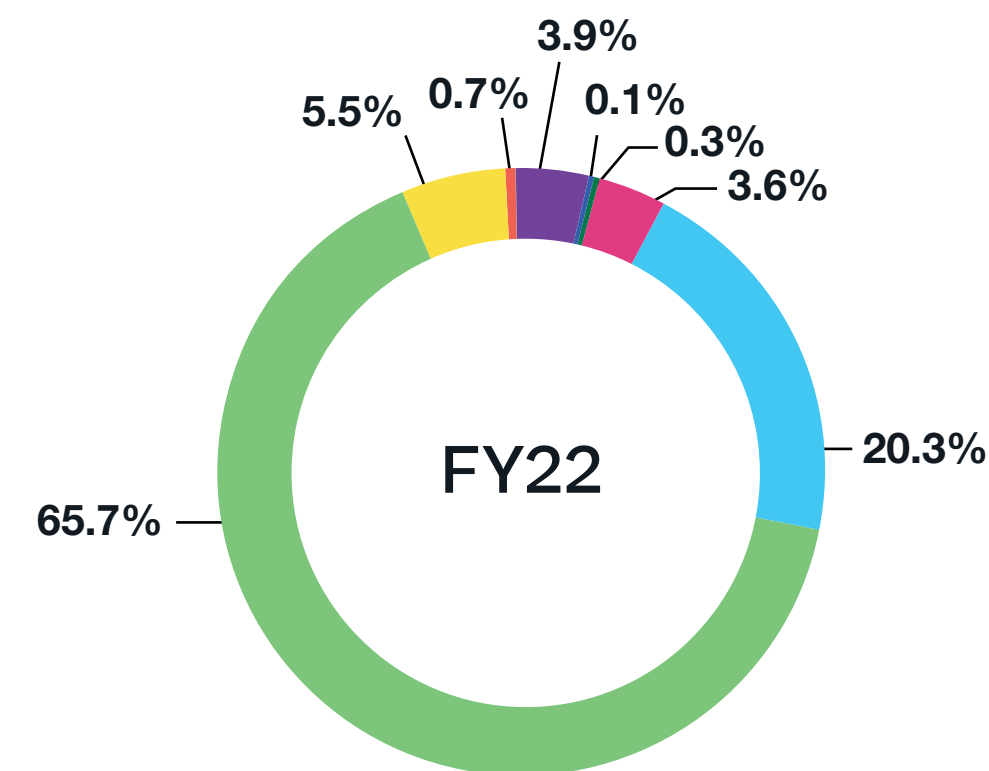
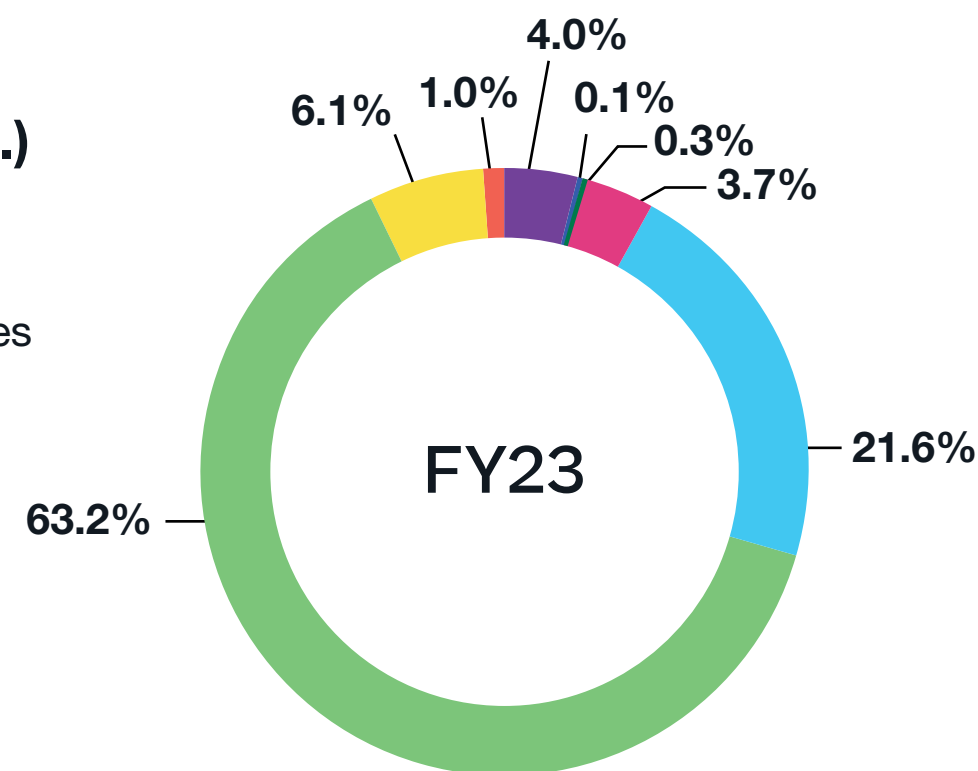
- % Black or African American employees
- % Native Hawaiian or other Pacific Islander employees
- % American Indian or Native Alaskan employees
- % Hispanic or Latino employees
- % Asian employees
- % White employees
- % Unspecified
- % Two or more races



Racial/Ethnic Diversity Totals

First/Mid-level officials and managers (U.S.)

- % Black or African American employees
- % Native Hawaiian or other Pacific Islander employees
- % American Indian or Native Alaskan employees
- % Hispanic or Latino employees
- % Asian employees
- % White employees
- % Unspecified
- % Two or more races

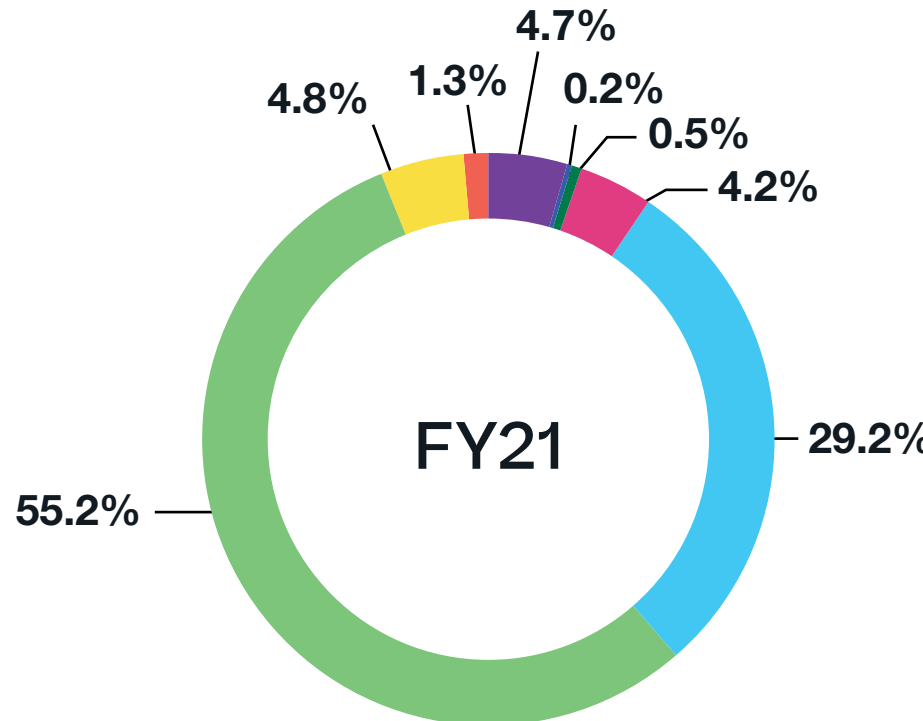
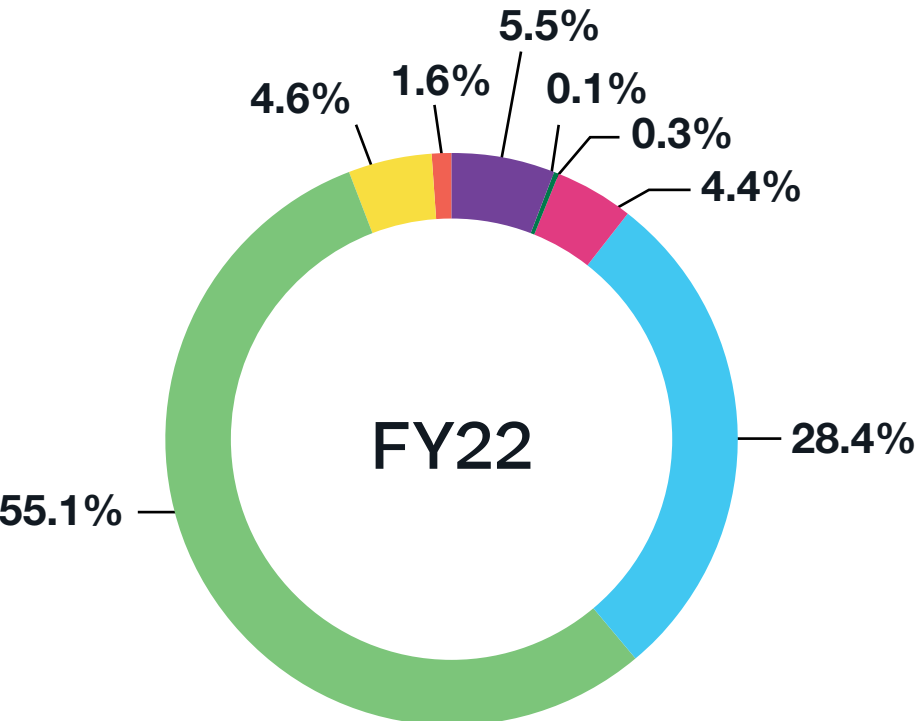
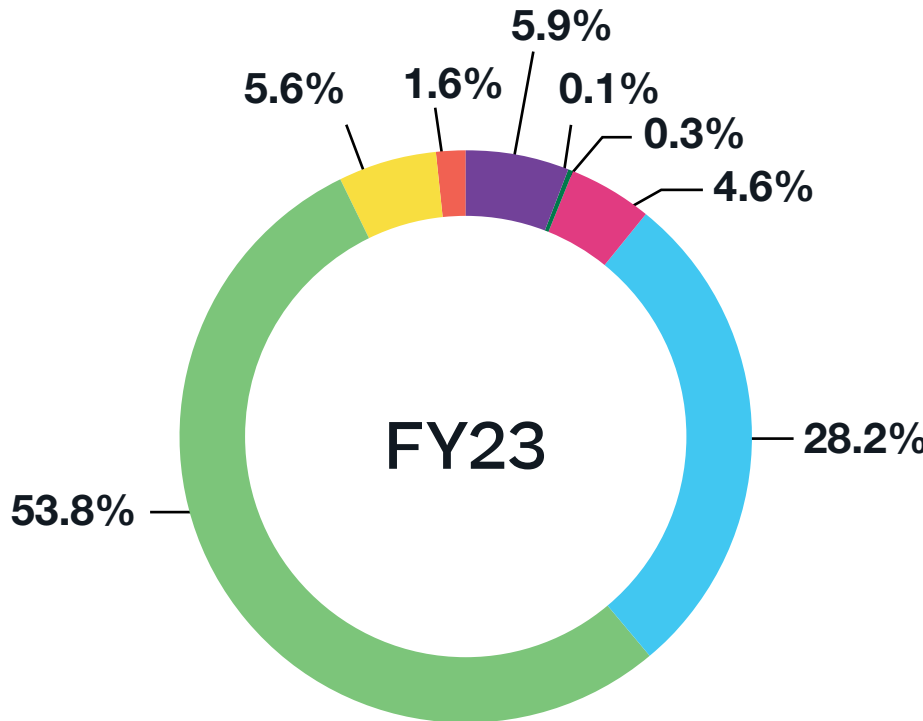


DEI&B Metrics

Racial/Ethnic Diversity Totals

Professionals (U.S.)

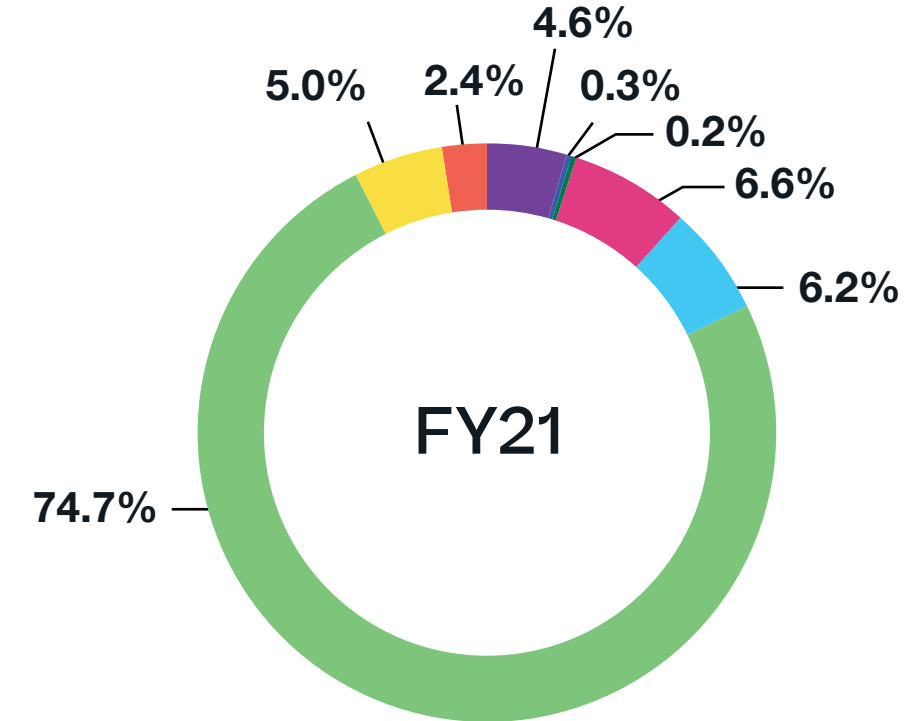
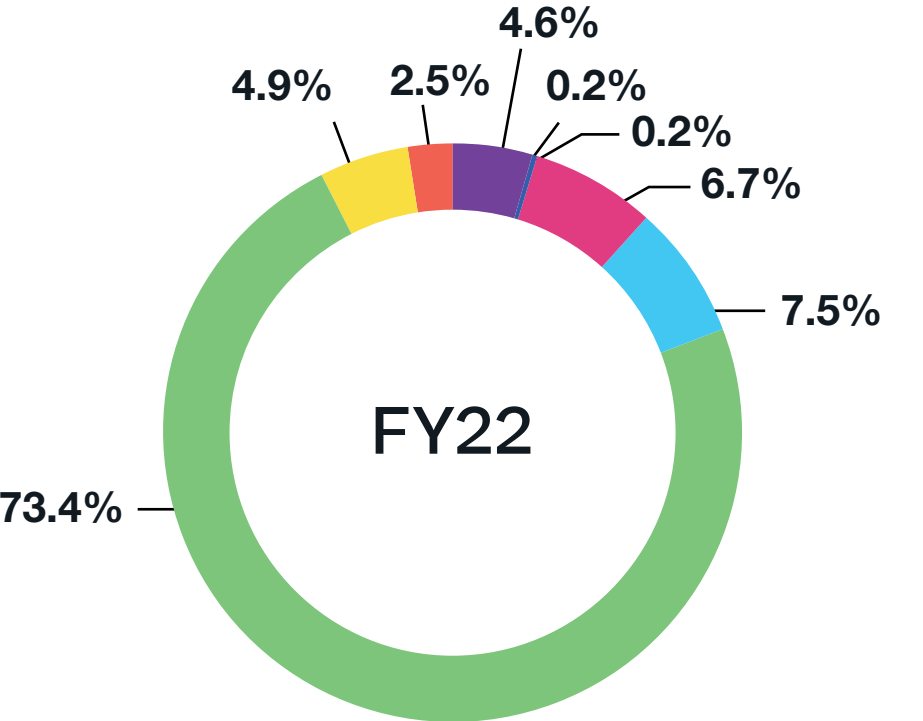
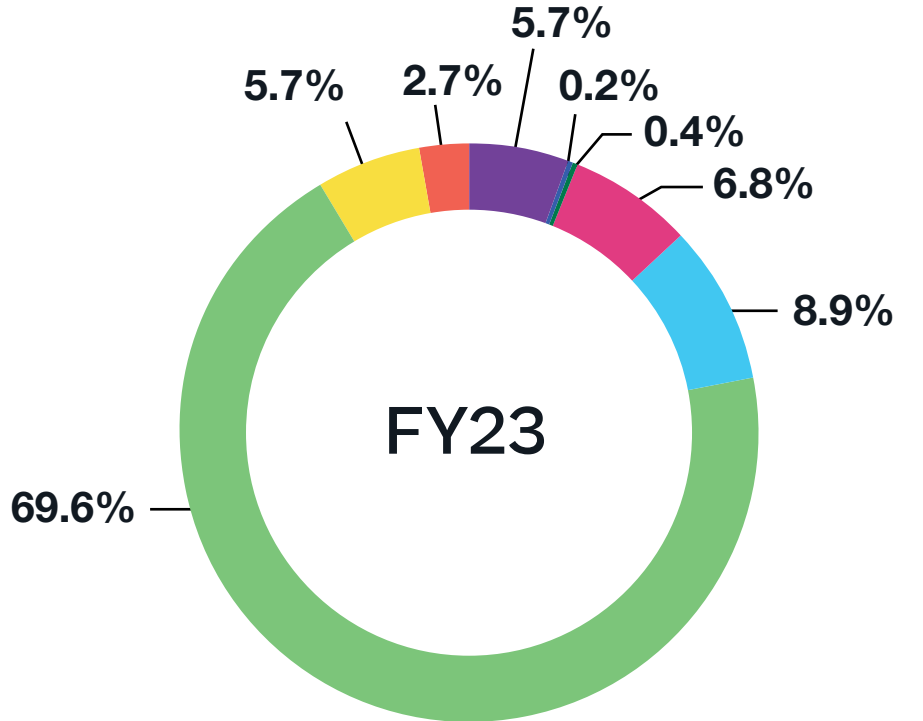
- % Black or African American employees
- % Native Hawaiian or other Pacific Islander employees
- % American Indian or Native Alaskan employees
- % Hispanic or Latino employees
- % Asian employees
- % White employees
- % Unspecified
- % Two or more races



Racial/Ethnic Diversity Totals

All other employees (U.S.)

- % Black or African American employees
- % Native Hawaiian or other Pacific Islander employees
- % American Indian or Native Alaskan employees
- % Hispanic or Latino employees
- % Asian employees
- % White employees
- % Unspecified
- % Two or more races



Pay Equity

We believe that pay equity helps ensure that all employees are treated fairly by eliminating wage disparity, which helps promote diversity and inclusion in the workplace. In other words, employees in similar job functions and levels should have comparable pay, regardless of their gender, race, or ethnicity.

Based on consistency and compliance, we offer simple, transparent, and easy to understand pay programs that support our goals for diversity, inclusion, and equitable pay.

This year, NetApp conducted its annual global pay equity assessment. The statistical assessment evaluated all countries with more than 100 employees, evaluating employee pay against gender and other factors. The assessment showed very few pay discrepancies across our global population, which were addressed through pay adjustments. If we find an issue or anomaly during the assessment process, we work quickly to address the issue and implement measures to prevent future issues.



Social Impact

Creating a Culture of Giving Back

We believe that community involvement has the power to bring positive, measurable change to our communities. NetApp and our employees connect our core values to our social impact efforts—investing in programs and partnerships that support social equity and community vitality, wherever we live and work around the world.



At NetApp, we live by our value of caring for each other and our communities. As active citizens of our communities, NetApp and our employees invest in partnerships and programs that support social equity and community vitality, wherever we live and work around the world. Our social impact programs fall into three categories: **data and technology education, basic needs, and disaster relief.**

Empowering our employees to give back

Through local partnerships, employees at each NetApp location guide our social impact efforts in their communities. We empower employees to use their time and talents to make meaningful, measurable impacts in their communities.

Our employees generously give their time to support the causes they care about in their communities. To encourage a culture of giving, we offer all NetApp employees 40 hours of Volunteer Time Off (VTO) every year. That's fully paid time away from work to support nonprofit organizations of their choice.

Cultivating Generosity

We understand that the best way to cultivate a culture of giving is to lead by example. To show our employees, customers, communities, and shareholders that we care about the world around us, our Executive Leadership Team incorporates social impact events during their team meetings and leadership events.

Our volunteer grants program amplifies the impact of our employees' generosity by matching every VTO hour contribution with a contribution of \$15 per hour up to 40 hours a year. Our matching gifts program matches employees' personal donations dollar for dollar up to \$1,000; this limit is in combination with the volunteer reward of US \$15 per hour reward.

In FY23,

4,454 employees

participated in
volunteering and
giving initiatives.

Together, NetApp and
NetApp employees
donated more than
\$3.3 million
to charities globally.



Community Investments

The individual efforts of NetApp employees are supported by the social impact initiatives we incorporate into our business operations. Through our programs, employees serve their communities with their colleagues, reinforcing our collaborative culture and impacting the communities around us. NetApp frequently leverages offsites and leadership events to further our understanding of needs and continuously improve our programs to best serve our communities.

“The VTO provided me with the opportunity to not only contribute my time but also skills for greater good. I’m grateful to NetApp for curating such meaningful engagement opportunities for volunteers like me to partake in making a difference to NGO community.”

- Sabihah Meer, Senior Human Resources Business Partner, India GTM

Team4Tech

Team4Tech is both a skills-based volunteering and professional development program. Through the program, NetApp employees are selected based on their skills and passions to support a non profit partner. Once selected, teams of 10-15 employees step out of their positions for 10 weeks to provide technological and educational improvements for one of our partners. The program is entirely virtual, pulling from volunteers and supporting non profit partners around the world.

Over the last three years, 70 employees have volunteered for the program, contributing over 3,000 hours, and impacting over 100,000 beneficiaries.

Employee Business Resource Groups

Built by NetApp community members themselves, our EBRGs help colleagues connect around their shared cultures, backgrounds, passions, and lived experiences. Our six EBRGs are designed with community in mind—creating meaningful communities within the company, giving back to the communities in which we live and work, and supporting the communities they represent.

NetApp Network of Blacks in Tech (NNBT)

To help expedite recovery and delivery of medical care to remote and war-torn areas around the world, our NNBT EBRG held a virtual Missing Maps event in FY23. Twenty volunteers came together to map the areas most in need of support. The NNBT EBRG also worked with the Food Bank of North Carolina in Durham, processing 3,000 lbs. of food, which translates to over 2,000 meals for North Carolina families living with food insecurity.

NetApp joined forces to support our partnership with [Samarthanam Trust for the Disabled](#), an Indian organization that helps women in both rural and urban areas where ableism and gender-based biases create significant barriers to financial independence. The organization provided a three-month training course, providing 47 women with not only the skills to design, sew, and tailor garments for all ages and genders but also with the equipment to do so long after they had completed the course. It’s rewarding to be part of a company culture that prioritizes social impact efforts that change real lives of women—potentially for generations.

American Association of People with Disabilities (AAPD)

NetApp partnered with the AAPD to increase the employment rate for People with Disabilities (PwD) through an informal Electronics Mechanical and Fitter training program. Beyond technical training, we helped equip PwD with job readiness skills such as language proficiency, life skills, and digital literacy to help them thrive in their careers, fostering a more inclusive workspace. The program also includes rehabilitation and health assessment, pre-employment training and industrial visits. Almost 50 individuals completed training and 90% have successfully been placed in jobs.

Education

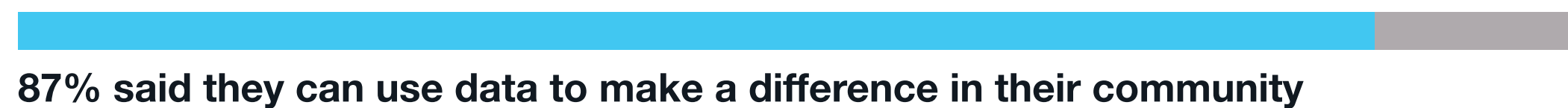
Equitable access to education—it’s an investment with the potential to eradicate poverty, create food security, and promote equitable economic opportunities for all children across every continent. Education is so crucial to the development and improvement of the lives of young people that the United Nations (UN) has identified it as a priority area in its development goals.

At NetApp, we believe in the transformative power of data literacy. Data literacy enables youth to evaluate data and statistical claims to make sound, informed decisions of their own, turning youthful curiosity into the potential to investigate and address real-world issues. Our company and our employees are committed to equipping youth with critical data literacy concepts and skills that can create employment opportunities and address social inequities.

Supporting Data Skills Education for Teens through our NetApp Data Explorers™ Program

To address the need for data science learning experiences, NetApp created NetApp Data Explorers™, a 12-week program designed to empower teens to discover and develop data science skills they’ll need to thrive in a data-driven world.

1,255 students participated in NetApp Data Explorers™ during the 2022-2023 school year. Students rated the program positively:



In FY23, we revamped the program curriculum based on feedback from partners, educators, and students. The new curriculum focuses on hands-on learning and encourages students to use creativity in tandem with data science skills to drive social change.



Powering creativity with data

As a part of our NetApp Data Explorers™ Program, NetApp’s long time customer and partner, DreamWorks Animation, joined forces with NetApp Data Explorers™ to inspire students with data. DreamWorks SVP Kate Swanborg spoke to 200+ program participants in Research Triangle Park and San Jose for an afternoon of fun and learning.

It is important to connect data to things that young people are passionate about. Swanborg shared that the creation of beloved characters from films such as *Shrek*, *Kung Fu Panda*, and *Puss in Boots* generates a lot of data. In fact, each animated film generates over a petabyte of data.

“Everything you see on screen—the characters, the environment, their clothes, even Puss in Boot’s fur—is created inside the computer. Every part of the movie is made up of millions of files. Our artists use that data to create all the images you see.”

“DreamWorks uses the power of data to bring imagination to life.”

- Kate Swanborg, SVP, DreamWorks Animation

Swanborg asked the students to use their imaginations and create storyboards to “practice being an artist at DreamWorks,” working in teams to create a final scene for a film.

In FY23, we continued expanding our global partnership with World’s Largest Lesson. We created the hour-long “Dive into Data: Be a Fact-ivist” lesson plan where students ages 10-18 use data to understand the UN Sustainable Development Goals and take action around them. By teaching our students how to work with data, we helped them develop data literacy skills, empowering them to leverage data to take meaningful action. During the 2023-2023 school year, 74,688 students around the world, including those in the most underserved communities, completed the lesson.



Building Data Science Awareness Globally in Partnership with the World’s Largest Lesson

Through our support of the World’s Largest Lesson (WLL), a program of Project Everyone, NetApp employees leverage their experience to help the next generation learn foundational data science skills that they can apply to drive social change in their communities. World’s Largest Lesson works in partnership with UNICEF and with the support of UNESCO to empower children to act using the power of data.

With WLL, we launched a global survey to understand student insights and perspectives on education. Targeting students 7-18 years old, 37,000 individuals completed the survey across 150 countries. Results showed that 55% of students want to enhance their data skills—a need that we’re well positioned to address. In FY24, we will continue our partnership with WLL to enhance data literacy among students, a crucial skill for the modern world.

To celebrate the opening of our International Headquarters in Cork, Ireland, employee volunteers dove into data with 16 students from Cork’s North Presentation Primary School, a Delivering Equality of Opportunity in Schools, or DEIS, school. Volunteers shared their career journeys, gave students an introduction to data, and empowered the students to become ‘Fact-ivists’ by using data to create an infographic about women in STEM.

At the Christel House School in Bengaluru, India, we partnered with World’s Largest Lesson to host a Student Voices Transforming Education event to ignite student action for SDG 4: Quality Education using the power of data. In India, more than 100 children from local elementary and secondary schools shared their data-driven ideas for improving education to an audience of education and corporate leaders.

Basic Needs

When communities have equitable access to basic necessities like nourishing food and safe housing, children are better educated, local economies grow, and people live longer, healthier lives. By engaging with our communities to understand barriers to food and housing security, we can build relationships with stakeholders, and together, co-create meaningful solutions.

Housing Security

In FY23, NetApp and our employees helped bring much-needed affordable housing to the community near our offices on the Wichita State University’s (WSU) Innovation Campus. NetApp donated a \$15,000 grant to sponsor the **Wichita Habitat for Humanity’s** construction project. To power the project, 10 NetApp team members contributed 75 volunteer hours to help break ground and frame the new building.

Our North America headquarters employees supported housing projects close to our San Jose home. More than 165 children received decorative spring baskets—made and delivered by NetApp employees in support of **Life Moves**, an organization that provides interim housing and services to community members in need. NetApp volunteers also decorated the shelter’s lobby and organized donated toys and clothing.

Food Security

NetApp employees give generously to organizations working to fight global hunger. Our corporate beneficiaries—CARE, the World Food Programme, and World Central Kitchen—each received a \$10,000 corporate donation, as well as employee donations.

Our support for The Tech Interactive’s **Global Good program** continued in FY23. The recipient of this round of funding, Goodr, uses data science to reduce food waste and fight hunger. Since its founding, the Atlanta-based company has provided food to more than 30 million individuals and diverted nearly 4 million pounds of food waste away from landfills. The funding will enable Goodr’s innovators to continue their work to fuel a more sustainable future.

NetApp employees also packed more than 30,000 meals to help fuel students facing hunger in communities across the U.S. in a joint initiative with **NetApp Serves and EBRGs**. The project united 100 employees at in-person events across the U.S. to assemble meals and allowed our global team to learn about food insecurity through a virtual simulation hosted by the Atlanta Food Bank.

Combined with employee donations, in FY23 we **gave more than \$50,000** to corporate beneficiaries working to fight hunger in our communities.

Disaster Relief

During the three decades since our founding, we've seen entire communities devastated and displaced by powerful storms, frequent floods, and destructive wildfires. And when those weather events and climate disasters impact the communities where we live and work, NetApp and our employees mobilize to deliver critical resources and funds to partners providing on-the-ground support.

Atlantic Hurricanes

Punctuated by Hurricane Ian's widespread destruction across Cuba, Florida, and the Carolinas, the 2022 Atlantic hurricane season was among the costliest on record. NetApp supported disaster response with a \$25,000 corporate donation to the American Red Cross.

Colorado Wildfires

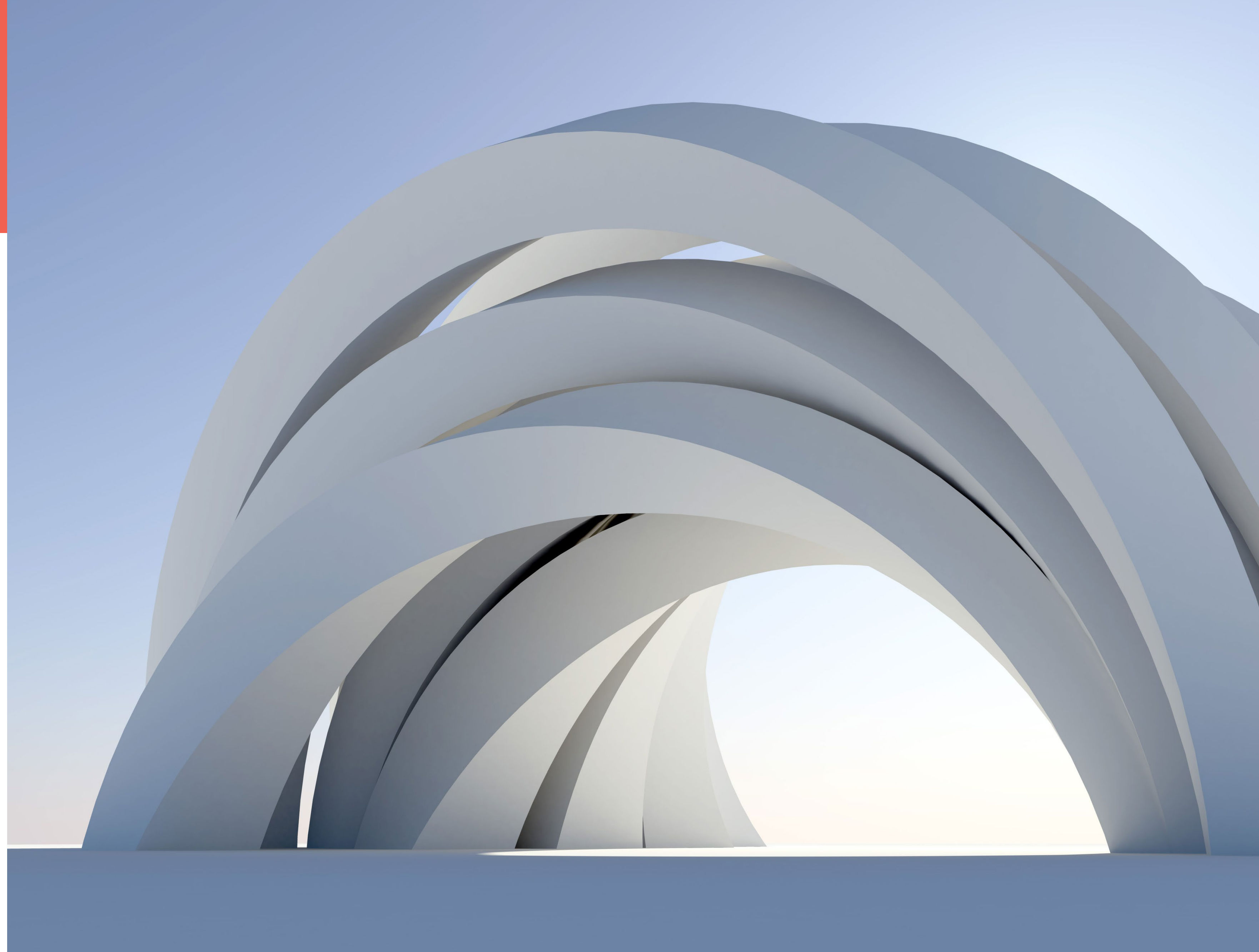
The 2022 Colorado wildfire season burned 6,200 acres, destroyed more than 1,000 structures, and impacted the lives of NetApp employees in affected areas. On the ground in Colorado, one NetApp employee independently spearheaded local giving and volunteering efforts. Inspired by this extraordinary moment of caring for the community, our colleagues and our company were inspired to join forces to amplify those efforts.



Governance

Building an ethical and trusted business

Operating ethically builds our customers' trust today and creates resilience for tomorrow. To faithfully protect our customers' data, we embed data privacy and security into our culture and adapt our practices to comply with ever-evolving standards. Our governance structure enables our strategy and supports our commitments, ensuring we operate responsibly and remain competitive.



Corporate Governance

At NetApp, we know our company is best positioned when our Board reflects a diverse mix of expertise, skills, perspectives, and tenure, as well as a shared commitment to the highest ethical standards. Our [Corporate Governance Guidelines](#) detail our expectations for directors' personal and professional ethics, leadership skills, and expertise.

We also understand the important role Board composition plays in creating a culture of belonging, innovation, and success within our complex, global business. Our Board strives to maintain diverse membership by identifying otherwise qualified candidates who would increase our Board's diversity of experience, professions, skills, viewpoints, and backgrounds, including with respect to race, ethnicity, gender, culture, and geographic representation. The CGN Committee regularly evaluates potential new director candidates to help ensure our Board continually reflects this diversity.

Our Board maintains a regular and robust evaluation process designed to continually assess its effectiveness. Every year, the Board conducts a formal evaluation of each Board committee, individual directors, and the Board as a whole. In FY23, we refreshed committee membership and chairpersons of the Talent and Compensation Committee and Audit Committee. Over the past five years, one Board member retired and our Board welcomed two new independent directors.

Our Board and its three independent standing committees ensure strong corporate governance, overseeing our programs, performance, and strategy.

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, oversees the company's risk management programs, and provides Board-level oversight of our Enterprise Risk Management (ERM) program.

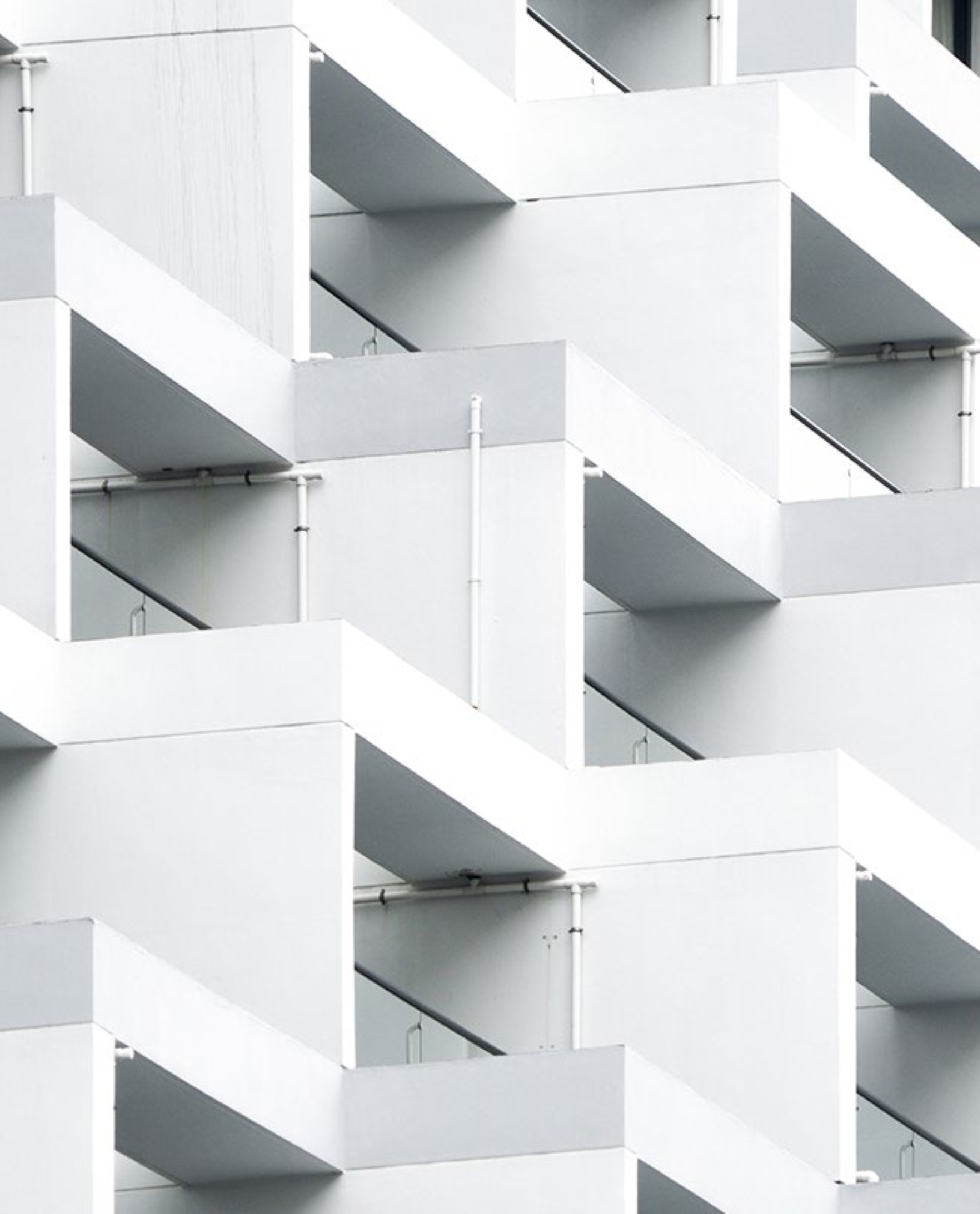
Corporate Governance and Nominating Committee

The Corporate Governance and Nominating Committee reviews and provides recommendations on Board and committee composition, candidates for Board membership, and director independence. The committee also oversees and periodically reviews our corporate governance policies, guidelines, and procedures, as well as our ESG goals, policies, and programs.

Talent and Compensation Committee

The Talent and Compensation Committee assists the Board in the oversight, evaluation, and approval of executive and non employee Board member compensation. The committee also oversees the company's human capital management strategy and key employee engagement programs, including workforce diversity, equity, inclusion, and belonging and talent acquisition, engagement, development, and retention.

See our [2023 Proxy Statement](#) and [Corporate Governance web page](#) for more information about our Board and its committees.



Board Snapshot

Independence¹²



Independent



Non-independent

Diversity



Female Directors



Racially/Ethnically Diverse Directors

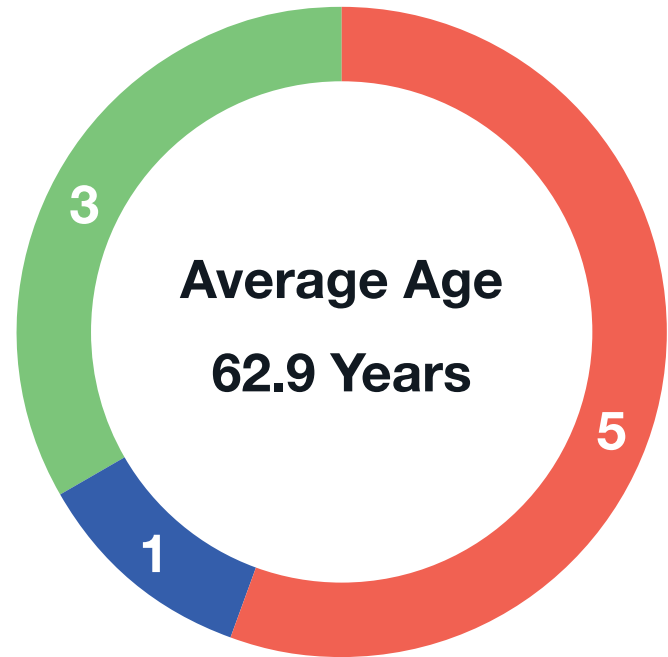


Board Refreshment

Over the past five years, two new directors have joined our board and one director retired.

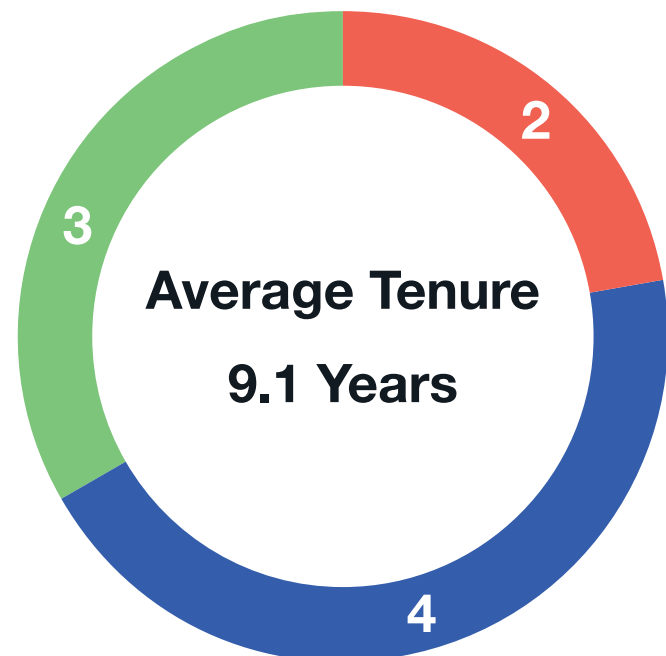
Age

- 51 - 60
- 61 - 70
- > 70



Tenure

- 5 years and below
- 6-10 years
- 11 years and above



¹² 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.

ESG Governance

At NetApp, our ESG strategy is developed, driven, and implemented by our ESG Office under the leadership of a Vice President in the Legal department. Reporting to our Executive Vice President, Chief Legal Officer, and Corporate Secretary, the ESG leader also heads our GBCC.

The GBCC is a cross-functional executive leadership team with managerial responsibility for our ESG strategy, goals, and reporting, with oversight from each of our three Board committees. At least twice a year, the ESG leader presents ESG program updates to the CGN Committee, which then evaluates our ESG goals to ensure that they align with NetApp’s stated values and long-term strategy. The Talent and Compensation Committee oversees initiatives related to key human capital management strategies and programs, including diversity, equity, inclusion, and belonging (DEI&B) initiatives. The Audit Committee oversees the implementation and effectiveness of the company’s corporate integrity, internal control, disclosure, and compliance programs.

Additional support for executing our ESG strategy is provided by the ESG Operating Committee, established in FY23 and reporting to the GBCC.

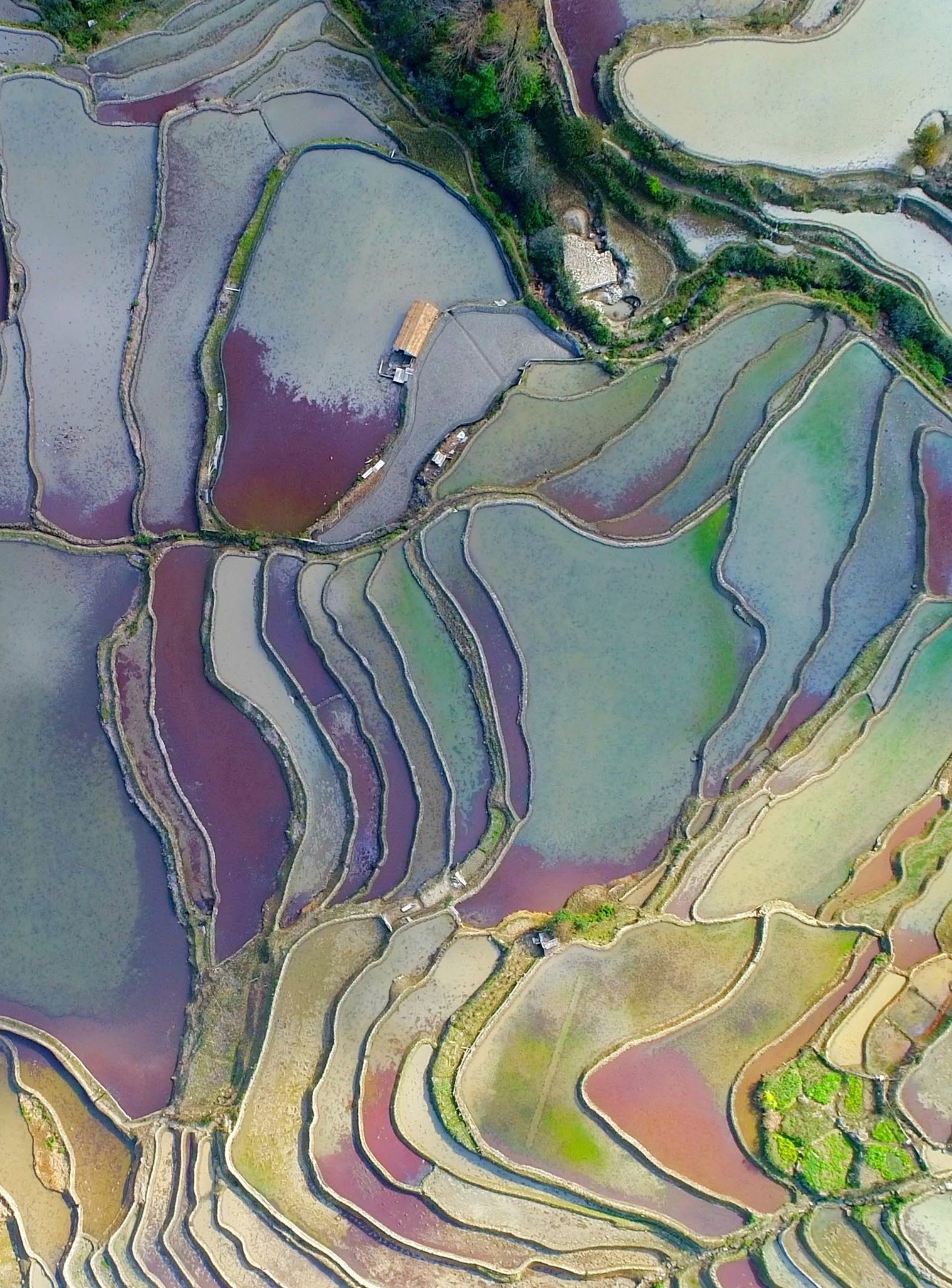
Driving Action on DEI&B

At NetApp, we are a collection of diverse people from around the world. Embracing our culture of diversity requires that we build diversity, equity, inclusion, and belonging into our company’s culture, values, and practices. As we work toward greater demographic, physical, and cognitive diversity, we must hold ourselves accountable. To help advance DEI&B and drive year-over-year improvement in representation across genders and unrepresented groups, the Talent and Compensation Committee tied key executive compensation elements to DEI&B objectives. For more information, read our [2023 Proxy Statement](#).

Risk Management

We maintain a companywide ERM program to help us recognize and manage potential risks. Our ERM process includes an annual risk assessment, which begins with a broad evaluation of all potential risks and ends with a narrowed list of top-level risks.

Our ERM process is managed by our Enterprise Risk Steering Committee (ERC), a cross-functional group of senior leaders with responsibility for top-level risks. Each risk category is assigned to a specific individual on the ERC, who is then responsible for assessing and managing risks in their respective category. The ERC supports executive level and Audit Committee reporting at least annually.



Business Conduct and Ethics

Everyone at NetApp—from the Board to individual contributors—is held to the high ethical standards outlined in our comprehensive [Code of Conduct](#). As a global company, we share the responsibility to conduct business honestly, safely, ethically, with integrity, and in full compliance with laws, rules, and regulations applicable to the business. Our values serve as an abridged Code of Conduct—a standard that enables all employees and officers to ensure their actions align with our Code and our commitment to do the right thing the right way and for the right reasons, wherever we have a presence.

Because NetApp moves goods and technology around the world, we supplement the Code of Conduct with our global trade compliance program. Through training, controls, and certifications, the program helps ensure that we abide by the import and export laws of the countries in which we do business. We also maintain a comprehensive anti-bribery program that prohibits commercial or government bribery and facilitation payments, among other misconduct.

Ethical Oversight

The Audit Committee of the Board oversees our ethics program and conducts periodic audits of ethical standards and practices. This committee receives management updates on the company’s ethics and compliance program at least quarterly.

Training

We adapt our Code of Conduct training annually to reflect our key priorities, which evolve with emerging trends, developing technology, and a changing operating environment.

NetApp’s Code of Conduct training regularly covers the following topics:

- Anti-bribery and anti-corruption
- Anti-harassment and anti-discrimination
- Diversity, equity, inclusion, and belonging
- Human rights
- Reporting ethical issues

All full- and part-time NetApp employees must complete the course during onboarding and annually to recertify their compliance with our Code of Conduct.

Reporting Ethical Concerns

To encourage employees to speak up when they're concerned about possible ethical misconduct, we support our open door policy with a non retaliation policy. Through Code of Conduct training and our intranet, we broadly communicate these policies and detail the grievance mechanisms for any employee or third party to report concerns, including issues related to ethics and potential discrimination.

In FY23, we enhanced our Compliance Hotline. Operated by an independent reporting service, the 24/7 hotline enables internal and external individuals to report their concerns conveniently and, where allowed by law, anonymously. Hotline reports are overseen, monitored, and managed by Internal Audit.

Employees may also report ethical conduct concerns to anyone at higher levels of management or to our Human Resources and Legal Departments.

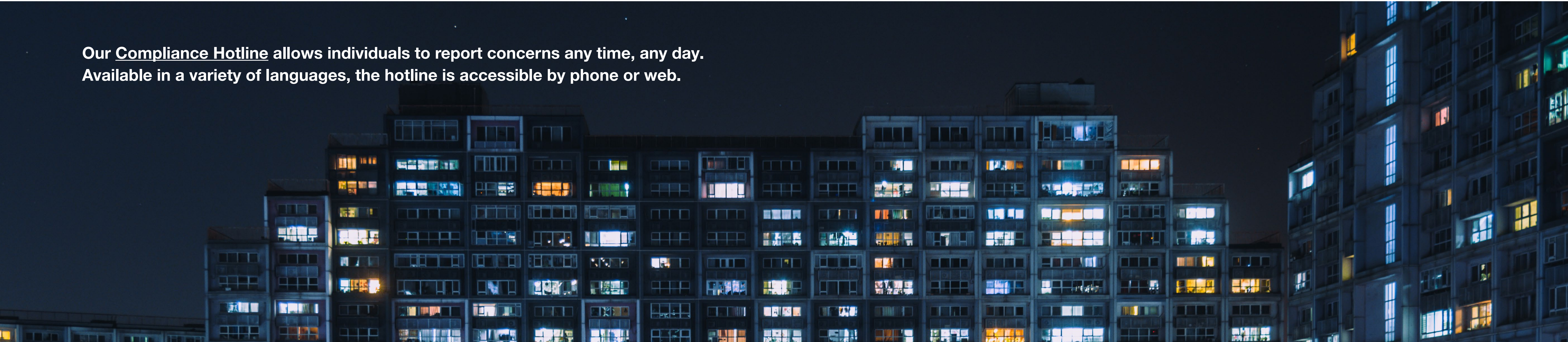
NetApp responds to each complaint within 24 hours, communicating our ethical standards and processes. Each report is assessed and thoroughly investigated as needed. Topline report metrics are reported to the GBCC and the Audit Committee of the Board.

Political Advocacy

We encourage NetApp employees to engage with their communities and to participate in the democratic process. However, we strictly prohibit political contributions of any kind made by or on behalf of NetApp. This includes donations to both PACs and candidates for any government office.

NetApp participates in a number of trade associations around the world, including TechNet and the Information Technology Industry Council (ITI) in the United States and Digital Europe in EMEA. We regularly review the policies of these organizations to ensure alignment with NetApp policies.

Our Compliance Hotline allows individuals to report concerns any time, any day. Available in a variety of languages, the hotline is accessible by phone or web.



Supply Chain Management

Our multifaceted approach to supply chain management helps reduce risk and enhance supplier sustainability. We analyze suppliers through the lens of human rights, environmental impacts, social issues, health and safety, diversity, cost, quality, cybersecurity risk, and more. Senior supply chain management presents periodically to the Board on the state of the supply chain including plans and strategies.

Our Business Continuity Program fosters collaboration with our suppliers. Using criticality surveys to identify vital resources and processes, we work to prevent supply chain disruptions.

Supplier Code of Conduct

NetApp's [Supplier Code of Conduct](#) requires that suppliers operate in full compliance with the laws, rules, and regulations of the countries in which they operate and encourages them to go beyond legal compliance, drawing upon internationally recognized standards to advance social and environmental responsibility and business ethics. The Code also establishes NetApp's parameters regarding human rights, discrimination, safe working conditions, compliance with environmental regulations, and overall business integrity.



NetApp is an active member of the Responsible Business Alliance (RBA), a coalition committed to creating safe supply chains, conducting environmentally responsible operations, and supporting the rights and well-being of workers in the technology industry. Our Supplier Code of Conduct follows the RBA Code of Conduct framework and aligns with the principles established under the U.N. Universal Declaration of Human Rights.

NetApp's Supplier Code of Conduct expands on five main subjects:

- 1. Labor practices
- 2. Environment
- 3. Management systems
- 4. Health and safety
- 5. Ethics

RBA uses regular audits and supplier self-assessments to confirm adherence to RBA standards. In the event of a deficiency, we strive to work with RBA and suppliers to understand the source of the issue and prevent recurrence.

Supplier Screening

Before establishing new business relationships, we conduct due diligence on prospective suppliers, evaluating information security, labor, and reputational issues, among other factors.

Supplier Diversity and Risk Management

NetApp recognizes diversity as an asset in all contexts, including our supply chain. Through our Supplier Diversity Program, we partner with veteran-, minority-, and women-owned businesses, small businesses, and companies with representation from disabled or otherwise disadvantaged communities. In FY23, our DEI&B team provided specialized training to help our procurement team move beyond regulatory requirements, enhance collaboration, and create cultural change. The DEI&B and procurement teams will set internal targets in FY24 to increase spending in the Supplier Diversity Program—targets they will work together to advance through alliances with external organizations and communities.

Modern Slavery

Our [modern slavery statement](#) outlines our approach to promoting human rights across our supply chain. This year, we engaged a third party to conduct a global modern slavery risk assessment. Based on learnings from the assessment, we implemented modern slavery training for relevant departments and screen all Tier 1 and select Tier 2 suppliers for modern slavery risks.

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.



Data Privacy and Security

Our customers entrust us with their most valuable asset—their data. Using the same comprehensive approach to data privacy and security we enact in our own operations, we faithfully protect and secure our customers’ assets to earn their trust.

Global and regional data security and privacy requirements are ever-evolving, and our journey to deliver industry-leading products and services that comply with those standards is never-ending. Rigorous audits by independent, accredited third parties confirm that our products and services adhere to standards such as [ISO/IEC 27001](#), [the GDPR](#), [NIST SP 800-171](#), and the Common Criteria. The audits also demonstrate our adoption of internationally recognized processes and best practices, enabling customers to trust our products and services, regardless of compliance needs.

Our customers have been entrusted with data, too. By giving them control over their data collection, use, and storage, NetApp’s solutions empower customers to protect the privacy of their employees, partners, and customers.

Oversight

At the Board level, oversight of risks related to data privacy and security is the responsibility of the Audit Committee, which receives biannual updates on related programs and performance. At the management level, data security is managed by our Chief Security Officer and data privacy is managed by our Chief Privacy Officer, both of whom sit on our Global Data Privacy Council. A cross-functional team of senior executives, the Global Data Privacy Council ensures our data privacy and security practices are enacted every day by all NetApp employees, regardless of their function.



To ensure that every NetApp employee plays their part in protecting and securing data, we require annual information security training and role-specific data privacy training every other year.

Trust Center

Our [Trust Center](#) is a comprehensive and transparent resource outlining policies and practices that govern how we secure customer information, protect individual privacy, manage our systems, and protect customer data. The Trust Center details how we adhere to global best practices and relevant laws that apply to data storage, transmission, processing, and governance. It also clarifies how we test security measures, including encryption, authentication and authorization controls, data loss prevention, and patch management.

NetApp was among the first companies to file [Binding Corporate Rules](#) (BCRs) to govern the transfer of data from the European Union to other countries.

Privacy Champions

Staying ahead of privacy compliance and data governance opportunities requires a nimble, responsive, and collaborative environment. Our [Privacy Champions program](#) represents our efforts to foster that environment and embed data privacy and security into our culture and operations. Developed in 2020, our cross-functional team of rigorously trained Privacy Champions provides expertise, answers front-line privacy-related questions, identifies issues, and collaborates with other experts to solve them.

In FY23, we met our stated goal to extend our Privacy Champions program to all geographies and business units.

Data Security

At NetApp, data security is the foundation on which privacy and compliance are built. We abide by the requirements of data security laws that outline reasonable security measures for storing, transmitting, and processing data. We also practice the fundamental data security principle of data minimization: organizations should not collect more personal information than is necessary or hold it for longer than 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. Our Security Operations are staffed 24/7/365, ready to respond in the event of a breach.

To reduce the likelihood and potential impact of data loss in the event of a security incident, we maintain data protection and monitoring systems and an Incident Response Plan (IR Plan). Annual testing of the IR Plan and training for Incident Responders provides operational readiness assurance. To further confirm response readiness, our 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.

Our Chief Security, Chief Privacy and Data Protection Officers, as well as other senior executives, are prepared to provide timely and transparent notification of any security incident. Affected parties receive notice regarding the data exposed and NetApp's response to the incident, along with any recommended next steps and resources for obtaining additional information.

We maintain rigorous standards of data control, certifying our information security management systems to [ISO/IEC 27001:2013](#) standards. 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. These standards require certification by an independent auditor and help us meet legal, regulatory, statutory, and contractual obligations. In FY23, NetApp's in-scope products and services met all controls defined by ISO 27001:2013.

Appendix

Forward-Looking Statements /
Disclaimers

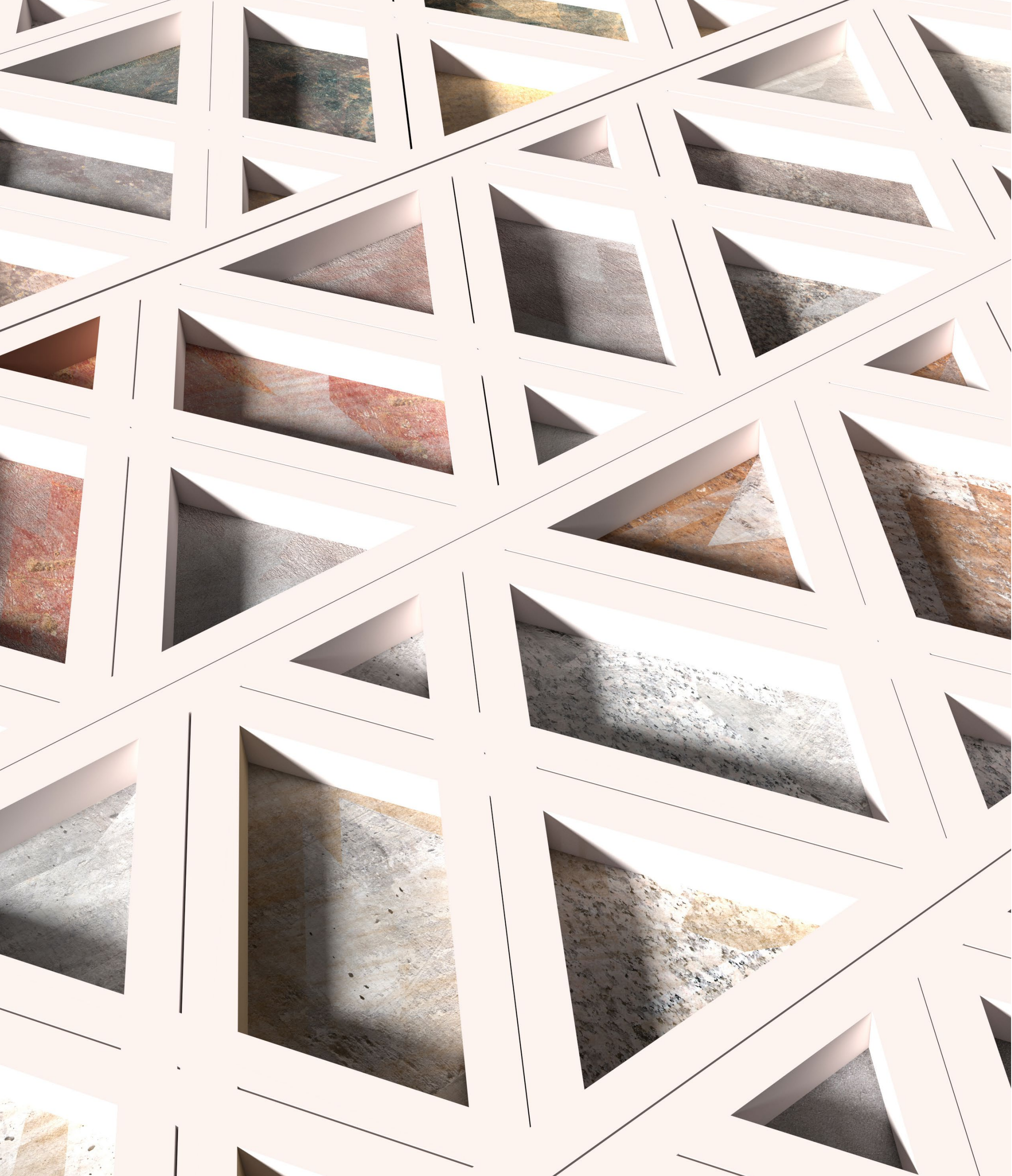
SASB Index

Performance Data Tables

GRI Index

TCFD Index





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 in all cases 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, Sustainability Accounting Standards Board (SASB), Task Force on Climate-related Financial Disclosures (TCFD) 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.

SASB Index

Topic	Accounting Metric	Unit of Measure	Code	Response																																																																																																
Product Security	Description of approach to identifying and addressing data security risks in products	n/a	TC-HW-230a.1	See Data Privacy and Security section.																																																																																																
Employee Diversity & Inclusion	Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff, and (3) all other employees	%	TC-HW-330a.1	<table border="1"> <thead> <tr> <th colspan="4">American Indian or Alaska Native</th> <th colspan="4">Black</th> </tr> </thead> <tbody> <tr> <td>Total</td> <td>0.3%</td> <td>0.3%</td> <td>0.4%</td> <td>Total</td> <td>5.5%</td> <td>5.0%</td> <td>4.4%</td> </tr> <tr> <td>Male</td> <td>0.3%</td> <td>0.3%</td> <td>0.4%</td> <td>Male</td> <td>4.6%</td> <td>4.3%</td> <td>3.7%</td> </tr> <tr> <td>Female</td> <td>0.3%</td> <td>0.2%</td> <td>0.4%</td> <td>Female</td> <td>8.1%</td> <td>7.0%</td> <td>6.6%</td> </tr> <tr> <th colspan="4">White</th> <th colspan="4">Hispanic or Latino</th> </tr> <tr> <td>Total</td> <td>58.9%</td> <td>60.7%</td> <td>61.2%</td> <td>Total</td> <td>4.9%</td> <td>4.7%</td> <td>4.5%</td> </tr> <tr> <td>Male</td> <td>61.6%</td> <td>63.4%</td> <td>63.8%</td> <td>Male</td> <td>4.7%</td> <td>4.5%</td> <td>4.3%</td> </tr> <tr> <td>Female</td> <td>51.2%</td> <td>52.8%</td> <td>53.5%</td> <td>Female</td> <td>5.2%</td> <td>5.4%</td> <td>5.4%</td> </tr> <tr> <th colspan="4">Asian</th> <th colspan="4">Two or More Races</th> </tr> <tr> <td>Total</td> <td>22.8%</td> <td>22.6%</td> <td>23.0%</td> <td>Total</td> <td>1.7%</td> <td>1.6%</td> <td>1.4%</td> </tr> <tr> <td>Male</td> <td>21.2%</td> <td>20.8%</td> <td>21.3%</td> <td>Male</td> <td>1.5%</td> <td>1.5%</td> <td>1.3%</td> </tr> <tr> <td>Female</td> <td>27.2%</td> <td>28.2%</td> <td>28.5%</td> <td>Female</td> <td>2.2%</td> <td>1.9%</td> <td>1.6%</td> </tr> </tbody> </table>	American Indian or Alaska Native				Black				Total	0.3%	0.3%	0.4%	Total	5.5%	5.0%	4.4%	Male	0.3%	0.3%	0.4%	Male	4.6%	4.3%	3.7%	Female	0.3%	0.2%	0.4%	Female	8.1%	7.0%	6.6%	White				Hispanic or Latino				Total	58.9%	60.7%	61.2%	Total	4.9%	4.7%	4.5%	Male	61.6%	63.4%	63.8%	Male	4.7%	4.5%	4.3%	Female	51.2%	52.8%	53.5%	Female	5.2%	5.4%	5.4%	Asian				Two or More Races				Total	22.8%	22.6%	23.0%	Total	1.7%	1.6%	1.4%	Male	21.2%	20.8%	21.3%	Male	1.5%	1.5%	1.3%	Female	27.2%	28.2%	28.5%	Female	2.2%	1.9%	1.6%
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SASB Index (continued)

Employee Diversity & Inclusion (continued)				Native Hawaiian/Pacific Islander			Unspecified				
				Total	0.1%	0.1%	0.2%	Total	5.8%	4.8%	4.8%
				Male	0.1%	0.1%	0.1%	Male	5.9%	5.0%	5.1%
				Female	0.3%	0.3%	0.3%	Female	5.5%	4.2%	3.8%
See DEI&B section for racial/ethnic representation by level.											
Product Lifecycle Management	Percentage of products by revenue that contain IEC 62474 declarable substances	%	TC-HW-410a.1	100%							
	Percentage of eligible products, by revenue, meeting the requirements for EPEAT registration or equivalent	%	TC-HW-410a.2	Since EPEAT does not have a standard for storage systems, EPEAT registration is not applicable to NetApp products.							
	Percentage of eligible products, by revenue, certified to an energy efficiency certification	%	TC-HW-410a.3	Approximately 41% of NetApp's FY23 hardware revenue came from products sold meeting the requirements for ENERGY STAR certification. ¹³							
	Weight of end-of-life products and e-waste recovered; percentage recycled	Metric tons (t), Percentage (%)	TC-HW-410a.4	See E-Waste section.							
Supply Chain Management	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	%	TC-HW-430a.1	This data is not available.							
	Tier 1 suppliers' (1) non conformance rate with the RBA Validated Audit Process (VAP) or equivalent, and (2) associated corrective action rate for (a) priority non conformances and (b) other non conformances	Rate	TC-HW-430a.2	This data is not available.							
Materials Sourcing	Description of the management of risks associated with the use of critical materials	n/a	TC-HW-440a.1	See Conflict Minerals section.							

¹³ Calculated by dividing FY23 hardware revenue from ENERGY STAR rated products by total FY23 hardware revenue.

Performance Data Tables

Overview Figures	FY23
Total # Employees	12,362
Number of offices	approximately 100
FY23 Revenue	6,362,000,000
# countries with offices	31

Revenue	FY23
Product	3,049,000,000
Services	3,313,000,000
Net revenue	6,362,000,000

Cost of Revenues	FY23
Cost of product	1,517,000,000
Cost of services	636,000,000
Total cost of revenues	2,153,000,000

Operating Expenses	FY23
Sales and Marketing	1,829,000,000
Research and Development	956,000,000
General and Administrative	265,000,000
Restructuring Charges	120,000,000
Acquisition-related Expenses	21,000,000
Total operating expenses	3,191,000,000

Profit	FY23
Gross Profit	4,209,000,000

Income	FY23
Net Income	1,274,000,000

Performance Data Tables

Business Ethics		FY23
% of NetApp employees who received annual code of conduct training		98.0
% of NetApp employees involved in finance, sales, marketing, and procurement who received annual anti-bribery training		96.0

Board of Directors		FY23
# of independent directors / # of non-independent directors		8/1
# of female directors		3
# of racially/ethnically diverse directors		2
Average age of directors		62.9
# 50 years old and below, # 51-60 years, # 61-70 years, # 70 years and above		Directors 51-60 - 5 Director 61-70 - 1 Directors 70+ - 3
Average tenure		9.1
# 5 years and below, # 6-10 years, # 11 years and above		Directors 5 years and below - 2 Directors 6-10 years - 4 11 years and above - 3
# of directors joined the board within the last 5 years		2
# of directors retired within the last 5 years		1

Lobbying		FY23
Total lobbying spend - global		\$82,059.00
Federal US		\$50,590.00
State US		\$8,670.00
EU		\$22,799.00
Total political giving		\$0; We do not make direct political contributions.

Supply Chain Management		FY23
% of strategic suppliers screened		100%
% of global procurement services employees who are directly engaged with sourcing and selecting suppliers trained on "Modern Slavery in the Supply Chain"		100%

Social Impact		FY23
Total employee and corporate contributions		\$3,375,955.50
Employee participation in social impact programs		36%
Number of students reached with data science education		75,943

Performance Data Tables

Employee Engagement	FY23	FY22	FY21
% of internal promotions	12.20%	14.50%	12.00%
Total learning hours (inc. compliance)	217,501 ¹⁴	Not reported	Not reported
Employee engagement survey engagement rate	78	81	82
% participating in Quarterly Conversation	81%	84%	85%
# of military fellowships	30	24	1
# of employees who participated in BetterUp	531	714	583
# of participants for Breakthrough Leadership	216	351	N/A - Program not offered
Disability Equality Index Score	100	100	70
Human Rights Campaign Score	Not yet announced	100	Not submitted
% of temporary workers	6.4	5.0	5.6
Total employee turnover rate	16.90%	14.10%	12.80%
Voluntary turnover rate	8.40%	12.10%	6.70%
Involuntary turnover rate	8.50%	2.00%	6.10%

¹⁴This number includes hours from our NetApp Learning Services platform as well as LinkedIn Learning but does not include the hours of 3,204 employees who completed trainings through our sales enablement platform.

Performance Data Tables

DEI&B	FY23	FY22	FY21
# of EBRGs	6	6	5

Gender Total	FY23	FY22	FY21
% Female Employees - Total	25.0%	24.7%	24.1%
Racial/Ethnic Diversity (U.S.)	See pages 49-51 for diversity metrics.		

Health and Safety	FY23	FY22	FY21
Total recordable incident rate	0.23	0.63	0.72
Near miss frequency rate	0.04	0.01	0.02
Total fatalities	0	0	0

Performance Data Tables

Product Quantity Booked

Cloud Data Services	FY23	FY22	FY21
AltaVault	0	0	1

Cloud Infrastructure	FY23	FY22	FY21
NetApp Hybrid Cloud Infrastructure (HCI)	28	1,936	4,463
SolidFire All Flash Array (AFA)	2,637	1,079	963
STORAGEGRID	5,432	8,398	7,996

Storage Systems and Software	FY23	FY22	FY21
All Flash FAS (AFF)	20,283	24,366	22,944
E-Series Hybrid	10,840	25,701	21,674
EF-Series	1,041	1,295	1,315
FAS Hybrid	23,954	31,278	27,726

Performance Data Tables

E-Waste (Lbs)	FY23	FY22	FY21
Total e-waste processed	846,659	804,687	970,526
Total e-waste recovered	842,425	798,006	965,931
Recycling	782,162	736,061	897,337
Resale	49,705	51,909	54,958
Returned to Service	10,558	10,036	13,636
Total e-waste sent to landfill	4,234	6,681	4,595
% e-waste diverted from landfill	99%	99%	100%

Performance Data Tables

Emissions

Scope 1 and 2 Emissions	FY22	CY21	CY20
Scope 1 emissions (Metric Tons CO ₂ e)	3,164	2,182	2,359
Scope 2 emissions (Metric Tons CO ₂ e)	44,847	44,983	61,146
Total Scope 1 and Scope 2 emissions (Metric Tons CO ₂ e)	48,011	47,165	63,505
Carbon Intensity (mtCO ₂ e/total revenue)	0.000008	0.000008	0.000011

Scope 3 Emissions	FY22	CY21	CY20
Scope 3 category 1 emissions: purchased goods and services	181,127 ¹⁵	13,445	95,577 ¹⁶
Scope 3 category 2 emissions: capital goods	11,961	7,770	Not relevant
Scope 3 category 6 emissions: business travel	2,982	1,251	44,518
Scope 3 category 8 emissions: upstream leased assets	395	249	2,750
Scope 3 category 11 emissions: use of sold products	1,064,218	996,554	Relevant, not yet calculated

¹⁵ In FY22 we calculated purchased goods and services data from all suppliers rather than only contract manufacturing suppliers as in prior reporting years.

¹⁶ Scope 3 purchased good and services emissions from contract manufacturers were overstated in CY20.

Performance Data Tables

Energy Use	FY22	CY21	CY20
Total energy consumed (kWh)	197,946,325	193,516,657	193,647,549
Total for largest energy consuming locations	182,236,226	169,363,894	167,051,858
Bangalore	16,980,577	16,914,810	16,757,820
Wichita	37,560,697 ¹⁷	18,916,280	18,430,019
Sunnyvale & San Jose	16,907,823	22,959,189	25,917,138
Research Triangle Park (RTP)	110,787,129	110,573,615	105,946,881
% from grid	83%	83%	92%
% renewable	17%	17%	8%
% energy natural gas	1%	1%	1%
% energy propane	0.0%	0.0%	0.0%
% energy petroleum products (diesel, heavy oil, gasoline)	0.7%	0.4%	0.1%

¹⁷The increase in energy use in FY22 is a result of opening our new Wichita facility.

Water	FY22	CY21	CY20
Total water withdrawal (megaliters)	151	164	194
Total water consumption	127	140	164
Total water discharge	24	24	30
% recycled	19%	18%	22%
% withdrawn in water-stressed areas	69%	67%	54%

GRI Index

Disclosure	Response
GRI 2: General Disclosures 2021	
2-1 Organizational details	2023 Form 10-K, pg 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 October 2023, provides information for the fiscal year ending April 29, 2023. 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	2023 Form 10-K, pg 9
2-7 Employees	About NetApp, pg 4
2-8 Workers who are not employees	In addition to full-time employees, NetApp employes 5,010 contract workers.
2-9 Governance structure and composition	Corporate Governance, pg 61-62 2023 Proxy Statement, pg 28-32
2-10 Nomination and selection of the highest governance body	2023 Proxy Statement, pg 25-26
2-11 Chair of the highest governance body	2023 Proxy Statement, pg 15
2-12 Role of the highest governance body in overseeing the management of impacts	ESG Governance, pg 63 2023 Proxy Statement, pg 28

GRI Index

Disclosure	Response
GRI 2: General Disclosures 2021	
2-13 Delegation of responsibility for managing impacts	ESG Governance, pg 63 2023 Proxy Statement, pg 28
2-14 Role of the highest governance body in sustainability reporting	ESG Governance, pg 63 2023 Proxy Statement, pg 29
2-15 Conflicts of interest	Our Code of Conduct, pg 19
2-16 Communication of critical concerns	Our Code of Conduct, pg 8-9
2-17 Collective knowledge of the highest governance body	2023 Proxy Statement, pg 16
2-18 Evaluation of the performance of the highest governance body	2023 Proxy Statement, pg 33
2-19 Remuneration policies	2023 Proxy Statement, pg 36-43
2-20 Process to determine remuneration	2023 Proxy Statement, pg 36-43
2-21 Annual total compensation ratio	2023 Proxy Statement, pg 76
2-22 Statement on sustainable development strategy	Letter from our CEO, pg 3
2-23 Policy commitments	Our Commitment to ESG, pg 7 Trust Center
2-24 Embedding policy commitments	Business Conduct and Ethics, pg 64-65 Supply Chain Management, pg 66-67 Our Code of Conduct

GRI Index

Disclosure	Response
GRI 2: General Disclosures 2021	
2-25 Processes to remediate negative impacts	Reporting Ethical Concerns, pg 65 Our Code of Conduct
2-26 Mechanisms for seeking advice and raising concerns	Reporting Ethical Concerns, pg 65 Our Code of Conduct
2-27 Compliance with laws and regulations	NetApp has zero reported instances of material non compliance. Our Code of Conduct
2-28 Membership associations	Among others, our industry association memberships include: Information Technology Industry Council (ITI), Computing Technology Industry Association (CompTIA), Silicon Valley Leadership Group (SVLG), Federal Budget IQ, Digital Europe, TechNet, Storage Networking Industry Association (SNIA).
2-29 Approach to stakeholder engagement	Materiality Assessment, pg 8 2023 Proxy Statement, pg 34
2-30 Collective bargaining agreements	2023 Form 10-K, pg 12

GRI Index

Material Topics	
GRI 3: Material Topics	
3-1 Process to determine material topics	Materiality Assessment, pg 8 2023 Proxy Statement, pg 34
3-2 List of material topics	Materiality Assessment, pg 8
Economic Performance	
GRI 3: Material Topics	
3-3 Management of material topics	Oversight, pg 26 ESG Governance, pg 63 TCFD Index, pg 98 2023 Form 10-K
GRI 201: Economic Performance	
201-1 Direct economic value generated and distributed	2023 Form 10-K, pg 30
201-2 Financial implications and other risks and opportunities due to climate change	TCFD Index, pg 98-101 2023 CDP Response 2023 Form 10-K
201-3 Defined benefit plan obligations and other retirement plans	Employee Rewards, pg 41-42 2023 Form 10-K pg 11-12
201-4 Financial assistance received from government	Not relevant

GRI Index

Anti Corruption	
GRI 3: Material Topics	
3-3 Management of material topics	ESG Governance, pg 63 Business Conduct and Ethics pg 64 Our Code of Conduct
GRI 205: Anti-Corruption	
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. Business Conduct and Ethics, pg 64-65 Our Code of Conduct, pg 15
205-2 Communication and training about anti-corruption policies and procedures	Business Conduct and Ethics, pg 64-65 Our Code of Conduct
205-3 Confirmed incidents of corruption and actions taken	NetApp cannot report on this topic due to confidentiality constraints.
201-4 Financial assistance received from government	Not relevant
Anti-Competitive Behavior	
GRI 3: Material Topics	
3-3 Management of material topics	Our Code of Conduct
GRI 206: Anti-Competitive Behavior	
206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Our Code of Conduct, pg 22

GRI Index

Materials	
GRI 3: Material Topics	
3-3 Management of material topics	Oversight, pg 26
GRI 301: Materials	
301-1 Materials used by weight or volume	Waste, pg 32
301-3 Reclaimed products and their packaging materials	Sustainable Packaging, pg 23
Energy	
GRI 3: Material Topics	
3-3 Management of material topics	Oversight, pg 26
GRI 302: Energy	
302-1 Energy consumption within the organization	Emissions and Energy Use, pg 29
302-2 Energy consumption outside of the organization	Emissions and Energy Use, pg 29
302-3 Energy intensity	Emissions and Energy Use, pg 29
302-4 Reduction of energy consumption	Emissions and Energy Use, pg 29
302-5 Reductions in energy requirements of products and services	Product Solutions to Advance Customers' Sustainability Goals, pg 19-22

GRI Index

Water and Effluents	
GRI 3: Material Topics	
3-3 Management of material topics	Oversight, pg 26
GRI 303: Water and Effluents	
303-1 Interactions with water as a shared resource	Water, pg 31
303-2 Management of water discharge-related impacts	Water, pg 31
303-3 Water withdrawal	Water, pg 31
303-4 Water discharge	Water, pg 31
303-5 Water consumption	Water, pg 31

GRI Index

Emissions	
GRI 3: Material Topics	
3-3 Management of material topics	Oversight, pg 26
GRI 305: Emissions 2016	
305-1 Direct (Scope 1) GHG emissions	Emissions and Energy Use, pg 29
305-2 Energy indirect (Scope 2) GHG emissions	Emissions and Energy Use, pg 29
305-3 Other indirect (Scope 3) GHG emissions	Scope 3 Emissions, pg 30
305-4 GHG emissions intensity	Emissions and Energy Use, pg 29
305-5 Reduction of GHG emissions	Emissions and Energy Use, pg 29
305-6 Emissions of ozone-depleting substances (ODS)	Not relevant
305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Not relevant

GRI Index

Waste	
GRI 3: Material Topics	
3-3 Management of material topics	Oversight, pg 26
GRI 306: Waste 2020	
306-1 Waste generation and significant waste-related impacts	Waste, pg 32
306-2 Management of significant waste-related impacts	Waste, pg 32
306-3 Waste generated	Waste, pg 32
306-4 Waste diverted from disposal	Waste, pg 32
306-5 Waste directed to disposal	Waste, pg 32

GRI Index

Supplier Environmental Assessment	
GRI 3: Material Topics	
3-3 Management of material topics	Scope 3 Emissions, pg 30
GRI 308: Supplier Environmental Assessment 2016	
308-1 New suppliers that were screened using environmental criteria	Scope 3 Emissions, pg 30
308-2 Negative environmental impacts in the supply chain and actions taken	Scope 3 Emissions, pg 30
Employment	
GRI 3: Material Topics	
3-3 Management of material topics	2023 Form 10-K, pg 11-12
GRI 401: Employment 2016	
401-1 New employee hires and employee turnover	Reducing Turnover, pg 38
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employee Rewards, pg 41-42 2023 Form 10-K, pg 11-12
401-3 Parental leave	Employee Rewards, pg 41-42 2023 Form 10-K, pg 11-13

GRI Index

Labor/Management Relations	
GRI 3: Material Topics	
3-3 Management of material topics	2023 Form 10-K, pg 11-12
GRI 402: Labor/Management Relations 2016	
402-1 Minimum notice periods regarding operational changes	Not available
Occupational Health and Safety	
GRI 3: Material Topics	
3-3 Management of material topics	Health and Safety, pg 43
GRI 403: Occupational Health and Safety 2018	
403-1 Occupational health and safety management system	Health and Safety, pg 43
403-2 Hazard identification, risk assessment, and incident investigation	Health and Safety, pg 43
403-3 Occupational health services	Our Health and Safety team is responsible for identifying and minimizing potential health risks across our operations. We provide health-related training and services for workers based on their role. On-the-job incidents are logged and investigated as necessary while respecting worker rights to privacy.
403-4 Worker participation, consultation, and communication on occupational health and safety	Health and Safety, pg 43
403-5 Worker training on occupational health and safety	Health and Safety, pg 43

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Occupational Health and Safety (continued)	
403-6 Promotion of worker health	Health and Safety, pg 43
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Health and Safety, pg 43
403-8 Workers covered by an occupational health and safety management system	Health and Safety, pg 43
403-9 Work-related injuries	Health and Safety, pg 43
403-10 Work-related ill health	Not available
Training and Education	
GRI 3: Material Topics	
3-3 Management of material topics	Developing Talent, pg 39
GRI 404: Training and Education 2016	
404-1 Average hours of training per year per employee	17.6 ¹⁸
404-2 Programs for upgrading employee skills and transition assistance programs	Developing Talent, pg 39-40
404-3 Percentage of employees receiving regular performance and career development reviews	Developing Talent, pg 40

¹⁸The average includes hours from our NetApp Learning Services platform but does not include the hours of 3,204 employees who completed trainings through our sales enablement platform.

GRI Index

Diversity and Equal Opportunity	
GRI 3: Material Topics	
3-3 Management of material topics	DEI&B Oversight, pg 46
GRI 405: Diversity and Equal Opportunity 2016	
405-1 Diversity of governance bodies and employees	DEI&B Metrics, pg 49-51 2023 Proxy Statement, pg 15
405-2 Ratio of basic salary and remuneration of women to men	Pay Equity, pg 52
Non-Discrimination	
GRI 3: Material Topics	
3-3 Management of material topics	DEI&B Oversight, pg 46 Our Code of Conduct, pg 32
GRI 406: Non-discrimination 2016	
406-1 Incidents of discrimination and corrective actions taken	Our Code of Conduct, pg 32

GRI Index

Freedom of association and collective bargaining	
GRI 3: Material Topics	
3-3 Management of material topics	2023 Form 10-K, pg 12
GRI 407: Freedom of Association and Collective Bargaining 2016	
407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Not available
Child Labor	
GRI 3: Material Topics	
3-3 Management of material topics	Supply Chain Management, pg 66 Supplier Code of Conduct
GRI 408: Child Labor 2016	
408-1 Operations and suppliers at significant risk for incidents of child labor	100% of strategic suppliers are screened through the PRADD process, which includes labor/human rights violations.

GRI Index

Forced or Compulsory Labor	
GRI 3: Material Topics	
3-3 Management of material topics	Supply Chain Management, pg 66 Supplier Code of Conduct
GRI 409: Forced or Compulsory Labor 2016	
409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	100% of strategic suppliers are screened through the PRADD process, which includes labor/human rights violations.
Local Communities	
GRI 3: Material Topics	
3-3 Management of material topics	Social Impact, pg 53-59
GRI 413: Local Communities 2016	
413-1 Operations with local community engagement, impact assessments, and development programs	Social Impact, pg 53-59
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.

GRI Index

Supplier Social Assessment	
GRI 3: Material Topics	
3-3 Management of material topics	Supply Chain Management, pg 66 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.
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.
Customer Privacy	
GRI 3: Material Topics	
3-3 Management of material topics	Data Privacy and Security, pg 68
GRI 418: Customer Privacy	
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Due to confidentiality reasons, NetApp does not disclose the number of complaints, identified privacy breaches, or data losses.

TCFD Index

Governance

<p>Describe the Board's oversight of climate-related risks and opportunities.</p>	<p>The CGN Committee of our Board provides oversight for our ESG program, which includes our environmental initiatives. The Committee oversees environmental targets, strategy, and performance, and reviews potential environmental risks and opportunities, including those related to climate change. At least twice a year, the CGN Committee is briefed by the Vice President of ESG, on behalf of our Global Business Conduct Council (GBCC).</p> <p>The Board-level Audit Committee is responsible for reviewing our Enterprise Risk Management (ERM) process. The Committee receives regular briefings from our Executive Risk Committee (ERC) and from the VP of Internal Audit regarding the risks relating to the Company's business and operations, including climate-related risks. In the event that a significant risk arises, the Audit Committee may bring that risk and its mitigation plans before the full Board of Directors.</p> <p>For more details on the governance of climate-related issues, please review our 2023 CDP disclosure.</p>
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<p>Describe management's role in assessing and managing climate-related risks and opportunities.</p>	<p>We maintain a companywide ERM process to help us recognize and manage potential risks. The ERM process is managed by our ERC, a cross-functional group of senior leaders with responsibility for top-level risks, including those related to climate change.</p> <p>The ERC consists of representatives from each of the five risk pillars (strategic, operational, financial, compliance, and human capital), members of executive management, and the ERM Risk Manager. Individual risk owners share their function's top risks with the ERC quarterly. 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 sooner, if necessary.</p> <p>The ERC is responsible for:</p> <ul style="list-style-type: none"> • Identifying climate-related risks; • Assigning ownership of climate-related risks; • Approving risk mitigation strategies and resource allocations to manage risks as appropriate; • Ensuring stakeholders are adequately informed about the long-term, risk-adjusted business strategy; and • Escalating significant risks and risk events to the Board as needed.
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TCFD Index

Strategy

Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.

Our ERM process allows us to identify, assess, and respond to climate-related risks using defined time horizons:

- Short-term: 0-2 years
- Medium-term: 2-5 years
- Long-term: 5-10 years

Our process is the same for all time horizons, though we escalate response and mitigation if there is a short-term substantive risk that needs to be addressed.

NetApp has identified the following risks: acute and chronic physical risks, emerging regulations, including enhanced emissions-reporting obligations, and reputational risks. 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.

A detailed description of climate-related risks and opportunities is found in our [2023 CDP disclosure](#). We also address climate-related risks in the risk factors section of our [10-K filing](#), pages 21 and 26.

TCFD Index

Strategy

Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning.

Sustainability is a critical element of our short- and long-term business planning and a key driver of product strategy. Our efforts to produce more sustainable products and services—and help our customers meet their own sustainability goals—are described in detail in the Products section of our ESG Report. Our investments in technologies that help us reduce our environmental footprint are described in the Environment section of our ESG Report.

One example of how climate-related risks and opportunities have impacted our strategy is our focus on cloud migration. 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 our long-term strategic planning. The benefit of cloud migration is that data centers in locations that have significant climate-related risk exposure can transition to data centers located in areas with fewer risks. Additionally, large public clouds have built their data centers to be on average 3.6 times more energy efficient than those of enterprises, and cloud providers like AWS, Microsoft Azure, and Google Cloud have made carbon neutrality pledges. NetApp is the only storage company with OEM agreements with these three cloud providers, enabling customers to simply migrate data, workloads, or portions of workloads to the public cloud. Our systems are cloud connectable so that customers can move data to a public cloud, whether old data for archiving, protecting data via backup/disaster recovery copies, or caching data—reaping the environmental benefits of cloud migration. We continue to enhance our cloud operations tool set, enabling customers to automatically use and turn off cloud services to optimize their infrastructure, in turn reducing hardware usage, as well as reducing space and energy consumption.

To mitigate disruptions caused by climate-related supply chain issues or physical risks, we require that our contract manufacturers throughout the world have business continuity plans in place in case of natural disasters. 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 three main geographies—Americas, EMEA, and APAC. Should there be a major disruptive event in one location, the other two manufacturers could pick up the workload to help meet customer requirements.

Climate-related risks have also impacted cost planning due to increased temperatures. We use outside air to cool our data centers and labs, which allows us to purchase less electricity that would otherwise be needed to run chillers, pumps, and cooling tower fans. Rising temperatures, however, create less favorable conditions for using outside air cooling. Therefore, we must forecast increased purchased electricity spend.

We provide more details on how climate-related risks and opportunities have influenced our business, strategy, and financial planning in our [2023 CDP disclosure](#).

Describe the resilience of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

Since 2021, we have focused on building out our ESG program, policies, and processes to help establish reporting, drive results, and set climate-related goals. Our early efforts focused on a materiality assessment and developing decarbonization strategies. We expect to adopt climate-based scenario analysis into our risk evaluation program in the next two years.

TCFD Index

Risk Management	
<p>Describe the organization’s processes for identifying and assessing climate-related risks.</p>	<p>We maintain a companywide ERM program to help us recognize and manage potential risks. This process includes an annual risk assessment, which begins with a broad evaluation of all potential risks and ends with a narrowed list of top-level risks. Risks are deemed to be relevant if they could impact the achievement of our strategy or business objectives, as described in our 2023 CDP disclosure.</p> <p>To identify risks, business units from across the company take part in our annual ERM process. Executives representing various business units are assigned as risk owners and are responsible for reviewing megatrends, conducting SWOT analyses, and reviewing the regulatory environment, among others, to evaluate existing and new risks.</p> <p>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 our approach to risk management, see our 2023 CDP disclosure.</p>
<p>Describe the organization’s processes for managing climate-related risks.</p>	<p>NetApp believes in being proactive, rather than reactive, to manage climate-related risks. We take necessary precautions to mitigate risks. Once risks are identified, they are prioritized, and the risk owner and/or risk liaisons will recommend an appropriate course of action. There are three actions in response to a risk:</p> <ol style="list-style-type: none"> 1. Terminate: eliminate the risk to zero, usually by avoidance. 2. Treat: mitigate the risk, taking action to reduce either the likelihood of a risk occurring, the impact if the risk occurs, or transferring the risk to a third party (i.e., insurance). 3. Tolerate: make a conscious decision to accept the risk. <p>More details on our risk management process are described above and in our 2023 CDP disclosure.</p>
<p>Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management.</p>	<p>We integrate climate-related risks and opportunities into our companywide ERM process. Risks identified at the enterprise level are managed in accordance with the processes described above and in our 2023 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.</p>

TCFD Index

Metrics and Targets	
<p>Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.</p>	<p>We measure and disclose Scope 1, 2, and 3 emissions, as these emissions help us understand our footprint in order to target meaningful reductions. We also maintain emissions reduction targets, as well as targets related to energy use and water, which we believe help to mitigate a range of risks, including regulatory and reputational risks.</p>
<p>Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.</p>	<p>Our Scope 1, 2, and 3 emissions, as well as information regarding reduction targets and plans, can be found on page 29.</p>
<p>Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.</p>	<p>We have three active emissions targets, as well as targets related to energy management and water use. These targets, as well as our progress, are described below.</p> <ol style="list-style-type: none"> 1. Establish science-based targets as part of our initiative to reduce greenhouse gas emissions: In 2021, we committed to set an emissions reduction target aligned with the Science Based Targets initiative (SBTi), doing our part to limit global temperature rise to 1.5 degrees Celsius. The target verification process will occur in FY24. 2. Reduce Scope 1 and Scope 2 absolute emissions by approximately 42% by 2030: We have achieved significant carbon emissions reductions, decreasing our Scope 1 and Scope 2 emissions by 31% from our baseline (FY20). 3. Reduce Scope 3 emissions intensity by 50% by 2030: In FY23, NetApp joined the CDP Supply Chain program and conducted a baseline Scope 3 supplier survey. This survey will serve as the basis for engagement with our suppliers moving forward to encourage suppliers to set their own targets and drive down our Scope 3 emissions. We also continue to engage with partners and customers to educate about the use phase of our products, which makes up a large percentage of our total Scope 3 emissions. 4. Energy management: We look to use renewable energy to power our offices around the world wherever possible. We have increased our renewable energy use by 113% as compared to our FY20 baseline. 5. Use reclaimed water for operations in highly water-stressed areas: In FY23, we completed an innovative project that allows us to substitute reclaimed water—non-potable water that cannot be used for drinking—for data center cooling towers at our Research Triangle Park (RTP) facility in North Carolina. To date, the project has reduced our potable water consumption by 20%. In FY24, we will complete this same initiative at another building on the RTP campus. <p>More details on our decarbonization efforts can be found on page 28, as well as in our 2023 CDP disclosure.</p>



NetApp, Inc.
3060 Olsen Drive
San Jose, CA 95128
United States