



**2020 NVIDIA**  
CORPORATE SOCIAL  
RESPONSIBILITY  
REPORT

# TABLE OF CONTENTS

## 01 EXECUTIVE LETTERS

- 03 Letter from our CEO
- 05 Letter from our EVP of Operations

## 02 PRIORITIES

- 07 Setting Priorities
- 09 Mapping Priorities to the UN Sustainable Development Goals

## 03 STAKEHOLDER ENGAGEMENT

## 04 GOVERNANCE

- 15 Board Governance
- 16 Compliance
- 17 Ethical Conduct
- 18 Transparency

## 05 ECONOMIC

- 19 **PRIORITY:** Innovation
- 20 **PRIORITY:** Business Model and Competitiveness
- 21 **PRIORITY:** Cybersecurity
- 22 **PRIORITY:** Trade Issues
- 23 Business Continuity Management
- 24 Customer Relations
- 25 Brand and Reputation
- 26 Public Policy Engagement

## 06 SOCIAL

- 28 **PRIORITY:** Supply Chain Management and Product Quality
- 35 **PRIORITY:** Employee Health and Safety
- 36 **PRIORITY:** Talent Strategy
- 39 **PRIORITY:** Diversity and Inclusion
- 43 Employee Engagement
- 46 Product Safety
- 46 Materials Availability
- 47 Societal Impacts of AI
- 49 Philanthropy and Volunteerism

## 07 ENVIRONMENTAL

- 51 Management System
- 52 Greenhouse Gas Emissions and Climate Change
- 54 Energy, Water, Waste
- 56 Facilities Management
- 57 Environmental Impact of Products
- 61 Packaging, Transport, and Logistics

## 08 GOALS AND PERFORMANCE

- 62 FY20 Goals and Performance
- 64 FY21 Goals
- 65 Economic Performance
- 66 Diversity Performance
- 68 Workforce Performance
- 69 Environmental Performance
- 72 Employee Health and Safety Performance
- 72 GRI Index
- 81 SASB Index
- 85 TCFD Index

### ABOUT THIS REPORT

# 01 EXECUTIVE LETTERS



*"It is not enough to just be a well-intended, inclusive employer, and provide equal opportunities for blacks. We must purposefully and systematically create opportunities for black employees. Starting with me, we will elevate the urgency of increasing the black population at every level of our company and do our part to fight racism."*

**– Jensen Huang, CEO**

## LETTER FROM OUR CEO

*CEO Jensen Huang's Opening Comments at 2020 Annual Meeting of Stockholders.*

I want to take the opportunity to address the heartbreaking events of the past weeks in America as we confront painful racial inequities and prejudice that exist to this day.

We are deeply sorry for the pain, despair, and injustice that black communities continue to endure. We stand with them. Racism must end.

These tragic events force us to confront the fact that the world is not equal. It is not enough to not be a racist—we must be anti-racists. Exercise our citizenship to push for legislative reforms to end police brutality and racial injustice. Stand with social movements that protest peacefully for real change and reform. NVIDIA stands with them.

Corporations must also act. NVIDIA must act. It is not enough to just be a well-intended, inclusive employer, and provide equal opportunities for blacks. We must purposefully and systematically create opportunities for black employees. Starting with me, we will elevate the urgency of increasing the black population at every level of our company and do our part to fight racism.

We're fighting a two-front war. The world is still confronting COVID-19, one of the greatest challenges in human history. In just a few months, a pathogen 1,000th the width of a human hair has circled the globe and shaken society to its core.

We owe our thanks to those on the front lines of this crisis: first responders, healthcare workers, and service providers who inspire us every day with their bravery and selflessness.

Billions around the world are sheltering at home, doing their part to slow the spread of the virus. Many are unable to make a living or are struggling to do their jobs while caring for their families. At NVIDIA, we closed our nearly 60 offices around the world. We continue to pay contractors their full wages despite reduced staffing needs in our facilities. We gave employees raises early to put a little more money in their hands. Paying it forward, our employees have donated more than \$10 million to help their communities.

NVIDIA is aiming our technology, our superpower, at COVID-19. When every second counts and much is at stake, scientists gear up with NVIDIA to jump to light speed. They are using NVIDIA-accelerated computing to sequence and image the virus, search for a vaccine or treatment, and build AI robots to disinfect hospitals.

COVID-19 will not be the last virus, but it can be the last pandemic. We must start now to prepare for future outbreaks. Working with the international scientific community, we will develop an end-to-end computational defense system to detect threats earlier, contain the spread, speed vaccine development, and continuously test and monitor. This pandemic will demand long-term structural changes to healthcare, transportation, retail, and manufacturing – the world’s largest industries. Our expertise in computing and AI will help industries rebuild.

Harnessing NVIDIA’s accelerated computing to save lives is the perfect example of our company’s purpose—to tackle problems that ordinary computers cannot. NVIDIA stands at the intersection of two powerful technology forces—accelerated computing and AI. The computers we build are time machines that let scientists see the future today—rocket ships that take researchers to the furthest frontiers of science. With NVIDIA, scientists explore our universe from the quantum to the galactic scale and seek deeper understanding of humanity from the science of life to the mystery of intelligence.

Our company is advancing some of the most important technologies of our time. Our inventions help researchers tackle incredible scientific, industrial, and social challenges. Our company’s purpose has never been more vital.



**Jensen Huang**  
CEO and Co-Founder, NVIDIA



## LETTER FROM OUR EVP OF OPERATIONS

Here at NVIDIA, we're in the business of inventing revolutionary technologies that improve lives and address global challenges.

As I write this, the COVID-19 pandemic is challenging us to look for new ways to manage life and work while protecting our families. NVIDIA was early to join the global effort to slow the spread of the virus. We began closing our offices in the Asia-Pacific region at the end of January, and by March, we had closed our offices around the world. We urged our employees to make their health and their families' health their top priority, and began providing resources to employees to work remotely. For the few facilities engaged in essential tasks, we're following the highest standard of protection for our people and recognizing their efforts with bonuses. I also want to acknowledge the incredible efforts of our colleagues here at NVIDIA. Despite many challenges, they have barely broken stride during one of the busiest periods in our history.

We're also on the front lines of enabling medical researchers to turbocharge their coronavirus treatment and research projects. A short list includes:

- > We joined the COVID-19 High Performance Computing Consortium, a collaboration with the White House Office of Science and Technology Policy, the U.S. Department of Energy, several technology companies, and national labs. The effort will help researchers everywhere better understand the virus, its treatments, and potential cures.
- > We donated \$430,000 to Wuhan University for treatment and research. Zhongnan Hospital physicians are using GPU-accelerated AI software to quickly detect patients who may have COVID-19. The software has been deployed to 34 hospitals in China.
- > We're providing any coronavirus researcher a free 90-day license to Parabricks, a version of the Genome Analysis Toolkit that uses GPUs to accelerate analysis by a factor of 50.
- > We issued a global call to action for PC gamers to contribute their idle GPU and CPU processing power to "fold" against the coronavirus. Folding@home is

a distributed computing project that uses volunteers' computer processing for disease research that simulates protein folding, computational drug design, and other types of molecular dynamics. The response has broken records as hundreds of thousands of new users join the effort.

Our CSR efforts build on our long track record of working hard every day to be a responsible corporate citizen by integrating sound social and environmental principles and practices throughout our enterprise.

These efforts build on our long track record of working hard every day to be a responsible corporate citizen by integrating sound social and environmental principles and practices throughout our enterprise. Recent events have underscored the importance of companies playing a role in creating a more just society. In response, we're redoubling our efforts to listen and learn from Black NVIDIANS, create opportunities within our company for them, and build a network of Black talent. This includes creating a focused recruiting team, deepening relationships with Historically Black Colleges and Universities, and expanding opportunities for Black and other underrepresented developers throughout NVIDIA's ecosystem.

It all begins by providing a great place to work that fosters an atmosphere of creativity and innovation. This has been repeatedly recognized by Fortune, Glassdoor, and other outlets that feature us on their best places to work lists.

Our design teams build the most energy-efficient technologies possible using environmental practices designed to mitigate climate change and promote sustainability. We invest in and give back to our local communities and global society at large. Through our conscientious business practices, we work hard to protect the human rights of all workers in our supply chain.

Our CSR priorities revolve around these key business areas: business model and competitiveness, cybersecurity, diversity and inclusion, employee health and safety, innovation, supply chain and product quality, talent management strategy, and trade issues. Strategies for achieving our business objectives include:

- > Designing power-efficient products with a strong social impact.
- > Increasing employee diversity and fostering inclusion, especially with members of the Black community
- > Minimizing risk in our supply chain and upholding the highest quality standards.
- > Reducing our energy footprint to address climate change.
- > Evaluating emerging risks and opportunities related to growing our brand.
- > Setting goals and monitoring our progress toward them.

We've made significant progress against our CSR and business objectives over the past few years. For example, our AI healthcare business has grown significantly, and we've rolled out generous parental benefits for our employees. In 2019, the Nominating and Corporate Governance Committee of our Board of Directors began to oversee CSR processes and we again received top industry rankings for CSR, innovation, gender equality, and other key areas. We continue to attract and retain top talent.

In partnership with our stakeholders, we increase our relevance, responsiveness, and resilience each year. During this uniquely challenging time, we look forward to transforming more bold new ideas into tangible products that solve big problems and uplift the human spirit.

Sincerely,



**Debora Shoquist**  
Executive Vice President of  
Operations, NVIDIA

# 02 PRIORITIES



## SETTING PRIORITIES

We update our issue analysis each year to ensure that our priorities continue to align with stakeholder expectations, market trends, and business risks and opportunities.

For FY20, we reconfirmed the six priority issues we identified in FY19. In FY21, we added as priority issues Employee Health and Safety, due to the COVID-19 pandemic, and Diversity and Inclusion, as a recognition of our need to increase hiring from Black and other underrepresented communities. These issues are essential to our continued business success and reflect the topics of highest concern to NVIDIA and our stakeholders:

- > Competitiveness/Business Model
- > Cybersecurity
- > Diversity and Inclusion
- > Employee Health and Safety
- > Innovation
- > Supply Chain Management/Product Quality
- > Talent Strategy
- > Trade Issues

A strategic focus on these areas enables us to build a more agile, future-oriented company. We annually implement several initiatives related to our priorities, which provide varying levels of return according to the business goals assigned to the topic.

We determine our priorities in three stages:

- > Throughout the year, the CSR Committee uses several methods to collect input from internal and external stakeholders regarding their priorities. Each issue is assigned a quantitative score based on this input.
- > Members of the Nominating and Corporate Governance Committee of our Board of Directors plus several executive staff members review these issues, which stakeholders have individually ranked according to their values. This information is evaluated in the context of our changing business, internal enterprise risk discussions, and reports filed with the U.S. Securities and Exchange Commission.
- > The CSR Committee positions the issues on a matrix according to stakeholder and executive preferences, which visually highlights the most important issues to external stakeholders and executives.

## NVIDIA FY20/FY21 CSR PRIORITIES



Findings from our FY20 priorities assessment resulted in the following adjustments compared to the prior year:

- > In light of the COVID-19 pandemic, we increased the ranking of Employee Health and Safety to that of a priority issue.
- > To place a focus on increasing hiring from Black and other underrepresented communities, we elevated Diversity and Inclusion to priority issue status.
- > We made three definition changes: 1) added "pay equity" to Diversity and Inclusion; 2) added "managing for production disruptions" under Supply Chain Management and Product Quality; and 3) added "immigration concerns" to Talent Strategy.
- > We removed Anti-Corruption as a standalone issue and incorporated it into Ethical Conduct.
- > We increased the priority ranking of Brand and Reputation, Climate Change, and Societal Impacts of AI.
- > Stakeholders increased the priority ranking of Materials Availability.


Our priorities are addressed in subsequent sections of this report. We define each issue, discuss why it's important to NVIDIA, how we manage it, and disclose any relevant performance data.




# MAPPING PRIORITIES TO THE UN SUSTAINABLE DEVELOPMENT GOALS

PRIORITY: INNOVATION	
SUSTAINABLE DEVELOPMENT GOAL	NVIDIA ACTION/INITIATIVE
<p><b>3</b> GOOD HEALTH AND WELL-BEING</p> 	<p><b>AI, Accelerated Computing Drive Shift to Personalized Healthcare:</b> The genomics community continues to extract new insights from DNA. Recent breakthroughs include single-cell sequencing to understand mutations at a cellular level, and liquid biopsies that detect and monitor cancer using blood for circulating DNA. But genomic analysis has traditionally been a computational bottleneck in the sequencing pipeline—one that can be surmounted using GPU acceleration. To deliver a roadmap of continuing GPU acceleration for key genomic analysis pipelines, the team at Parabricks—an Ann Arbor, Michigan-based developer of GPU software for genomics—is joining NVIDIA’s healthcare team.</p> <p><b>NVIDIA Collaborates with UCSF on AI Center for Radiology:</b> Integrating AI into the radiology workflow can help medical institutions keep pace with an ever-growing stream of medical imaging data. The number of images acquired during common studies like MRI and CT scans has swelled in recent years from tens of images each to hundreds or thousands. It’s a challenge compounded by a rise in the number of patients being imaged. University of California, San Francisco, one of the world’s top medical schools for research, has unveiled a center to develop AI tools for clinical radiology—using the NVIDIA Clara healthcare toolkit and the powerful NVIDIA DGX-2 AI system.</p>
<p><b>9</b> INDUSTRY, INNOVATION AND INFRASTRUCTURE</p> 	<p><b>AI and Machine Learning Advance Academic Research:</b> Universities and research institutes around the world are important drivers of discovery and innovation, and professors and researchers are looking for answers to the biggest questions facing each academic discipline. With powerful NVIDIA GPU computing resources, academics can use AI, machine learning, and data science to more swiftly advance knowledge in fields such as astrophysics and astronomy, biology, earth and climate science, humanities, medicine, and physics.</p>
<p><b>11</b> SUSTAINABLE CITIES AND COMMUNITIES</p> 	<p><b>NVIDIA Selected to Contribute to Industry Safety Group:</b> NVIDIA works with key international organizations that are formulating standards and regulations for automated vehicles. NVIDIA is also heading one of the European Association of Automotive Suppliers expert groups on highly connected automated vehicles. We’re also working with ASAM, a standardization organization based in Germany to update the language and testing standards for simulation testing. Through the collaboration we’re defining an open standard for creating simulation scenarios, describing road topology representation, sensor models, world models, as well as the criteria and key performance indices for the industry to advance validation methods for autonomous vehicle deployment.</p>

**PRIORITY: TALENT STRATEGY**

SUSTAINABLE DEVELOPMENT GOAL	NVIDIA ACTION/INITIATIVE
<p><b>5 GENDER EQUALITY</b></p> 	<p><b>Developer Diversity and Inclusion at NVIDIA's GPU Technology Conference:</b> NVIDIA has strived to make its annual developer conference, GTC, a more inclusive event with annual networking events for women. At GTC19, we <b>expanded our offerings</b> for women with a daylong, invite-only event featuring guest speakers and hands-on AI training at several of our regional conferences. At GTC DC in November, we worked to increase the number of attendees from Black and Latinx communities by partnering with universities and professional groups to host daylong training and a networking reception. The number of women attending our November event increased 60 percent from the year prior.</p> <p><b>NVIDIA Showcases Diversity of Talent at NeurIPS:</b> At NeurIPS, the world's premier event focused on neural networks, NVIDIA sponsored all four diversity workshops, including Women in Machine Learning, Black in AI, LatinX in AI and Queer in AI.</p>

**PRIORITY: SUPPLY CHAIN MANAGEMENT**

SUSTAINABLE DEVELOPMENT GOAL	NVIDIA ACTION/INITIATIVE
<p><b>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</b></p> 	<p><b>AI in the Sky Aids Feet on the Ground Spotting Human Rights Violations:</b> At NVIDIA's GTC19, Human Rights Watch discussed its new tools for monitoring human rights violations, including remote sensing via satellite and drone data, analytics from public datasets, and investigations using videos and photos posted to social media. The nonprofit is partnering on this work with global AI software provider Element AI which leverages NVIDIA GPUs.</p>

# 03 STAKEHOLDER ENGAGEMENT



Engaging our diverse stakeholders on important issues is integral to how we do business. We define stakeholders as entities or individuals who can be affected by NVIDIA and whose actions can affect the company, and we engage with them in numerous ways on a variety of topics throughout the year. We rely on our annual priority issue assessment to help us understand the issues that matter most to them. This allows us to focus our engagement

and transparently respond to their concerns. Although we do not have a formal stakeholder advisory panel for CSR issues, at least one member of the CSR committee evaluates each stakeholder request to determine what type of response is appropriate.

## FY20 INTERACTIONS:

STAKEHOLDER	FY20 INTERACTIONS
<p><b>Board of Directors</b></p>	<p>We presented our CSR strategy, programs, and risks to the Nominating and Corporate Governance Committee.</p> <p>We briefed the full Board of Directors on the final priority issues assessment after incorporating the committee’s feedback.</p> <p>We presented a diversity and inclusion overview to the Nominating and Corporate Governance Committee and the full Board of Directors received a brief on the Societal Impacts of AI. Attendance at each committee meeting where CSR was discussed averaged 90 percent.</p>

## FY20 Interactions (cont.)

STAKEHOLDER	FY20 INTERACTIONS
<p><b>Communities</b></p>	<p>We continued our engagement with the Santa Clara, Calif., and Bangalore, India, county departments on the development of new corporate campuses.</p> <p>We engaged close to 4,300 youth through activities designed to help them excel in basic math skills and gain inspiration through tours of our technology center and career roundtables with NVIDIA engineers. These activities give youth access to innovative AI technology through hands-on activities.</p> <p>See the <a href="#">NVIDIA Foundation annual report</a> for FY20 activities in our communities.</p>
<p><b>Customers/ Developers</b></p>	<p>We provide customers with self-assessment questionnaires and participate in relevant working groups through our “Full” category membership in the Responsible Business Alliance.</p> <p>We received several requests per week from customers regarding product and social compliance, legal, and regulatory issues.</p> <p>Eight customers requested our participation in <a href="#">CDP</a>.</p> <p>We conducted an analysis of customer contracts to confirm that our priorities align with their requirements.</p> <p>We worked directly with customers to report our supplier status related to conflict minerals.</p> <p>We hosted developer conferences in seven countries, reaching nearly 21,000 people. We offered several hundred seats at these conferences for women and members of the Black and Latinx communities to increase diversity within the developer ecosystem.</p>
<p><b>Employees and Prospective Employees</b></p>	<p>Our last global employee survey yielded a 95 percent response rate. We are moving in FY21 to a pulse survey format.</p> <p>We launched an updated <a href="#">Careers</a> and new <a href="#">Inclusion</a> site on nvidia.com.</p> <p>We held ongoing discussions between our CEO and resource groups (African-Americans, Hispanics, women, veterans, and early career employees) on topics such as bias in AI.</p> <p>We reached 19,000 underrepresented candidates at university and professional recruiting events.</p> <p>We launched our first internal career fair for employees interested in exploring new career opportunities within NVIDIA.</p> <p>See <a href="#">Diversity and Inclusion</a> in the Social section for more FY20 interactions with prospective employees.</p>

## FY20 Interactions (cont.)

STAKEHOLDER	FY20 INTERACTIONS
<p><b>Government/Public Policy Engagement</b></p>	<p>We deepened our relationship with the United States House and Senate AI Caucus, the Congressional Tech Staff Association, and key officials in the legislative and executive branches.</p> <p>We engaged with the CTA, CompTIA, ESA, and SIA to provide feedback on their policy advocacy and development.</p> <p>We provided comments to and worked with NIST before their release of <a href="#">AI standards guidance</a>.</p> <p>We brought subject matter experts from NVIDIA to educate policy advisors in the House and Senate.</p> <p>We led a monthly AI educational series for technology policy advisors in the House and Senate.</p> <p>We led AI sessions for the Information Technology and Innovation Foundation, the No. 1 tech think tank in the world according to the University of Pennsylvania.</p> <p>We participated in convening the Congressional Tech Staff Association for networking and educational events.</p> <p>We hosted several federal agencies at our fifth annual <a href="#">GPU Technology Conference</a> in Washington, D.C. (GTC DC).</p> <p>We supported Congressional programs to build tech opportunities for historically Black colleges and universities (HBCUs) and Hispanic-serving institutions (HSIs), including the HBCU Caucus Innovation House and educational scholarships for Black and Latinx communities at GTC DC.</p> <p>We <a href="#">convened policymakers</a> from Congress, the Administration, and the nonprofit community for policy panels at GTC DC. This included bringing together <a href="#">key Congressional staff and Policy Advisors in DHS</a> to discuss AI in cybersecurity, and <a href="#">conversations with key OSTP and NIST officials</a>.</p>
<p><b>Nongovernmental Organizations</b></p>	<p>We scored 100 percent in the Human Rights Watch Corporate Equality Index for a fifth year.</p> <p>We engaged with the Corporate Human Rights Benchmark, the Global Child Forum, Know the Chain benchmark, Children’s Rights Benchmark, and the World Benchmarking Alliance Digital Inclusion Benchmark.</p>
<p><b>Research/Ratings Organizations</b></p>	<p>We were featured for a sixth consecutive year as a member of the Dow Jones Sustainability Index. We remained on the FTSE4Good index, the Bloomberg Gender Equality Index, the 100 Best Corporate Citizens list, Barron’s Top 100 Most Sustainable Companies, and Forbes’ JUST 100 ranking. We debuted on Equileap’s Gender Equality Index.</p> <p>We were featured for the fourth year on Fortune’s 100 Best Companies to Work For list at No. 27.</p> <p>Overall, we interacted with 11 research/ratings organizations: Blendoor, Corporate Knights, FTSE4Good, ISS, MSCI, Oekom, RepTrak, RobecoSAM, Sustainalytics, Trucost, and Vigeo Eiris.</p>

FY20 Interactions (cont.)

STAKEHOLDER	FY20 INTERACTIONS
<p><b>Shareholders</b></p>	<p>We participated in the CDP for the 11th year and achieved an A- on our climate change response and a B- on our water security response.</p> <p>We presented CSR issues to shareholders holding 19 percent in aggregate of our common stock during the company’s annual outreach meetings. Topics covered included: human capital management, societal impacts of AI, diversity and inclusion at the company and Board level, and Board involvement in CSR.</p>
<p><b>Suppliers</b></p>	<p>We conducted an ongoing evaluation of our suppliers using RBA analysis tools.</p> <p>We sent an average of 23 requests to suppliers each week.</p> <p>See <a href="#">Supply Chain Management, FY20 RBA Member Compliance</a> to see the full range of activities we conducted in FY20, including 100 percent completion of risk assessment and self-assessment for all applicable suppliers, receipt of 10 VAP audits from high-spend suppliers, and reviewing audits of 45 percent of our strategic suppliers.</p>

# 04 GOVERNANCE



## BOARD GOVERNANCE

### WHAT IT COVERS:

*Board composition, independence of committees and leadership, anti-takeover measures, Board and named executive officer compensation*

NVIDIA, including its Board of Directors, is committed to operating under sound principles of corporate governance. Our corporate governance structure ensures robust Board and management accountability and transparency to our shareholders, and promotes good decision-making now and for the future. To ensure that long-term interests are being served, our Board oversees management performance. Our overarching code of conduct, financial team code of conduct, corporate governance policies, Board committee charters, certificate of incorporation, and

bylaws form the [framework for governance](#) at NVIDIA.

As of the end of FY20, we had 12 directors on our Board, and 11 of them (92 percent) were independent. The sole exception is Jensen Huang, who is also our founder, president, and chief executive officer. Our corporate governance policies permit the Board to designate either a chairperson of the Board or a lead independent director, which gives the Board flexibility in determining what is best for the company. At this time, NVIDIA has a lead director, Mark Perry, rather than a chairperson of the Board. In FY20, all directors attended at least 75 percent of meetings of the Board and committees on which they served.

Director compensation is reviewed by the Board's Compensation Committee in consultation with a compensation consultant after an evaluation of peer group practices. Compensation is ultimately approved by our Board. We design our named

## GOVERNANCE SNAPSHOT

**11**

of our 12 Board members are independent

## DECLASSIFIED BOARD STRUCTURE

and all Board members serve one-year terms

## INDEPENDENT DIRECTORS

which gives the Board flexibility in determining what is best for the company

## MAJORITY VOTE

practices have been adopted voluntarily

## SUCCESSION PLANNING

for the position of Chief Executive Officer is in place

## ANNUAL PERFORMANCE EVALUATION

of Board and Board committees

## PUBLIC DISCLOSURE OF

director nomination process, process access, and approach to Board diversity

**18%**

of our independent Board members are female



executive officer (NEO) compensation program to pay for performance and to attract, motivate, and retain a high-caliber executive team. NEO pay is heavily weighted toward performance-based variable cash and long-term equity awards that are earned only if we achieve pre-established corporate financial metrics. Our executive compensation program requires executives to maintain meaningful stock ownership, and a clawback policy is in place for performance-based compensation.

### CSR Governance

The Nominating and Corporate Governance Committee (NCGC) of our Board is responsible for reviewing and discussing with management our practices with respect to environmental, social, and corporate governance. Our head of CSR reviews stakeholder inputs and our annual priority issues analysis with the NCGC each year. Our priority issues matrix includes issues that are of utmost importance to our stakeholders, such as climate change, human rights, and diversity and inclusion.

## COMPLIANCE

### WHAT IT COVERS:

*Compliance with all applicable policies, laws, and regulations, including fines/penalties*

We view compliance as the activities we undertake and the systems we establish and maintain to address environmental and social issues by adhering to laws and the requirements of governments and our customers. Compliance is the baseline that establishes the minimum standards to which we hold ourselves accountable. We are committed to comporting ourselves in accordance with the highest ethical standards regardless of whether there is a legal requirement to do so.

Governmental compliance is a critical component of our business strategy because it involves our license to operate in markets where we want to manufacture and sell our products, manage offices, and hire employees. We comply with all mandatory governmental regulations that apply to us in the communities in which we do business. We meet contractual obligations by also complying with our customers' requirements.

We employ social and environmental compliance engineers in our worldwide operations organization. These employees manage issues such as human rights, end-of-life recycling, hazardous substances, and conflict minerals in our supply chain. Our global legal and human resources teams receive regular guidance from legal counsel and industry associations on issues related to bribery, ethics, and hiring and labor practices. The sales operations team oversees our customers' environmental, social, and ethics requirements and works cross-functionally to ensure the compliance of all related teams. In all these functions, we have established mechanisms to maintain active compliance, assess our performance, and anticipate impending requirements and regulations.



## ETHICAL CONDUCT

### WHAT IT COVERS:

*Policies, systems, processes, and performance relating to ethical operation, anti-corruption, and anti-bribery, including ethics hotline and whistleblower protection*

We strive to achieve the highest standards of ethical conduct in all our business dealings. Our codes of conduct and policies guide how we conduct ourselves in our professional relationships toward our customers, partners, competitors, vendors, government regulators, shareholders, fellow employees, and the community at large. Our longstanding [code of conduct](#) outlines our core values and establishes the expectations we have about how we conduct business. This code applies to all our executive officers, directors, and employees, and we expect all third parties we do business with, including consultants, contractors, and other service providers, to act in a manner consistent with it. In addition, we have established a [financial code of conduct](#) that applies to our executive staff, directors, and members of our finance, accounting, tax, and treasury departments.

Our commitment to promoting a culture of integrity means that we aim to foster an environment where everyone is expected to act ethically and where people can voice concerns without fear of retaliation. Anyone can confidentially and anonymously lodge a complaint about any accounting, internal control, auditing, code of conduct, conflict of interest, or other matter of concern using a corporate [hotline](#), which is hosted by an independent third party. By using an external



organization to host the hotline, we ensure that our employees feel comfortable with anonymous reporting. We have a strict “no retaliation” policy regarding good faith reports of activities that run counter to our ethical expectations.

All NVIDIA employees receive ethics and sexual harassment training. They also complete training on our code of conduct, which covers environmental and social responsibility issues, upon hire and then every two years thereafter. In FY20 we rolled out a new code of conduct training globally, and as of April 2020, 97 percent of employees had completed this training.

Our longstanding commitment to doing business with integrity means avoiding all forms of corruption. Our anti-corruption practices involve the steps that we and our employees take to ethically conduct business and preserve our ability to work with customers and governments. We specifically emphasize making ethical decisions, never engaging in bribery or insider trading, avoiding conflicts of interest, approaching competition ethically, complying with international trade regulations,

practicing transparency, and maintaining accurate business records. To protect our company’s reputation, we have several policies related to these issues, and we expect employees to comply with them. We routinely test travel and entertainment claims in attempt to identify inappropriate payments in defiance of our code of conduct. Ninety-seven percent of employees who have frequent contact with customers, partners, and suppliers (such as those in sales, finance, and procurement) have completed additional global anti-bribery and anti-corruption training.



## TRANSPARENCY

### WHAT IT COVERS:

*Corporate responsibility transparency and disclosure (policies, level of disclosure, performance), external assurance, and direct stakeholder engagement*

We promote a culture at NVIDIA that values integrity and prioritizes transparency across our entire business. We maintain high levels of transparency to build trust in a way that supports our business success. In this report, we discuss transparency as it relates to environmental, social, and governance issues. We report in accordance with the Global Reporting Initiative Standards at the Core level. Since 2012, we've engaged Trucost to assure that our GHG emissions data meets the AA1000 standard.

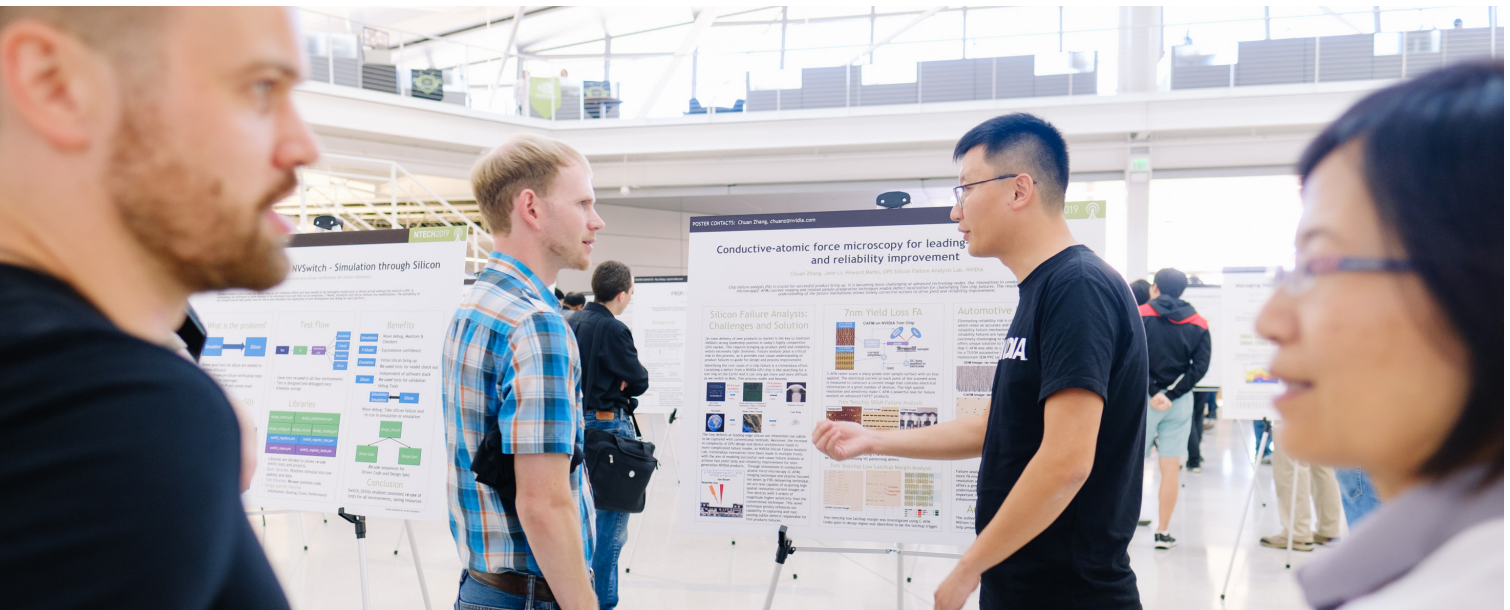
We actively work in our priority issue areas to address business risks and improve performance. We publish **dashboards** of key workforce, diversity, environmental, and supply chain metrics to give stakeholders insight into our performance. Throughout the year, we respond to several requests for information

from customers and share data directly with shareholders. We have also increased our external positioning by providing data about our performance to environmental, social, and governance reporting firms, such as Bloomberg, CDP, ISS, JUST Companies, MSCI, RobecoSAM, and Sustainalytics.

Since FY18, NVIDIA's internal audit team has reviewed elements of our CSR program to ensure that the company has adequate governance structures. Our internal audit team benchmarked our CSR report against comparable companies and assessed program ownership, monitoring, and communications. Metrics the team has reviewed for accuracy include community giving, diversity and inclusion, economic, environmental, and workforce.

Since 2012, we've engaged Trucost to assure that our GHG emissions data meets the AA1000 standard.

# 05 ECONOMIC



**MIT Culture 500**

NVIDIA ranked No. 1 in Agility, Innovation, and Performance in MIT Management Review and Glassdoor's Culture 500.

**PRIORITY:**  
**INNOVATION**

**WHAT IT COVERS:**

*Innovation of new products, technology, and operational practices; enabling distributed innovation through support of developers who use NVIDIA products; intellectual property protection; research and development*

The drive to innovate is embedded in NVIDIA's DNA. Our invention of the GPU defined modern computer graphics and established us as the leader in visual computing. With our subsequent introduction of the CUDA programming model, we opened the parallel processing capabilities of the GPU for general purpose computing. We have since extended our research and development emphasis to the revolutionary field of AI.

About 26 percent of our revenue in FY20 (\$2.83 billion) funded R&D activities. In total, we have invested more than \$20 billion in these efforts since our inception, yielding inventions that are essential to modern computing.

NVIDIA has a platform strategy that brings together hardware, system software, programmable algorithms, libraries, systems, and services to create unique value for the markets we serve. While the requirements of these end markets are diverse, we address them with

a unified underlying architecture, leveraging our GPUs and CUDA as the fundamental building blocks. The programmable nature of our architecture allows us to support several multibillion-dollar end markets with the same underlying technology by using a variety of software stacks developed either internally or by third-party developers and partners. We specialize in markets in which GPU-based visual computing and accelerated computing platforms can provide tremendous throughput for applications.

Through FY20, our reportable segments were GPU and Tegra Processor. Starting with the first quarter of FY21, our reportable segments have changed to "Graphics" and "Compute & Networking". From our proprietary processors, we have created specialized platforms that address four large markets where our expertise is critical: gaming, professional visualization, data center, and automotive.

Our Graphics segment includes GeForce GPUs for gaming and PCs, the GeForce NOW game streaming service and related infrastructure, and solutions for gaming platforms; Quadro GPUs for enterprise design; GRID software for cloud-based visual and virtual computing; and automotive platforms for infotainment systems. Our Compute & Networking segment includes Data Center platforms and systems for AI,



**Most Admired Companies**  
 NVIDIA ranked first in the semiconductor category on Fortune magazine's list of the **Most Admired Companies**.



HPC, and accelerated computing; DRIVE for autonomous vehicles; and Jetson for robotics and other embedded platforms.

We continuously assess whether and where to seek formal protection for particular innovations and technologies, based on such factors as:

- > The location in which our products are manufactured;
- > Our strategic technology or product directions in different countries;
- > The degree to which intellectual property laws exist and are meaningfully enforced in various jurisdictions; and
- > The commercial significance of our operations and our competitors' operations in particular countries and regions.

**PRIORITY:**  
**BUSINESS MODEL AND COMPETITIVENESS**

**WHAT IT COVERS:**  
*Market and global competitiveness, including NVIDIA's business model, market leadership, and financial success; issues that impact NVIDIA's fair access to the market, including: anti-competitive practices and global unrest*

Our success depends on our ability to identify emerging industry changes and to develop new (or enhance our existing) products, services, and technologies that meet the evolving needs of these markets. Such activities may require considerable technical, financial, compliance, sales and marketing investments.

We devote significant resources to the development of technologies and business offerings in markets where we have a limited operating history, such as the automotive and data center markets, which presents additional risks to our business. We must also continue to develop the infrastructure needed to scale our business in these areas, including customer service and support.

We also must meet customer safety and compliance standards, which are subject to change. Additionally, we continue to make considerable investments in research and development, which may not produce significant revenue for several years, if at all. If our investments are unsuccessful and we fail to develop new products, services and technologies, or if we focus on technologies that do not become widely adopted, our business, revenue, financial condition and results of operations could be adversely affected.

We cannot assure that our strategic direction will result in innovative products and technologies that provide value to our customers, partners and, ultimately, our shareholders. If we fail to anticipate the changing needs of our target markets and emerging technology trends, or if we do not appropriately adapt that strategy as market conditions evolve, in a timely manner to exploit potential market opportunities, our business will be harmed.

Our response to market competitiveness is outlined in the Business Strategies section of our **[FY20 10-K, pp. 7-12](#)**.



**PRIORITY:**  
**CYBERSECURITY**

**WHAT IT COVERS:**

*Technologies, processes, and practices designed to protect networks, computers, programs, and data from attack, damage, or unauthorized access; product safeguards*

We define cybersecurity as measures designed to protect our IT assets from unauthorized access or attack. Included are NVIDIA's products and the privacy of our customers' and employees' data. As we become aware of more frequent high-profile security breaches in business and government, and as new dangers arise, we remain committed to respecting privacy and implementing appropriate protections for any personal information we collect or that our users share with us.

Our efforts are managed by a global team of cybersecurity, IT, engineering, and legal experts. A cybersecurity committee, which meets monthly and is driven by executive-level

leaders, reviews metrics and evaluates emerging threats. We also address cybersecurity scenarios in our resilience planning, document them through business continuity plans, and follow the processes outlined in frameworks such as the ISO 27000 for Information Security Standards. Against the backdrop of frequent changes and new knowledge, we continually evaluate and adapt our security measures.

We have defined a set of actions for teams to initiate, which will help us to determine the type and rigorosity of our response in the event of a cybersecurity issue. The team also leverages external parties, such as computer security firms and those with risk management and governance expertise. NVIDIA's Board of Directors receives regular presentations on cybersecurity.

We continuously hone our cybersecurity and data privacy training to respond to new requirements in global privacy laws.

In FY20, we reviewed all strategic suppliers for cybersecurity and intellectual property alignment to NVIDIA standards.



**PRIORITY:**  
**TRADE ISSUES**

**WHAT IT COVERS:**

*Ability to move and sell goods internationally, including export controls, import duties, quotas, and other trade barriers and restrictions; regulatory, pricing, and supply chain impacts associated with changing political and trade environment; global recruitment activities and hiring for specific skillsets*

Our semiconductor wafers are produced and packaged by third parties located outside of the United States. Revenue from sales outside of the United States accounted for 92 percent of total revenue for FY20, and 87 percent for each of fiscal years 2019 and 2018. And as of January 26, 2020, approximately 46 percent of our employees were located outside of the United States.

The global nature of our business subjects us to a number of risks and uncertainties, which could have a material adverse effect on our business, financial condition, and results of operations, including:

- > International economic and political conditions, including as a result of the United Kingdom’s decision to withdraw from the European Union, and other political tensions between countries in which we do business;
- > Unexpected changes in, or impositions of, legislative or regulatory requirements, including changes in tax laws;
- > Differing legal standards with respect to protection of intellectual property and employment practices;
- > Local business and cultural factors that differ from our normal standards and practices, including business practices that we are prohibited from engaging in by the Foreign Corrupt Practices Act and other anti-corruption laws and regulations;
- > Exporting or importing issues related to export or import restrictions, including deemed export restrictions, tariffs, quotas, and other trade barriers and restrictions;
- > Disruptions of capital and trading markets and currency fluctuations; and
- > Increased costs due to imposition of climate change regulations, such as carbon taxes, fuel or energy taxes, and pollution limits.

If our sales outside of the United States are delayed or canceled because of any of the stated factors, our revenue may decrease.

The global economy is constantly changing, and we are prepared to change with it. To that end, we use foreign currency forward contracts to mitigate the impact of foreign currency exchange rate movements on our operating expenses. And we continuously evaluate the location of our manufacturing and sourcing suppliers.

For an overview of risks related to global recruitment, see our [FY20 10-K, p. 16](#).



## BUSINESS CONTINUITY MANAGEMENT

### WHAT IT COVERS:

*NVIDIA's ability to operate without interruption; robustness of business continuity systems, infrastructure, policies, and procedures*

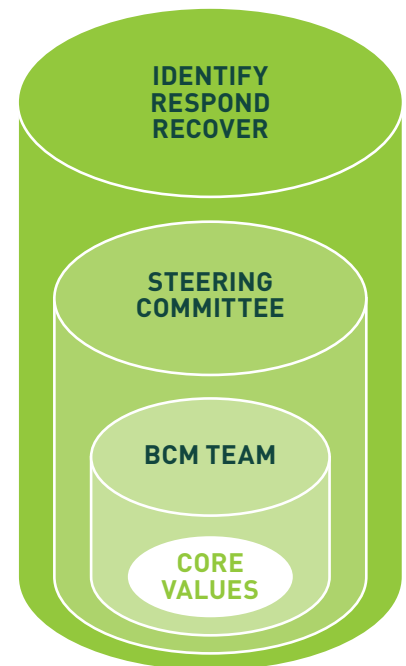
Business continuity management (BCM) focuses on protecting our **core values**. Our philosophy of BCM is to identify realistic threats and their potential impact to our core values and to design a formal framework for responding. We believe that resilience can be achieved by embedding redundancy and diversity into our response framework. A BCM steering committee of four executives is supported by several business leaders across the following functions: Corporate Communications, Cybersecurity, Facilities, Finance, Global Security, Human Resources, Information Technology, and

Operations. Each function has a plan to identify and address potential risks.

These efforts are supported by robust infrastructure, systems, policies, and procedures and are designed to mitigate risk and protect the safety and trust of our employees and customers when unexpected events such as cyberattack, business disruption, or natural disaster occur.

We believe that BCM is critical to minimizing financial and reputational impacts. By anticipating the likelihood of severe events, we can mitigate these risks and ensure that the company does not endure unnecessary damages.

## NVIDIA BCM PROGRAM



## CUSTOMER RELATIONS

### WHAT IT COVERS:

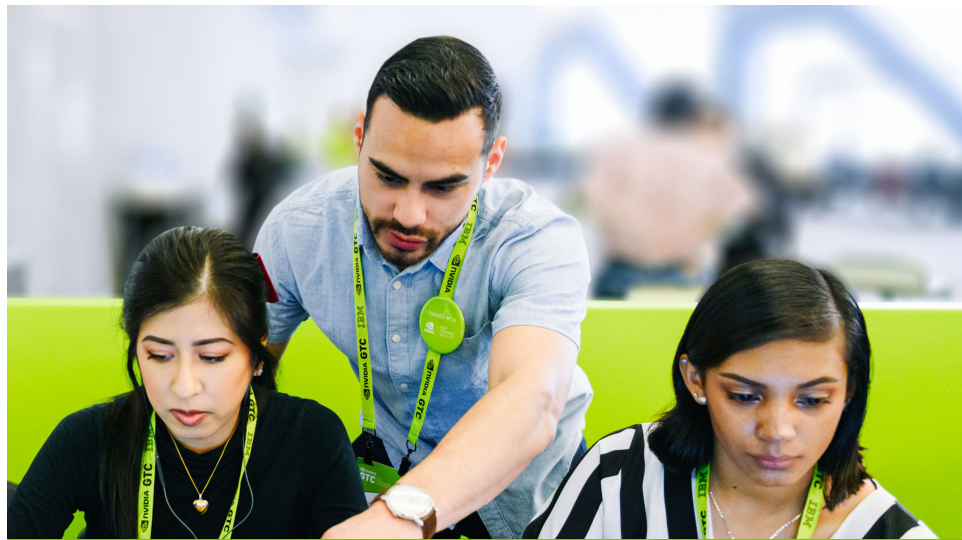
*Customer satisfaction; customer relationship management, including privacy*

We view our commitment to positive customer relations in terms of the role we play as a responsible supplier to original equipment manufacturers, our reseller partners, and our customers, which includes both businesses and consumers.

We support customers through a comprehensive [support site](#) and several NVIDIA-hosted product [forums](#) and [communities](#). Our customer service team tracks interactions with consumers as they occur and shares bi-weekly satisfaction reports internally. We measure customer satisfaction in several ways and use these metrics to help promote experiences that delight our customers. Measurements include customer satisfaction rate, percentage of support incidents filed, closed incident survey response rate, and referral rate.

Our customer support organization is on the front line of communications with our national and international partners, working with their engineering teams as they test NVIDIA products in their systems and devices. For partners that embed our hardware in their products, quality is monitored through ISO 9000 [certification](#).

Our support organization has taken steps to dramatically reduce the time it takes for our software team to incorporate customer feedback, enabling technicians to respond quickly and increase customer satisfaction. We also use data



### GPU TECHNOLOGY CONFERENCE

*GTC is a global conference series providing training, insights, and direct access to experts on the hottest topics in computing today. Thousands of researchers and professionals attend to learn the latest on the most dynamic topics related to high-performance computing, AI, and deep learning.*

gathered from our customer forums to give our research and development organizations a steady stream of feedback about what is working and what improvements our customers want. NVIDIA protects customer data and honors their choices in compliance with GDPR. More information can be found [here](#) about our privacy policy.

We robustly support developers who want to create innovative applications with our products. We give developers diverse resources, including courses in parallel programming; enhancement tools for debugging, performance, and testing; access to highly skilled engineers and specialists who provide custom services and co-design industry-specific applications; and financial support to university researchers in various scientific disciplines. Our [GPU Technology Conference](#) advances global awareness of accelerated computing, computer graphics, high-performance computing, AI, and deep learning.

Our customers include some of the world's largest electronics, consumer brand, and automotive companies. Consequently, we have integrated throughout our global operations the standards outlined in the Responsible Business Alliance (RBA) Code of Conduct covering labor, environment, health and safety, ethics, and management systems. We use these standards as our management approach for our supply chain.

Inquiries from our original equipment manufacturer customers have increased in line with our focus on supplier responsibility and environmental sustainability. Requests for information have predominantly related to conflict minerals, environmental compliance, quality, cybersecurity, consumer satisfaction, and ethics.



To manage these inquiries and requests, we employ quarterly business reviews with key customers and partner with them on various initiatives through the RBA. Certain customers assign points on their scorecards to environmental, social, and governance performance. Customers who are RBA members monitor our performance through tools provided by that organization, such as self-assessment questionnaires, validated audit processes, and tracking tools for carbon, water, and waste.

## BRAND AND REPUTATION

### WHAT IT COVERS:

*Semiconductor and technology industry perception and reputation and how that influences NVIDIA's business activities; brand reputation and market positioning; integrity of brand and customer perception; CSR performance as an indicator of reputation*

As outlined in our [10-K](#), several factors can impact our brand and reputation. Every day, we build a better business by acting with integrity in all we do. Through our CSR efforts and reporting, we've built trust and credibility with our stakeholders as we disclose the metrics they expect. We're recognized as a great place to work by current and prospective employees, as a respected supplier to customers, and as a successful long-term investment by shareholders.



## AWARDS AND ACCOLADES

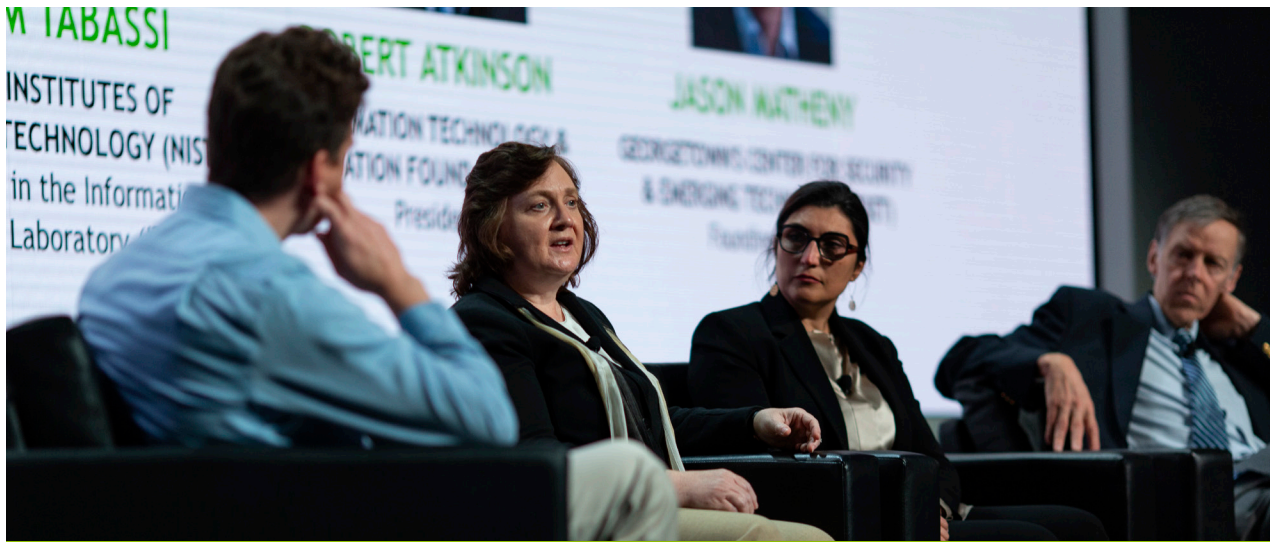
We track closely our inclusion in several prominent business publications for innovation and leadership, notably:

- > **Barron's**  
World's Best CEOs
- > **Fast Company**  
Most Innovative Companies
- > **Fortune**  
Future 50 Sustainability  
All Stars
- > **Fortune**  
100 Best Places to Work
- > **Harvard Business Review**  
Best Performing CEOs  
in the World

This annual CSR report forms the foundation of our CSR communications and is used by all stakeholders to find the information they need. It is a resource for several ratings, rankings, and indexes we participate in each year.

These third-party endorsements help boost our reputation and brand as a strong corporate citizen. Notable recognitions we have received include: the Dow Jones Sustainability Index, CDP, 100 Best Corporate Citizens, Human Rights Watch's Corporate Equality Index, and the JUST100.

The [Stakeholders](#) section lists all of the ratings/rankings requests we received in FY20. We have seen a dramatic increase in the number of requests to participate in these lists in the last few years as CSR has become a central element of business strategies throughout the world.



**LEADING THINKERS IN AI CONVERGE ON DC**

Leading thinkers from the White House Office of Science and Technology, National Institute of Standards and Technology, NASA Langley Research Center, and more discussed the future of AI at GTC DC in 2019. Speakers included: Lynne E. Parker, assistant director for AI with OST; Suzette Kent, CIO of OMB; and Elham Tabassi, chief of staff in the IT Laboratory at NIST.

## PUBLIC POLICY ENGAGEMENT

**WHAT IT COVERS:**

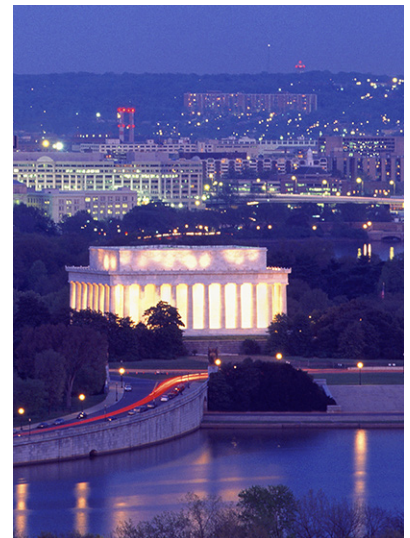
*Transparency of political contributions and lobbying efforts, including participation through industry organizations; engagement with policy makers*

Public policy engagement enables us to affect government action and provide thought leadership to global governments on issues that directly affect our business. It is also a platform for educating policymakers through demonstrations of our technology, amplifying our work in targeted areas, and collaborating with various organizations on issues of shared interest. We focus our public policy activities in AI, specifically to promote investment in core AI research, support workforce development around AI, and provide educational resources to technology policy advisors.

## AI Research and Standards

In FY20, as part of a panel focused on the current state of AI standards through the National Institute of Standards and Technology, we provided **input** to NIST and other government officials. We also **provided comments** to the RFI on the same topic. We participated in the development and advocacy of the Semiconductor Industry Association's **policy plan**, which recommended substantial investment in the U.S. workforce and federal R&D programs.

As part of GTC DC, we brought together a leading group of policymakers and analysts to discuss the U.S. national strategy on AI, with a specific focus on standards, investments, and potential regulatory actions.



## Workforce Development

We serve as the co-chair of CompTIA's workforce subcommittee, where we support their policy development around skills-based training, apprenticeships, and certifications. We connected our educational scholarships for AI training for Black and Latinx in AI with the Congressional Black Caucus and the Congressional Hispanic Caucus to provide guidance to their workforce development programs.

## AI Education

We provide subject matter experts to brief Congressional policy advisors on AI technology, offering insights on AI research and development. Those advisors include staff at the House Science Committee, the House Energy and Commerce Committee, and the Senate Commerce Committee. We enhance our reach in public policy through participation in organizations such as the Consumer Technology Association, Entertainment Software Association, the Information Technology Industry Foundation, and the Semiconductor Industry Association, among others.

In early April 2020, we joined the [COVID-19 High-Performance Computing Consortium](#), a collaboration with the White House Office of Science and Technology Policy, the U.S. Department of Energy, several technology companies, and national labs. The effort will help researchers everywhere better understand COVID-19, its treatments, and potential cures.

We do not have a political action committee. In FY20, we did not perform lobbying activity or expend resources that required registration under the Lobbying Disclosure Act.

### **ACCELERATING AI ADOPTION**

*NVIDIA leaders use our popular blog to promote causes of company interest, such as the government's adoption of AI.*

# 06 SOCIAL



**PRIORITY:**

## SUPPLY CHAIN MANAGEMENT AND PRODUCT QUALITY

**WHAT IT COVERS:**

*Policies and practices with regard to overall supply chain management and product quality, including auditing and ensuring that suppliers meet minimum standards or requirements; supply chain transparency and disclosure*

We hold ourselves and our suppliers to the highest standards of behavior. We engage suppliers that share our values and closely manage our supply chain to deliver innovative products that satisfy our customers' expectations in a socially and environmentally conscious manner.

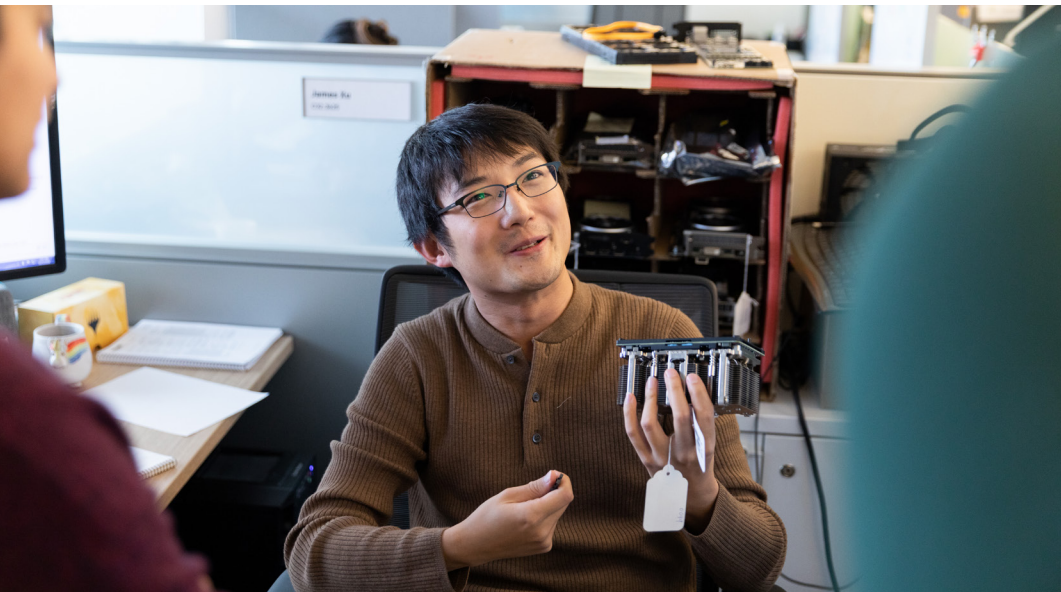
### Supply Chain Management

We do not directly manufacture the semiconductor wafers or printed circuit boards used in our products, nor do we manufacture our branded devices. Instead, we partner with world-class suppliers for all phases of the manufacturing process, including wafer fabrication, assembly, testing, and packaging.

We have been Responsible Business Alliance members since 2007. We have adopted the code of conduct and integrated its elements into our processes.

We've been [Responsible Business Alliance](#) (RBA) members since 2007 and were accepted in January 2018 as Full member. From the beginning, we adopted the RBA Code of Conduct and integrated its elements into our processes, including auditing strategic suppliers and conducting internal assessments to confirm that we are addressing all aspects of responsible supply chain management.

Taiwan Semiconductor Manufacturing Company (TSMC) and Samsung manufacture our semiconductor wafers. Our two main contract manufacturers for company- or partner-branded devices are Foxconn and BYD. Foxconn, Samsung, and TSMC are RBA members. We also contract with manufacturers to build, test, and distribute our branded devices.



## Supply Chain and COVID-19

Our focus during the pandemic is to protect worker rights while promoting business continuity. As members of the RBA, we are following their process to better understand the impact of the virus outbreak in the supply chain. We've partnered with a customer to survey several select suppliers to understand the impact on worker's hours and wages. As a result of the workplace disruption, we anticipate an increase in working hours this year. The RBA and NVIDIA allow for certain exemptions to working hours requirements in the case of emergency or other unusual situations and we have identified the virus outbreak and subsequent government shutdown of activities across the globe as such. Strategic suppliers have communicated any reporting or auditing delays, including VAP audits and ISO renewal audits. We are applying guidance in accordance with the RBA, while remaining in conformance with the RBA Code of Conduct.

All of our suppliers are required to comply with NVIDIA's code of conduct, our CSR Directive, and policies related to human rights. They are required to sign an "Agreement for Manufacturer Environmental Compliance," which includes all relevant product regulatory compliance standards, social compliance standards, chemical management, and the RBA Code. We also encourage them to use the RBA Code as a platform to go above and beyond compliance.

Our assessment process involves using the RBA online system to vet existing and potential new suppliers against product compliance industry standards, social and environmental criteria, conflict minerals, the RBA Code, and NVIDIA's code of conduct.

For strategic suppliers, agreements are deployed and tracked through a quarterly business review (QBR) process to make certain they uphold our requirements. Strategic suppliers include critical suppliers who produce or handle NVIDIA production material, as well as

suppliers for whom we closely manage quality requirements, such as those who design our branded products and those we are required to work with based on customer agreements.

Business allocation decisions with strategic suppliers are influenced by QBR performance. Five of 100 QBR points are allocated to CSR issues, and requirements vary by quarter. Each quarter, overall supplier assessment is reviewed by product category and performance is ranked.

Additionally, in FY20 we reviewed all strategic suppliers for cybersecurity and intellectual property alignment to NVIDIA standards.

Aside from the RBA, we also participate in organizations focused on issues relevant to supplier responsibility, such as the Public-Private Alliance for Responsible Minerals Trade and the Association Connecting Electronics Industries.

We are committed to upholding the rights of workers throughout our supply chain and to treating everyone with dignity and respect.



## Human Rights

We are committed to upholding the rights of workers throughout our supply chain and to treating everyone with dignity and respect. Freely chosen employment is an issue that many supply chains face. We rely on the RBA and the Responsible Labor Initiative (RLI) to identify, prioritize and remediate any risks and impacts in our supply chain. We comply with the key principles for worker protection outlined in the RBA code of conduct:

- > No forced, bonded (including debt bondage) or indentured labor, involuntary or exploitative prison labor, slavery or trafficking of persons.
- > No unreasonable restrictions on workers' freedom of movement in the facility or unreasonable restrictions on entering or exiting company-provided facilities.
- > Workers must be provided with a written employment agreement in their native language that contains a description of terms and conditions of employment.
- > All work must be voluntary, and workers may leave work at any time or terminate their employment.
- > Employers and agents may not

hold or otherwise destroy, conceal, confiscate, or deny access by employees to their identity or immigration documents.

- > Workers shall not be required to pay employers' or agents' recruitment fees or other related fees for their employment; any such fees shall be repaid to the worker.
- > Child labor is not to be used in any stage of manufacturing.

The RBA code is in alignment with the UN Guiding Principles on Business and Human Rights and standards from the ILO Declaration on Fundamental Principles and Rights at Work and the UN Universal Declaration of Human Rights.

We also comply with the RBA's guidance regarding stakeholder grievances related to our social and environmental performance. We use the RBA Self-Assessment Questionnaire and VAP Audit Program to validate that our suppliers have proper grievance mechanisms in place and that employees are trained in using these methods. We manage any corrective actions related to grievance mechanisms through the RBA-Online Corrective Action Plan process.

In addition to supporting and aligning with the RBA code regarding freely chosen labor, we follow the legal requirements of the Federal Acquisition Regulation (FAR) and UK Modern Slavery Act 2015. We track issues through the RBA Validated Audit Process and work directly with suppliers to implement any corrective actions. When violations are discovered, we require suppliers to return hiring fees to workers. Policies related to working conditions (including slavery and trafficking) can be found on our [website](#).

Additionally, NVIDIA is a member of the Public Private Alliance (PPA) for Responsible Minerals Trade, and the Responsible Minerals Initiative. The PPA provides funding and coordination support to organizations working within the Democratic Republic of Congo and adjacent countries to develop verifiable conflict-free supply chains; align due diligence programs and practices; encourage responsible sourcing from the region; promote transparency; and bolster in-region civil society and governmental capacity.



## Environmental Management

All strategic suppliers are certified to ISO 14001. We monitor the environmental footprint of our suppliers and work with them through the supplier management process on goal setting and activities they can undertake to reduce their environmental impact. We calculate carbon, water, and waste data for all silicon manufacturers and systems contract manufacturers to determine carbon emissions and water consumption per product and per financial outlay.

We participate in the CDP Supply Chain program and the RBA online environmental survey on carbon, water, and waste. The waste data that is collected through the RBA Environmental report includes metrics regarding non-hazardous waste, hazardous waste, and recycling and disposal rates. We also participate in the RBA environmental sustainability workgroup.

See [Materials Availability](#) for information.

## SUPPLIER COMPLIANCE

NVIDIA manufacturing suppliers comply with the following:

- > NVIDIA's Code of Conduct
- > NVIDIA's Conflict Minerals Policy
- > EU RoHS
- > EU REACH
- > EU End of Life Vehicles
- > Halogen Free/Low Halogen
- > ISO 14001:2015
- > ISO 45001 (replacing OHSAS 18001 /GB/T 28001-2011 in China)

## FY20 RBA Member Compliance

COMPLIANCE ELEMENT	RBA REQUIREMENT	NVIDIA PERFORMANCE
Risk assessment on all suppliers	100%	100%
Self-assessment questionnaires (SAQs)	All suppliers in top 80% of NVIDIA spending	100% NVIDIA's SAQ review determined that there were no suppliers rated as high risk in our top spend.
Validated audit process (VAP)	25% of high risk suppliers	<p>We had no high risk suppliers identified in SAQ, but we require VAP audits to validate SAQs even if the SAQ score comes back as moderate or low risk.</p> <p>This process revealed one strategic supplier as high risk. We work with high and moderate risk suppliers to review their CAPs and complete a Closure Audit when necessary.</p> <p>We reviewed all VAP audits completed by suppliers in FY20, which accounts for 45 percent of our strategic suppliers. In the last two years, we have reviewed all valid VAP audits which account for 75 percent of our strategic suppliers.</p> <p>We reviewed an additional 10 VAP audits from high-spend suppliers (spend &gt; \$1 million) in FY20.</p>
Corrective action plans (CAPs)	N/A (due to lack of high risk suppliers from SAQ)	<p>We engaged 11 strategic suppliers on their CAPs from the FY19-20 auditing season, regardless of risk rating. Common findings include issues related to occupational safety, emergency preparedness, working hours, and freely chosen employment.</p> <p>We continue monitoring to ensure that suppliers demonstrate effective processes to ensure compliance. Specific actions on non-compliance issues vary depending on the type of finding and supplier.</p>



## FY20 Performance with the RBA Code of Conduct

RBA CODE ELEMENT	NVIDIA AS SUPPLIER	NVIDIA AS CUSTOMER
<b>Labor</b>	<p>We updated NVIDIA's Code of Conduct to strengthen human rights language.</p> <p>Relevant NVIDIA employees took several RBA Learning Academy courses.</p> <p>We participate in the RBA's Responsible Labor Initiative.</p> <p>We are in alignment with the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the UN Universal Declaration of Human Rights.</p>	<p>We evaluated all contract manufacturers and direct material suppliers on geographic location, manufacturing processes, past SER performance, and public reports.</p> <p>We tracked supplier working hours through VAP, CAPs, or RBA working-hours templates.</p> <p>We worked with suppliers to ensure their compliance with the principles of zero hiring fees and freely chosen employment.</p> <p>We assigned Learning Academy courses to eight suppliers: Hours of Work, Working Hours Recording System, Working Hours Management System, The Hiring Process, Recruitment and Selection, Hiring and Working with Migrant Workers, Wages and Benefits, Creating Motivating Wage Systems, and Improving Your Dormitories.</p>
<b>Health and Safety</b>	<p>We conducted an annual tour of all NVIDIA offices to audit health and safety.</p> <p>We updated NVIDIA's Environmental, Health, Safety and Energy Policy.</p>	<p>We closed CAPs covering all health and safety issues.</p> <p>We reviewed improvement plans on health and safety as part of OHSAS 18001 for alignment with eight suppliers.</p> <p>We assigned Learning Academy courses to eight suppliers: Effective H&amp;S Systems, Fire Safety, and Managing Air Emissions.</p>
<b>Ethics</b>	<p>We continued membership in RMI and participated in its work groups on due-diligence data collection and smelter engagement.</p>	<p>We engaged 100 percent of suppliers to collect smelter data for our conflict minerals program.</p> <p>We engaged strategic suppliers to collect cobalt smelter data.</p> <p>We continued evaluation of smelter metrics for the annual SEC conflict minerals reporting requirement.</p> <p>We deactivated suppliers that were non-compliant with product and conflict mineral requirements.</p> <p>We assigned Learning Academy courses to eight suppliers: Supply Chain Ethics, Recognizing Forced Labor, and Preventing Forced Labor.</p>
<b>Environmental</b>	<p>We participated in CDP Supplier Engagement.</p> <p>We completed the RBA online environmental survey on carbon, water, and waste.</p> <p>We participate in the RBA environmental sustainability work group.</p>	<p>We calculated carbon, water, and waste data of all silicon manufacturers and systems contract manufacturers to determine carbon emissions and water consumption per product and per financial outlay.</p> <p>We required compliance with environmental standards.</p> <p>We reviewed suppliers' environmental improvement plans for ISO 14001 alignment.</p> <p>We assigned Learning Academy courses to eight suppliers: Environmental Protection, Managing Energy and GHG Emissions, Water and Wastewater Management, Resolving Wastewater Treatment Issues, and Managing Waste.</p>

**FY20 Performance with the RBA Code of Conduct (Cont.)**

RBA CODE ELEMENT	NVIDIA AS SUPPLIER	NVIDIA AS CUSTOMER
<p><b>Management Systems</b></p>	<p>We participated in a VAP work group.</p> <p>We continue to evaluate our performance for the RBA Full membership tier.</p>	<p>We conducted quarterly business reviews of suppliers.</p> <p>We assessed compliance with the updated RBA Code with respect to labor fees and freedom of association.</p> <p>We implemented a performance-based award system for strategic suppliers.</p> <p>We assigned Learning Academy courses to eight suppliers: Understanding Supply Chain Responsibility, Industry Standards, Responsible Supply Chain Management (for Factory Management), Supply Chain CSR Monitoring, and Using KPIs.</p>

**Product Quality**

We use a comprehensive quality management process with the goal of exceeding our customers' expectations. Cross-functional teams manage all aspects of product quality. Customer Quality Engineering provides direct customer support for all quality-related issues and facilitates the gathering of

customer failure information, customer-observed failure rates, and RMA processing. Product Quality Engineering uses the Eight Discipline (8D) methodology to direct root cause failure analysis and corrective actions. As part of the continuous improvement process, recommended design enhancements

are brought to the design engineering teams for incorporation into next-generation products.

NVIDIA is ISO 9001 **certified** and has been issued a "letter of conformance" to the IATF 16949 automotive quality standard.

**PRIORITY:**

**EMPLOYEE HEALTH AND SAFETY**

**WHAT IT COVERS:**

*Occupational health and safety performance and policies; safety standards (ISO 45001, OSHA); health and wellness programs; security practices*

Our employees' ability to perform their jobs well depends on their physical and mental health and their safety and security. Our integrated programs actively support these fundamental needs.

**Health, Safety, and COVID-19**

In response to the COVID-19 pandemic, we closed our nearly 60 offices around the world by March 2020. We support our employees in making their health and their families' health a top priority, and we provide them with resources to work remotely whenever needed. For essential labs and offices that remain open, we have instituted frequent disinfection, temperature taking, and strong social distancing guidelines.

**Health and Wellness**

We offer programs throughout the year to assist with employees' personal wellness, including health analysis, skin cancer screening, and hereditary cancer screening. Our record reflects the results of our dedication to employee health and wellness. Less than one percent of leave-of-absence requests within NVIDIA relate to work. Work-related



injury losses are significantly below the averages for our industry. Our recordable incident rate per 100 full-time employees, is .25, and our lost-time incident rate is .01. Few workers compensation claims are submitted, and the majority of those processed are repetitive motion injuries. In recognition of this fact, we have taken steps to work with affected employees through our ergonomics program and online courses.

**Safety**

Our Environmental Health and Safety (EHS) team oversees workplace conditions for NVIDIA's globally. Team members provide guidance to ensure that facilities meet or exceed local safety requirements, promote safe work practices, and support compliance with applicable health and safety legislation and policies through trainings, communications, and audits. Our global EHS management framework is broadly aligned with ISO 45001 and includes:

- > A network of site safety officers who provide local EHS accountability.
- > Documented, globally applicable programs on key topics, including contractor management, ladder safety, ergonomics, vehicle safety, and chemical management.
- > External EHS audits and internal EHS inspections of our owned and leased offices.

Keeping our employees safe requires planning for emergencies. Our volunteer emergency response teams include more than 500 employees around the world. These volunteers assist with evacuation drills and may receive training in basic first aid, CPR, AED, or fire extinguisher use in addition to emergency preparedness that will enable them to rapidly respond in an emergency or disaster.



**A TOP PLACE FOR TALENT**

For the fifth year, NVIDIA is on Fortune magazine's 100 Best Places to Work. We also ranked No. 6 on its list of Best Workplace in Technology.

**100 BEST COMPANIES TO WORK FOR**

Fortune has recognized NVIDIA in its list of 100 Best Companies to Work For.

We ranked No. 1 in Agility, Innovation, and Performance in MIT Management and Glassdoor's Culture 500, and scored 100 percent on Human Rights Watch's Corporate Equality Index.

Glassdoor also includes us on its Employee's Choice: Best Places to Work list.

**PRIORITY:**

**TALENT STRATEGY**

**WHAT IT COVERS:**

*Global talent identification and selection, including global recruitment activities and hiring for specific skillsets; leadership development, including professional development and training to build and maintain an internal pipeline of leadership*

We believe that talented employees are our greatest assets, and they play a key role in creating long-term value for our stakeholders. Our ultimate success and our ability to compete are substantially dependent on how well we identify, hire, train, and retain highly qualified personnel. In the technology industry's highly competitive talent market, we aim to differentiate ourselves through a workplace culture that celebrates drive, commitment, and achievement.

We position our company to attract

the industry's most creative and gifted individuals, and they take pride in our dynamic workplace. Our teams of world-class engineers and developers thrive in high-performance environments where passion is expected, talent is recognized, and collaboration is valued.

**Fortune** has recognized NVIDIA in its list of 100 Best Companies to Work For. We ranked No. 1 in Agility, Innovation, and Performance in MIT Management and Glassdoor's Culture 500, and scored 100 percent on Human Rights Watch's Corporate Equality Index. Glassdoor also includes us on its Employee's Choice: Best Places to Work list.



## Talent Strategy and COVID-19

To protect employees amidst the COVID-19 pandemic, we closed offices around the world by mid-March, asked our employees to make their health and their families' health their top priority. We continued to pay all regular and temporary employees and contractors. We also began providing resources to staffers to work remotely as we joined global efforts to slow the spread of the virus.

NVIDIA employees are supported in the event of illness due to COVID-19. Where legally permissible, we provide enhanced coronavirus health coverage in an effort to remove all barriers to diagnosis and treatment.

Additionally, our HR, IT, and charitable teams assembled several resources for employees:

- > A comprehensive website with information on work guidelines, IT help, benefits, and how to engage in the company's charitable mission to support local charities, neighbors, and small businesses.
- > A collection of resources and weekly webinars for employees

and managers adjusting to working and leading remotely.

- > Third-party learning resources on how to work from home and how to manage remotely.
- > A mental health webinar series on dealing with life challenges during a pandemic.
- > Educational resources for employees' children.

## Recruiting

As we enter new markets in AI and deep learning, the demand for talent is increasingly competitive. We continually evaluate the right mix of compensation and benefits, so we can continue to attract the best and the brightest. To attract and retain highly qualified individuals, we:

- > Attend professional and university recruiting events.
- > Perform semi-annual compensation analysis and adjustments.
- > Evaluate benefits annually.
- > Analyze global employee engagement survey data.
- > Engage in "best place to work" surveys that provide feedback on our strengths and weaknesses.

## Compensation and Benefits

We have four key objectives in our compensation strategy: attract and retain the world's best talent, reward performance, focus on growth, and think in terms of total pay. Our total compensation packages are competitive, fair, and structured to encourage employees to invest in the company's future. Our employees enjoy a comprehensive, market-competitive benefits package and have the opportunity to own shares in the company through our employee stock purchase plan (ESPP). We invest in and commit to our employees' long-term success. NVIDIA's **benefits** include flexible work hours and flexible time off, programs to help employees address stress and time-management challenges, and an array of convenient onsite services. We support employees in their important life events through our global Guidance Resources Program and a generous leave program.



## Learning and Development

Through our learning and development program, employees receive training on the job and in more formal settings across the gamut of professional, functional, technical, and managerial learning.

We use both internally and externally created online training content, and our employees can access hundreds of technical and professional development courses via our NVLearn portal. LinkedIn Learning, GlobeSmart, Udemy for Business, and Pluralsight courses are available online for employees, as are the digital libraries of the Institute of Electrical and Electronics Engineers and the Association for Computing Machinery through our corporate memberships.

In addition to online content, NVIDIA provides employees with a variety of live learning experiences that take the form of classes, panel and speaker-based forums, and formal internal technical conferences.

We offer tuition reimbursement at most accredited educational institutions—including through Coursera and EdX—and subsidize certain advanced technical education programs at the Stanford Center for Professional Development. We also encourage employees to take classes through NVIDIA’s [Deep Learning Institute](#), which offers courses live and online for developers who want to learn the technical aspects of AI (including select Udacity courses).

We deliver a range of vocational support through our career services program. The program includes periodic internal career expos, lunch and learns featuring development-related topics, and individual on-demand career coaching.

We support compliance trainings required by the various localities we operate in and programs unique to our business, including ISO 9001 compliance, autonomous vehicle driver certification, cloud security training, and GDPR awareness.

Additional information about how we recruit, acquire, develop, and retain employees is covered under the issues of [Diversity and Inclusion](#) and [Employee Engagement](#).

**PRIORITY:**  
**DIVERSITY AND INCLUSION**

**WHAT IT COVERS:**

*Policies, practices, and initiatives related to employee, supplier, and board diversity and inclusion; gender and racial equity in the technology industry; pay equity*

We believe that diverse teams fuel innovation, and we are committed to creating an inclusive culture that supports all employees, regardless of gender, gender identity or expression, veteran status, race, ethnicity, or ability.

We integrate diversity and inclusion into the entire employee experience and drive programs in three core areas: recruiting and hiring, development and recognition, and employee support. Additionally, we are committed to pay transparency and making all employment decisions on the principles of equal employment opportunity.

**To The Black Community**

The heartbreaking events in America during the end of May and into June require that we confront painful racial inequities and prejudice that exist to this day.

NVIDIA stands with the Black community and will act to help. Though we can't fully appreciate the pain, despair, and frustration that many are feeling, we will listen to and learn from our Black colleagues.

Our CEO's comments from NVIDIA's annual shareholder meeting: "Corporations must also stand against racism and act. NVIDIA must act. It is not enough to just be an inclusive employer, and with good intentions, and provide

**WE BELIEVE IN EQUAL OPPORTUNITY**

We don't tolerate discrimination or harassment against anyone on the basis of race, color, religion, sex, marital or protected veteran status, age, national origin, ancestry, physical or mental disability, genetic information, medical condition, sexual orientation, gender, gender identity, gender expression, or any other characteristic protected by law.

equal opportunities to Black people. We must purposefully and systematically create opportunities. Starting with me, we will elevate the urgency of increasing Black population at every level of our company and do our part to fight racism."

While our Diversity programs are focused on increasing engagement with all underrepresented groups, our efforts will be particularly focused on strengthening relationships with Historically Black Colleges and Universities and professional organizations that support the Black community.

**Recruiting and Hiring**

We prioritize the recruitment of women and underrepresented minorities, and we reached 19,000 diverse candidates in FY20. Our strategies include:

- > Evaluating the recruiting pipeline to identify any bottlenecks for women and minorities during the recruiting process.

- > Dedicating employees to sourcing, elevating, and shepherding minority candidates for professional and university roles.
- > Crafting job descriptions to eliminate unintended bias using an AI-based third-party tool.
- > Striving for female interviewees in technical positions to meet with at least one woman during the interview process.
- > Make available during interview scheduling to each hiring manager and interviewer a copy of the guide for unbiased recruiting and hiring.
- > Developing women and minority recruiting teams for academic and professional job fairs.
- > Partnering with historically Black colleges and Hispanic-serving institutions.
- > Partnering with our employee resource groups to evolve how we reach and attract minority candidates.

- > Conducting outreach, recruiting, and holding events on university campuses in partnership with the Society of Women Engineers, the National Society of Black Engineers, the Society of Hispanic Professional Engineers, and veteran and LGBTQ organizations.
- > Recruiting at professional events, including Tech Up for Women, the Society of Women Engineers, Vets in Tech, and the National Society of Black Engineers.
- > Mentoring undergraduate women pursuing tech degrees through Rewriting the Code.
- > Providing scholarships for women through the Advancing Science in America Foundation.
- > Offering free passes to our developer conferences to technical women's organizations, members of Black in AI and Latinx in AI, and universities.

## Development and Recognition

To maximize our employees' success and ensure continued diversity and inclusion, we recognize and celebrate their contributions and encourage lifelong learning. Our strategies include:

- > Encouraging internal mobility through career expos and counseling.
- > Strengthening development programs for women through mentoring, technical offerings, collaborative learning, and on-the-job training.
- > Partnering mentors and mentees for coaching and support.
- > Sponsoring women to attend and present at technical conferences.
- > Submitting top-performing employees for recognition and awards. The YWCA Silicon Valley has recognized 29 NVIDIA leaders in the past eight years through its Tribute to Women awards.



## HOW WE TRACK OUR PROGRESS

The metrics we use to track our diversity and inclusion progress include:

### HIRING

- > We set internal goals to increase our hiring of women and minorities.
- > We strive to ensure that our recruiting, screening, and interview pipeline reflects the industry's minority representation.

### RETENTION

- > We review and analyze compensation and performance twice yearly.
- > We track employee-survey metrics, focusing on how women and minorities view our work environment.

### PROMOTIONS AND TURNOVER

- > We monitor the number of promotions and turnover within minority groups against the total.

- > Featuring diverse employees on NVIDIA.com and our corporate intranet.



## Employee Support

Our ongoing efforts to support our employees personally and professionally help to create an environment where employees can do their best work. These efforts include:

- > Offering a generous parental leave program with flexible work hours upon return from leave.
- > Providing full coverage for benefits such as in vitro fertilization, egg freezing, and adoption.
- > Conducting training with 300+ leaders to build their awareness about unconscious bias in recruiting and hiring.
- > Including unconscious bias awareness in compliance training for managers.
- > Supporting the establishment of and providing funding to employee resource groups that have executive-level sponsorship and dedicated budgets: Women in Technology, NV Pride (LGBTQ

employees and allies), Black NVIDIAN Network, Early Career Network, Hispanic Latino Network, and NVIDIA Veterans. Our CEO meets with the co-chairs of these groups periodically to understand their experience and drive programs and benefits that support these communities.

- > Women in Technology programs at our headquarters in addition to two other locations in the U.S. and three locations in India.

## NVIDIA's Parental Leave Plan

### BIRTH MOTHER BENEFITS POLICY

	PREGNANCY LEAVE										BABY BONDING LEAVE												FLEX TIME							
WEEKS	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
NEW POLICY	100% OF PAY																													
OLD POLICY	6 WEEKS 100% PAY, 4 WEEKS REDUCED PAY										6 WEEKS REDUCED PAY						UNPAID													

### FATHERS, ADOPTIVE PARENTS, FOSTER PARENTS BENEFITS POLICY

	BABY BONDING LEAVE												FLEX TIME							
WEEKS	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
NEW POLICY	100% OF PAY																			
OLD POLICY	6 WEEKS 100% PAY, 1 WEEK REDUCED PAY						UNPAID													

## Equitable Pay

We are committed to providing a fair and living wage to all employees. To ensure pay parity, each year since 2015 we have used a third-party firm, Economist, Inc., to analyze our pay practices for gender and ethnicity across 75+ dimensions, including rating, education, years of experience, job function, family, and job level.

The firm has not found any statistically significant disparities related to female or underrepresented minority compensation. If we were to identify an issue of pay disparity, our human resources organization would take corrective action. We've achieved pay parity for the past several years and plan to continue doing so in FY21.

See the [Diversity Performance](#) section for several metrics we use to track our progress, and FY21 goals in the [Performance](#) section.

## Building the STEM Pipeline

Improving the representation of women and minorities in tech requires a long-term perspective, so we implement a number of programs that provide young women and other unrepresented groups access to STEM education. In FY20, we engaged close to 4,300 youth through activities designed to help them excel in basic math skills, be inspired through tours of our technology center and career roundtables with NVIDIA engineers, and get access to innovative AI technology through hands-on activities. Partner organizations include: Breakthrough Silicon Valley, City Year, Girls Who Code, and Silicon Valley Education Foundation.

We also supported longtime nonprofit partner Technovation in the [expansion of its Technovation Families program](#), which introduces underserved students and families to AI. This included helping to launch the program in three new locations —Silicon Valley, Austin, and Durham —and providing funding to grow its mentoring program, where employees from companies like NVIDIA work directly with participating families.

And, more broadly, we supported a new effort to [bring AI curriculum to high school classrooms](#) across the U.S. as part of Exploring Computer Science. This year-long, research-based, high school introductory-level computer science curriculum and professional development program for teachers focuses on broadening participation in computing.



### [Expanding the AI Ecosystem](#)

*At GTC in Washington, D.C., we hosted deep learning training events for women and minorities and held discussions on how workplaces can become more inclusive and how researchers can improve their AI technology to avoid bias.*

## Ecosystem Inclusivity and Diversity

Each year, we hold our developer forum, the GPU Technology Conference, in a series of events worldwide. GTC is an opportunity to [extend our inclusion efforts](#) to our external ecosystem.

At our 2019 Silicon Valley conference, we increased female attendance by more than 50 percent and almost doubled the number of talks that included a woman speaker. And for the sixth year in a row, GTC included [events](#) specifically for women.

At our Washington, D.C., conference, we repeated our popular [Women's Early Career Accelerator](#) for 50 women starting out in AI to give them access to our deep learning courses that provide hands-on training and opportunities to network. We also reconnected with partners Black in AI, Latinx in AI, and with Historically Black Colleges to welcome several new members of those communities to the AI ecosystem. In 2019, [Forbes](#) called out GTC as a top conference for women wanting to learn more about AI.

Other activities to increase the number of women and minority technologists attending GTC included:

- > Scholarships for members of Black in AI and Latinx in AI.
- > Free conference and training passes to local universities and women-in-technology organizations.
- > Outreach to women in our university and developer network to encourage them to speak, which helped to increase female speakers in 2019 by 40 percent.
- > Highlighting women speakers on the main GTC website and prominently featuring them in promotional materials.

We have also recruited at the Grace Hopper Conference and [sponsored](#) four diversity workshops at NeurIPS.



## EMPLOYEE ENGAGEMENT

### WHAT IT COVERS:

*Policies and practices to engage employees and create a great workplace as measured through employee surveys; implementation of relevant survey feedback*

For 26 years, we have pushed the boundaries of what is possible in the world of parallel computing, and we have succeeded because we are focused and passionate about what we do. To ensure our continued success, we maintain a working environment where our employees are engaged and inspired.

Our corporate culture arises from five core values, which provide the foundation for success. These values create a workplace where innovation thrives and mistakes are transformed into opportunities.

## EMPLOYER OF CHOICE

### FORTUNE

100 Best Companies to Work For



### FAST COMPANY

Most Innovative Company



### CORPORATE EQUALITY INDEX

Best Place for LGBTQ Employees



## NVIDIA'S CORE VALUES



### INNOVATION

**Dream big, start small. Take risks, learn fast.**

We make things that delight customers and raise industry standards. We encourage employees to innovate, guided by first principles, not consensus.

We know our path to discovery will be paved with mistakes. We anticipate and avoid the ones we can. We accept, learn from, and share the ones that occur. This allows us to invent things the world doesn't even know it needs, and by doing so, invent the future.



### INTELLECTUAL HONESTY

**Seek truth, learn from mistakes, share learnings.**

We operate at the highest ethical standards. We seek to accurately know ourselves and our capabilities—acknowledging our weaknesses and learning from our mistakes.

The sharpest understanding of reality improves our work. Identifying the origins of mistakes is not about blame. It is essential to learning and constant improvement. We say what we believe, and have the courage to act on it.



### SPEED AND AGILITY

**Learn, adapt, shape the world.**

We are alert and constantly learning, and adjust course to align to new realities. This lets us create groundbreaking products at astonishing speed. No politics, no hierarchy stands in the way of inventing the future.



### EXCELLENCE AND DETERMINATION

**Maintain the highest standards.**

We hire extraordinarily talented individuals across the globe, people determined to make a difference. We challenge ourselves to do our best work.

We measure ourselves not against the competition, but against perfection—we call it the speed-of-light test. We are not deterred by lengthy endeavors if they are worthy. We are playing a long game.



### ONE TEAM

**Do what's best for the company.**

We foster an environment of transparency, openness, and sharing information. One that motivates our employees, and empowers them to work as a single integrated team.

We disagree openly and directly because conflict is essential to resolving differences, improving ideas, and achieving alignment. Our focus is on substance, not on style. By putting the interests of the company before our own, we can more easily accomplish NVIDIA's vision.



## Employee Feedback

To track employee engagement and retention trends, we have conducted a global employee survey every 18 to 24 months. More than 90 percent of our workforce participates in these surveys. To pivot more quickly to address their concerns, in FY20 we moved toward an always-on survey model. Data will continue to be analyzed at a fine level, enabling us to zero in on issues that may be specific to certain teams or job levels.

Our survey asks for feedback across 13 dimensions, including strength of culture, engagement, satisfaction, vision and direction, and work-life flexibility. The survey repeatedly tells us that our employees feel great pride in the company.

We are committed to a strong workplace culture that provides effective grievance mechanisms for our employees. To report practices or actions believed to be inappropriate or illegal, employees have several channels through which to report, including our human resources departments, a suggestion box, and a third-party anonymous service.

## MEASURING EMPLOYEE FEEDBACK

**96%**

are proud to tell others they work at NVIDIA

**95%**

believe NVIDIA management is honest and ethical in its business practices

**94%**

said that when they joined NVIDIA they were made to feel welcome

**92%**

say that NVIDIA is a great place to work.

Survey results from Great Place to Work for *Fortune's 100 Best Companies to Work For* U.S. 2020 rating



## PRODUCT SAFETY

### WHAT IT COVERS:

*Safety of products, from production to use to end-of-life, including the safety of materials and components*

Safety is a principle that permeates our engineering culture and is incorporated into every step of our product development process, from design and production to the end-user experience. We must meet customer safety and compliance standards. If our products are not in compliance, customers may not incorporate them into their design strategies. Our ability to secure appropriate safety certifications and meet industry safety standards could affect our results of operations in the future. We have established product safety technical committees to oversee safety throughout the product lifecycle.

## MATERIALS AVAILABILITY

### WHAT IT COVERS:

*Availability of materials; materials content; security of natural resources; conflict minerals; management systems to track supplier progress related to conflict minerals; product availability (finished goods from major suppliers)*

We support, contribute to, and rely on industry-wide efforts to validate the source of minerals used in our products, ensuring that they come from socially responsible sources and do not contribute to human conflict. Our goal is to use only conflict-free gold, tantalum, tungsten, and tin from the Democratic Republic of Congo in our products.

We're a member of the Responsible Minerals Initiative (RMI) and Public-Private Alliance for Responsible Minerals Trade. We support these on-the-ground programs aimed at improving transparency for responsible sourcing and reducing human rights risks, including forced labor. Our due diligence program

regarding conflict materials is designed to conform in all material respects with the framework recommended by the Organization for Economic Cooperation and Development (OECD).

Review [our policy](#) to understand our goals and the steps we take to monitor our supply chain for conflict minerals. Our policy is framed around the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. This guidance provides detailed recommendations to help companies respect human rights and avoid contributing to conflict through their mineral purchasing decisions and practices.

Additionally, we participate in various RMI work groups and align our program with the organization's tracking of additional minerals, materials, and geographic areas of high concern. We monitor additional legal requirements, including the EU Conflict Minerals Regulations, to determine any future requirements for conflict materials and high-risk regions of the world. In 2019, as the RMI program matured, we began to investigate cobalt in our supply chain. By the end of 2019, we had surveyed our strategic suppliers for cobalt. We plan to expand our scope in 2020 to all suppliers. We have reported the initial results to customers, as requested.

## RESPONSIBLE AND ETHICAL AI

At this year’s GTC Digital conference, we invited experts to discuss AI ethics.

Kathy Baxter, architect of Ethical AI at Salesforce, spoke on our podcast about the theme “[Keeping an Eye on AI: Building Ethical Technology at Salesforce.](#)”

Also see the video recording titled “[Eliminating Hidden Bias in Autonomy and Beyond](#)” by Deepti Mahajan from Ford Greenfield Labs.



## SOCIETAL IMPACTS OF AI

### WHAT IT COVERS:

*Development of technologies that contribute positively to society; supporting developers, researchers, and startups that are creating AI applications to consider broader societal implications, such as bias, workforce, and ethical concerns*

AI represents the most profound technological shift in our era, touching virtually every industry, including robotics, cybersecurity, finance, healthcare, transportation, retail, and customer service. NVIDIA accelerates this revolution by creating advanced computing tools that serve as open platforms for developers, researchers, and data scientists to innovate in these areas. We educate tens of thousands of developers each year, partner with thousands of startups globally—many of which are using AI to benefit society—and collaborate with dozens of universities and research organizations in performing groundbreaking AI research.

### Self-Driving Car Safety

As a solutions provider to the vast majority of startups, vehicle makers, suppliers, sensor makers, and mapping companies in the autonomous vehicle industry, we make safety our first priority. Experts architect safety into every aspect of our [NVIDIA DRIVE](#) computer system, which includes the foundational hardware and software for autonomous driving technologies. We develop tools and methods so technologies perform reliably. Stringent engineering processes ensure that no corners are cut. Our safety priorities and processes are outlined in a [Self-Driving Safety Report](#) we released in FY19.

To show our commitment to automotive safety, we are pursuing product compliance through ISO 26262, an automotive-specific international standard that focuses on safety-critical components. In FY19, a top automotive safety and reliability company, TÜV SÜD, performed a safety concept assessment of our new NVIDIA Xavier system-on-a-chip. TÜV SÜD

deemed the processor’s safety architecture [suitable for use in autonomous driving applications](#) and in May 2020 [determined](#) that the chip meets ISO 26262 standard random hardware integrity of ASIL C and a systematic capability of ASIL D for process—the strictest for functional safety. In early FY21, advisory firm Navigant Research released the 2020 Automated Vehicle Compute Platforms report, in which [NVIDIA](#) led the list of companies developing AV platforms to power the AI that will replace the human driver.

### AI for Healthcare

We are helping scientists, clinicians and care-givers use AI to tackle critical challenges like drug discovery, disease detection, and personalized healthcare.

Key to these efforts is our development of the [NVIDIA Clara](#) platform, which increases diagnostic accuracy, enabling the medical imaging community to improve patient outcomes and reduce the cost of care. Clara also addresses a fundamental problem:



updating legacy medical imaging instruments which typically have a lifespan of more than a decade but may not be able to run modern applications that benefit from the 1,000x acceleration of GPU computing. By connecting to NVIDIA's GPU-powered servers, these legacy instruments can leverage the latest and most advanced imaging applications.

We are also working with global partners to address fundamental concerns surrounding AI in healthcare, such as patient data privacy. In 2019, [King's College London](#) worked with NVIDIA to launch the UK's first AI platform for NHS hospitals. Security and data governance are safeguarded by applying an approach called federated learning, which allows participating centers to pool the results of their AI work without sharing their proprietary data. The collaboration is ongoing.

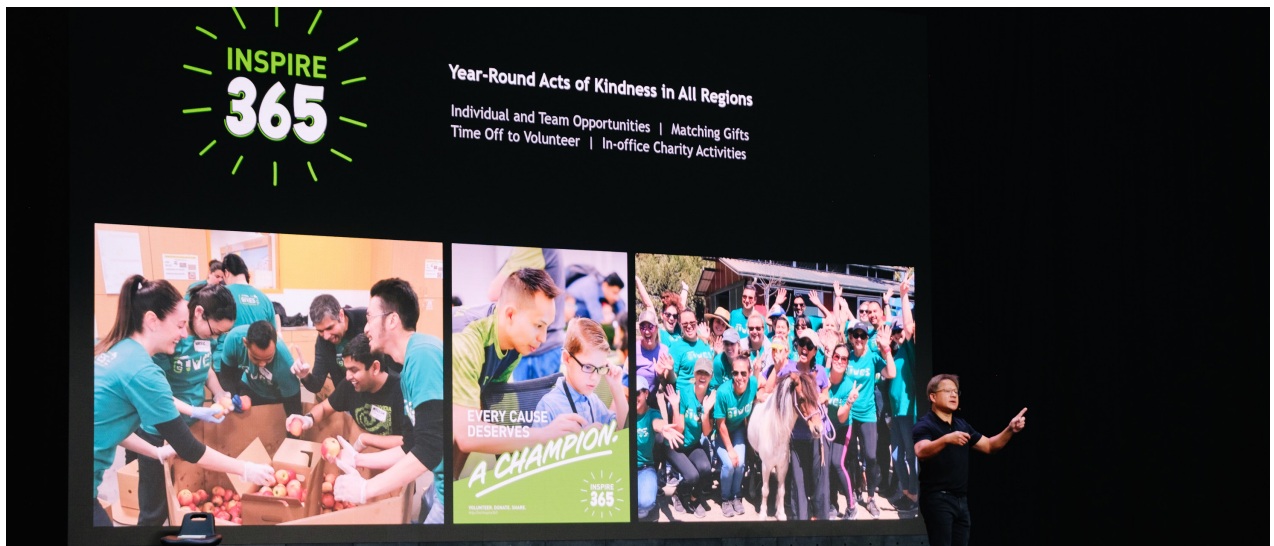
### Human-centric AI

Through our work with leading scientists and engineers to create the world's most powerful AI supercomputers, we have learned a lot about what it takes to implement AI successfully and the pitfalls

along the way. Our in-house research team not only applies best practices in its work, but contributes to the development of engineering solutions that address some of AI's fundamental challenges, such as [data privacy](#) and bias.

We share the widespread concerns about maintaining unbiased, ethical practices in AI, and our global teams hold themselves to the highest standards of accountability, transparency, and explainability in everything they do. We share our AI technology expertise with others to help them do the same. We host seminars at GTCs around the world to train other engineers in upholding best practices. When engaging with governments, we emphasize the importance of supporting positive uses of AI while considering issues inherent in its development. We contribute to [research](#) through Partnership on AI. For example, we participated in a [study](#) on algorithmic risk in assessment tools within the criminal justice system. And we communicate to developers that they should consider potential algorithmic bias when choosing or creating models, and that they ensure they are using models under the conditions and in the manner intended.





## PHILANTHROPY AND VOLUNTEERISM

### WHAT IT COVERS:

*Community engagement and interaction; outreach; support for local initiatives; corporate philanthropy, including monetary and in-kind donations and foundation grants*

### Coming Together Against COVID-19

Despite being physically distanced as a result of office closures related to COVID-19, NVIDIAians came together to help those affected by the pandemic. To date, employees and the company have donated more than \$10.6 million to nonprofits to support COVID-19 response, reaching 34 countries. Additionally, thousands of NVIDIAians participated in a company-wide challenge, which encouraged employees to take small actions to protect themselves and their communities, while containing the spread of the disease. Together, we completed more than 23,000+ simple activities, like purchasing gift cards from small businesses, thanking frontline healthcare

workers, supporting local restaurants, and staying connected—and unlocked a \$250,000 donation to the World Health Organization. Thirty percent of our employees and one hundred percent of our offices participated in our COVID-19 response efforts. These employee efforts amplified contributions made to COVID-19 initiatives by the company and its Foundation.

### Inspire 365

NVIDIAians share a passion for supporting the communities in which we live and do business. Through our new Inspire 365 initiative, which we introduced in FY20, the **NVIDIA Foundation** helps turn this passion for giving into action. Led by four staff members in partnership with employee champions around the world, our aim is to empower all NVIDIAians to get involved in their communities.

Inspire 365 makes it easy for employees to give back in the ways, and to the causes, most meaningful to them. Through matching gifts, flexible time off, and a variety of activities and tools, employees can contribute where, when, and how they choose.

We celebrated the launch of Inspire 365 with nearly 70 giving events across 46 of our offices around the world in the first month. We also seeded each employee with \$25 to donate to their favorite charity, and ran a special 2:1 matching campaign.

And the impact of this new effort is clear in our FY20 results. NVIDIA's philanthropic giving through contributions and community partnerships exceeded \$5.3 million in FY20, and supported more than 3,900 nonprofits worldwide. Highlights of our giving and employee engagement efforts can be found below.

**TOP 20 ORGANIZATIONS RECEIVING SUPPORT IN FY20:**

- > Abode Services
- > American Cancer Society
- > Ashray Akruti
- > China Women's Development Fund
- > Doctors Without Borders USA
- > Huaiji Zhennan Primary School
- > Law Foundation of Silicon Valley
- > LifeMoves
- > Movember Foundation
- > National Merit Scholarship
- > Navkshitij
- > Orphan Outreach
- > PTA California
- > Second Harvest of Silicon Valley
- > Stanford University
- > Sukrupa
- > Technovation
- > The Society for Door Step Schools
- > U&I Trust
- > YWCA Silicon Valley

*Organizations are listed in alphabetical order. Funding amounts range from \$20,000 to more than \$2 million.*

**OUR FY20 IMPACT**

**\$5.3M+**

donated

**3,900+**

nonprofits supported

See the [NVIDIA Foundation annual report](#) for FY20 activities in our communities.

**Giving Snapshot**

METRIC	FY20	FY19
NVIDIANS involved in the Foundation's giving programs	61%	32%
NVIDIA offices holding charitable-giving activities	94%	73%
Employee donations matched	\$1,853,728	\$1,005,067
Unique volunteers	27%	18%
Volunteer hours / monetary value	11,993 / \$304,982	13,077 / \$322,871

# 07 ENVIRONMENTAL



## MANAGEMENT SYSTEM

We drive operational excellence to reduce our environmental impact. In support of this commitment, we identify and control environmental impacts and continuously improve our performance using a comprehensive environmental management system (EMS) through ISO 14001. Building on this success, we are implementing an energy management system with a view to seeking ISO 50001 certification in FY21.

Our [Environmental, Health, Safety, and Energy Policy](#) provides the framework for our EMS. Our dedicated Environmental, Health, and Safety (EHS) and CSR teams work closely with employees around the globe to execute our environmental policies and practices, which are made tangible through goals and metrics that are annually reviewed with executives.

## NVIDIA's Environmental Objectives

CATEGORY	GOAL	TARGET DATE/ STATUS	FY20 PROGRESS
Greenhouse gas emissions, offices, and data centers	A 15 percent greenhouse gas reduction—normalized per employee—by FY20 from baseline year FY14	FY20/Complete	Up 6.1 percent compared to FY19 and down 15.1 percent compared to FY14 baseline
Renewable energy	Source 65 percent of global electricity use from renewable energy by end of FY25	FY25/New Goal	34 percent in FY20
Waste	A waste-to-landfill diversion rate of 80 percent or greater each year at our Silicon Valley headquarters	Annual/Ongoing	Achieved a 78 percent diversion rate in calendar year 2019
New headquarters building	LEED Gold certification for our new Silicon Valley headquarters building	FY22/Ongoing	On track
Energy efficiency	Implement an energy management system, certified to ISO 50001	FY21/New Goal	A third-party auditor completed a gap analysis in FY20



## GREENHOUSE GAS EMISSIONS AND CLIMATE CHANGE

### WHAT IT COVERS:

*Greenhouse gas (GHG) reduction and mitigation, including those related to our product manufacturing supply chain; climate risks and opportunities*

We calculate scopes 1 and 2 GHG emissions for our global data centers and offices, gather primary data for all data centers and offices larger than 50,000 square feet (94 percent of our total scope 1 and 2 GHG emissions), and estimate emissions for offices less than 50,000 square feet (the remaining 6 percent).

FY20 was the target year for our goal to reduce scope 1 and 2 GHG emissions by 15 percent per employee compared to FY14. Since this goal was originally set, we have substantially grown our business, as illustrated by a 164 percent increase in revenue, a 72 percent increase in headcount, and a 32 percent increase in square footage between FY14 and FY20.

Although we have seen a doubling of our total energy demand over the past six years, our scope 1 and 2 emissions have increased by 46 percent in absolute terms. In just the last year, our total energy use grew by 24 percent while our scope 1 and 2 emissions increased by 10 percent. When normalized, this is equivalent to a 15.1 percent reduction in emissions per employee since FY14, thereby delivering on our FY20 goal of 15 percent reduction per employee.

Our rapid and significant business growth and the urgent climate action imperative mean that we must focus on siting expansions strategically, managing our operations efficiently, and sourcing low-carbon and renewable forms of energy to avoid growth in our GHG emissions footprint.

With these objectives in mind, we are currently implementing an ISO 50001-aligned energy management system.

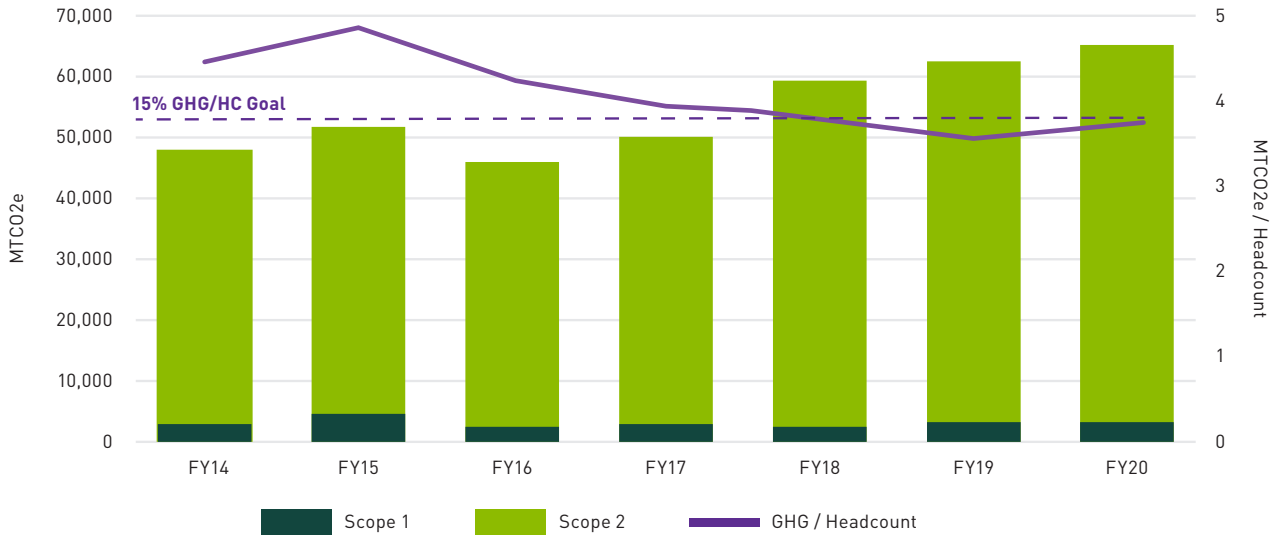
Additionally, during FY20 we developed a new goal to source 65 percent of our global electricity use from renewable energy by the end of FY25. In FY20, we obtained 34 percent from renewable energy. We

### OUR GHG EMISSIONS REPORTING INCLUDES:

- > **Scope 1:** Stationary combustion sources (e.g., natural gas, diesel fuel) and HFC refrigerant emissions.
- > **Scope 2:** Purchased electricity use (offices, labs, data centers).
- > **Scope 3:** Emissions from operational waste, business travel, data center cooling load, product transportation, fuel, and energy-related activities.

estimate that by delivering on these commitments we will reduce our total scope 1 and 2 emissions by 25 percent between FY19 and FY25, which is in-line with a 1.5-degree Celsius warming scenario (see [Energy](#) section).

## SCOPE 1 AND 2 GHG EMISSIONS



### Supply Chain GHG

Our growing business causes GHG emissions beyond our direct footprint. This is because emissions are created at every stage of our product lifecycle, extending to our customers’ use and disposal of our products. Since 2014, we have required our key manufacturing suppliers to report their energy usage, GHG emissions data, and their reduction goals and objectives.

We also require these suppliers to have their GHG emissions verified by a third party. We use this supplier data to help us better understand the GHG emissions footprint of our product manufacturing and to calculate the allocation of carbon emissions from tier 1 suppliers that are attributable to our customers. We track suppliers’ annual GHG and carbon emissions through the CDP and RBA Environmental Report. In FY21, we will survey our suppliers to better understand the renewable energy performance and capability of our manufacturing supply chain.

### Reporting and External Assurance

Each year, we participate in the CDP climate change and water surveys. Participants are scored based on their understanding and management of their business risks, opportunities, and impacts related to climate change and water resources. In 2018 and 2019 we scored an A-. See our [2019 CDP response](#).

We have engaged Trucost to provide limited assurance under the AA1000 assurance standards on our FY20 global scope 1 and 2 GHG emissions and scope 3 fuel- and energy-related activities (category 3) and business travel (category 6). View the [assurance statement](#).

See the [Environmental Performance](#) table to view our GHG, Energy, Water, and Waste data.

## ENERGY, WATER, AND WASTE

### WHAT IT COVERS:

*Energy and water sourcing; waste management; efficient energy use and conservation; renewable energy strategy; water scarcity; solid waste minimization (both hazardous and non-hazardous); proper care and disposal of hazardous waste; recycling efforts; and e-waste*

We are committed to protecting the environment by driving operational excellence in ways that reduce our environmental impact. In support of this commitment, we identify and control environmental impacts and continuously improve our performance using a comprehensive EMS. Our dedicated EHS and CSR teams work closely with employees in all offices around the globe to execute our policies and practices, which are made tangible through solid goals and metrics.

See [Facilities Management](#) to read about our ISO 14001 certification.

See [Environmental Performance](#) for a broad list of metrics we track related to the environment.

### Energy

Energy use, specifically electricity use, is the primary driver of our scope 1 and 2 GHG emissions footprint. Our total energy use increased by 24 percent in FY20 compared to FY19, with 78 percent of this increase occurring in our data center operations. These operations have been growing rapidly along with our expanding business and our diversification into new online services.



As we experience this increase in our global data center footprint, we're working to incorporate environmental considerations—including energy efficiency—and renewable power options into our data center siting and sourcing evaluations. In the last two years we have newly secured renewable power for several colocation data centers both in the United States and globally.

As we have grown our data center operations, we have deployed state-of-the-art cooling technology designed for NVIDIA server products. Power distribution has increased voltage supply to deliver power more efficiently. Cooling solutions are closely coupled with server racks to localize and optimize heat transfer. We used computational fluid dynamic models to enhance cooling for data center designs and server rack deployments. Data centers have also been deployed with white surfaces to optimize reflective lighting. Controllable, high-efficiency LED lighting is installed where artificial lighting is needed. We share our data center best practices and optimizations with customers and partners to

educate and to optimize deployments.

Our global offices were responsible for half of our total energy use in FY20. As we expand our global footprint, we are incorporating energy efficiency into the design of new buildings under our ownership, and we include energy efficiency and other sustainability attributes as selection criteria when evaluating new leased spaces. As our building systems necessarily become more sophisticated, we provide our facilities management teams with additional tools and training to ensure continued performance.

During FY20 we saw new renewable energy supply contracts come online at our Bangalore, India, office and all three of our Germany locations. Following a successful solar panel implementation at our headquarters, we are evaluating opportunities for onsite solar photovoltaic generation elsewhere in our global portfolio.

Our global network of office managers are empowered to implement sustainability projects, and by the end of FY20 they had completed over 140 actions in all regions in which we operate.

### Water

We use water in our direct operations in cooling towers and for food service, landscaping, and sanitation. We take steps to use water efficiently, particularly in locations that are vulnerable to drought conditions, such as California, where we have large facilities. As we develop and grow at our headquarters, we're implementing measures to conserve water resources and reduce our potable water demand.

Our newest headquarters building incorporates a range of water conservation measures. Through the installation of low-flow plumbing fixtures and the use of recycled water for toilet flushing, the building is designed to achieve a 42 percent reduction in domestic water demand and a 91 percent reduction in potable water use for sewage conveyance. We are using recycled water in the building's cooling towers and landscape irrigation systems, and our landscaping consists of native, drought-resistant plants. We are incorporating similar water efficiency features and the use of recycled water for cooling towers, toilet flushing, and irrigation into the design of a second new building under construction at our headquarters campus.

Our indirect uses of water include our product manufacturing supply chain. We require our key manufacturers to track and report their water use and share their reduction goals and initiatives with us.

### Waste

We have tracked total waste generated and diverted at our headquarters since FY08, and our annual goal for landfill diversion is 80 percent. In FY20, we achieved a 78 percent rate overall (75 percent of our operational waste and 83 percent of our construction project waste was diverted). In the last year, we implemented a range of measures to improve our diversion rate, such as simplifying and consolidating waste segregation at our headquarter campus; adding waste tracking and recycling requirements into our facilities project management process; providing training to our global facilities teams, including best practices in our Global Workplace Guidelines; and analyzing our waste streams to inform our waste segregation approach.

Our employee restaurants and catering activities are an important focus for our waste program. Specific initiatives include replacing disposables with durable, washable



tableware in our employee restaurants, implementing a food-waste tracking system, replacing single-use items such as straws, and partnering with our food services vendor to make routine donations of food to homeless shelters.

We generate various types of e-waste, including servers, storage equipment, and networking equipment used in our data centers; computers, monitors, and other electronic equipment used by our employees; and NVIDIA products we use at our sites for testing and other purposes. All e-waste generated at NVIDIA facilities is disposed of in accordance with legal regulations, and we seek opportunities to donate fully functioning IT equipment to local community organizations. We partner with a global specialist e-waste vendor to ensure proper tracking, decommissioning, and recycling of our e-waste.

See [Environmental Performance](#) for data on our various waste streams, including hazardous and non-hazardous waste.

## FACILITIES MANAGEMENT

### WHAT IT COVERS:

*Policies and practices regarding overall environmental management at NVIDIA; environmental management systems (ISO 14001) and certifications; green building practices/LEED certification*

Our Silicon Valley headquarters and our product design, procurement, and supply chain functions have been ISO 14001 certified with zero nonconformances identified since FY06. View our ISO14001:2015 [certification](#) for FY20. Building on the success of our ISO 14001 EMS, we are implementing an energy management system with a view to seeking ISO 50001 certification in FY21.

See [Environmental Performance](#) for a broad list of metrics we track related to the environment.

### Green Building Practices

Our newest building at our Silicon Valley headquarters is LEED Gold certified and has been operational since September 2017. It was designed with high levels of energy efficiency in mind, including a high-performing building envelope, efficient and smart lighting systems that incorporate the use of daylight, underfloor air distribution, radiant heating and cooling, air and waterside economizers, and high-efficiency boilers and chillers. An advanced building control system underpins the building's operation. We are also aiming for LEED Gold certification for another new building under construction at our headquarters. In addition to similarly advanced levels of energy- and water-efficient design, this building will feature



#### SUSTAINABLE FURNITURE

*Sustainability is an integral consideration in our Global Furniture Procurement Guidelines. The newly selected standard office chair for our US, Europe, and Middle Eastern offices incorporates almost 2 pounds of recycled fishing net material and is [Living Product](#) certified.*

biophilic elements and a shade-providing external trellis that will house 2,000 solar panels to harness the location's 260 days of sunshine per year.

In FY20, we expanded our portfolio of certified green buildings with a new lease in a [BREEAM](#) Outstanding certified building in Warsaw, Poland. This is also our first office to achieve certification to the [WELL Standard](#) for healthy buildings. Other certified green buildings in our global portfolio include offices in Pune, India (LEED Gold for interiors); Shanghai, China (LEED Silver); and Munich, Germany (BREEAM Gold); and a data center in Santa Clara, California (LEED Platinum certification for interiors).

### Commute Initiatives

We established a Green2Work program at our Silicon Valley headquarters in FY15 to support our employees in using alternative commute options and reducing their commute impacts. More than 45 percent of our Silicon Valley employees and contractors currently take advantage of one or more of these commute offerings. The program includes electric vehicle charging, pre-tax dollars for transit

and local transit shuttles, last-mile shuttle service for train riders, resources for cyclists, advantages for carpooling and vanpooling, shuttles from San Francisco and Fremont, and an online resource for commuters. We have 39 electric vehicle charging stations at our headquarters and, to date, 962 (17 percent) of employees at our headquarters location have used this service with the help of vehicle charging valets and parking attendants.

In FY18, we started offering the Scoop carpooling service in Silicon Valley. By January 2020, NVIDIA's using Scoop avoided driving more than 635,000 miles and saved more than 575,000 pounds of CO<sub>2</sub>. For cyclists, we provide lockers, showers, and secure bike parking. To assist our alternative commuters in the event of an emergency, we offer an emergency ride home through Lyft or Uber.





**GREEN POWER**

NVIDIA GPUs power 90 percent of the top 30 supercomputers on the [Green500 list](#).

## ENVIRONMENTAL IMPACT OF PRODUCTS

**WHAT IT COVERS:**

*Designing for reduced environmental impacts associated with the application of NVIDIA products, such as products that maximize performance and minimize energy use; restricting hazardous substances*

Whether we are designing technology to power next-generation notebooks or creating designs to support high-performance supercomputers, improving energy efficiency is a principal goal in each step of our research, development, and design processes. Parallel processing consumes far less power than equivalent computational forms.

GPUs are up to 10 times more energy efficient than CPUs for parallel compute workloads.

## Processor Energy Efficiency—Desktop and Laptop

For general computing applications, GPUs are inherently more energy efficient than other ways of computation because they are optimized for throughput and performance per watt rather than absolute performance. In addition to general computing efficiency, GPU gaming power efficiency is critical for the success of our graphics architecture and helps to:

- > Reduce thermal constraints to help deliver higher performance with more overclocking headroom.
- > Provide an excellent gaming experience while lowering the carbon footprint.

We integrate both hardware and software to increase energy efficiency in our desktop and notebook products. Our most recent solutions include:

- > **Max Frame Rate (MFR)** allows users to set the maximum frame rate for 3D applications and games. It optimizes power consumption while providing better perception and acoustics for the user.
- > **WhisperMode** minimizes fan noise from laptops through the intelligent pacing of frame rates and efficient selection of game settings. This reduces the amount of heat generated by the GPU, thus reducing the amount of heat the laptop must dissipate.

**MFR Power Comparison**

We performed power savings measurements in our performance lab on RTX 2080 and RTX 2070 graphics cards for desktop gaming against several benchmarks.\* The results show significant power savings.

NVIDIA PRODUCT	MFR OFF AVERAGE POWER	MFR ON 60FPS AVERAGE POWER	MFR ON 40FPS AVERAGE POWER
GeForce RTX 2080 Desktop, 1080p Apps	1.00x	0.49x	0.32x
GeForce RTX 2080 Desktop, 1440p Apps	1.00x	0.76x	0.45x
GeForce RTX 2070 Desktop, 1080p Apps	1.00x	0.66x	0.42x
GeForce RTX 2070 Desktop, 1440p Apps	1.00x	0.87x	0.63x

**WhisperMode Power Comparison**

We performed power savings measurements on an RTX 2070 graphics-based gaming laptop. Our GPU-based laptop systems are highly optimized for system energy efficiency, but WhisperMode boosts efficiency by an average of 21 percent.

NVIDIA PRODUCT	WHISPERMODE OFF	WHISPERMODE ON
GeForce RTX 2070 Laptop, 1080p Apps	1.00x	0.79x

\* Max Frame Rate and WhisperMode tests were performed across 12 benchmarks including: Assassin’s Creed Odyssey, Strange Brigade, Battlefield V, The Witcher 3, Ashes Of The Singularity Escalation, Middle-earth: Shadow of War. Power measured in terms of Total Graphics Power (TGP).

**AI Performance and Efficiency**

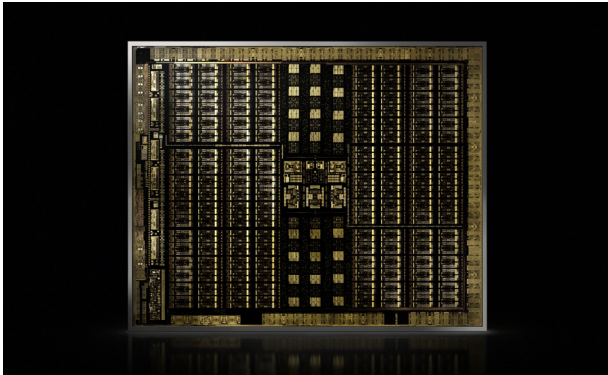
NVIDIA GPUs are 20 to 25 times more energy efficient than traditional CPU servers for AI workloads. Our HGX-2 cloud-server platform links 16 NVIDIA V100 Tensor Core GPUs to work as a single, giant GPU, delivering two petaflops of AI performance. This is a record in AI training speeds, replacing up to 300 CPU-only servers at up to 1/18th of previous power consumption levels. In just two years, an NVIDIA AI system has reduced the time to train the image recognition model ResNet-50 from 8 hours to 80 minutes. As adoption of AI accelerates, our focus is shifting from training to inference—putting trained models to work in live applications run by millions of hyperscale servers worldwide. Our TensorRT inference software helps even the largest

neural networks across a broad range of data center, embedded, and automotive applications run in real time. A hyperscale data center with NVIDIA GPUs and TensorRT takes up only 1/25th the space and power compared to CPU-based systems it replaces and runs at 90 percent lower cost while providing utility to run all AI models.

The MLPerf consortium provides a machine-learning benchmark that measures system performance for training and inference from mobile devices to cloud services. In all six MLPerf training categories, NVIDIA **demonstrated** world-class performance and versatility. Our AI platform set eight records in training performance, including three in overall performance at scale and five on a per-accelerator basis. And in MLPerf’s first inference benchmark, NVIDIA **topped** all five

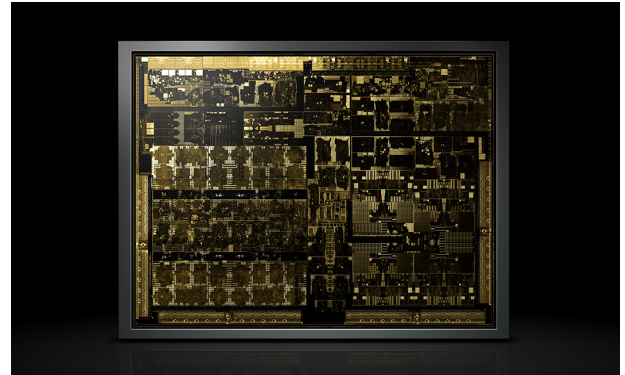
benchmarks for offline and server data center scenarios. Our NVIDIA Turing GPUs provide the highest performance per processor among commercially available products. NVIDIA Xavier AI computer ranked as the highest performer among commercially available edge and mobile SoCs under single- and multi-stream edge-focused scenarios.

Some of NVIDIA's highly energy-efficient products and technologies include:



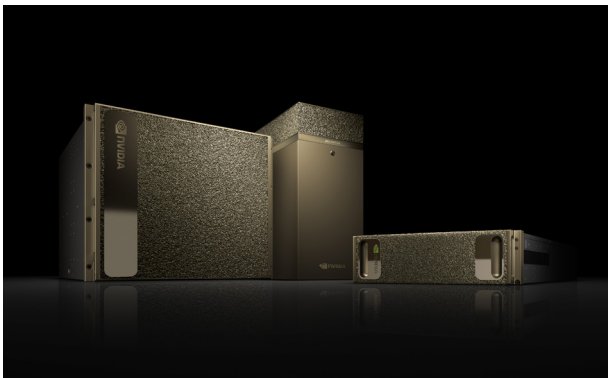
**NVIDIA TURING**

Our eighth generation GPU architecture is the most powerful the world has ever seen, simulating the physical world at 6x the speed of its predecessor. The technologies within Turing fundamentally change computer graphics and enable exascale scientific applications meant to tackle global challenges such as extreme weather events, cancer, and nuclear waste remediation. To cite one example, four Quadro RTX Servers, equipped with eight Turing GPUs each, can do the rendering work of 240 dual-core CPU servers at 1/4th the cost, using 1/10th the space, and consuming 1/11th the power.



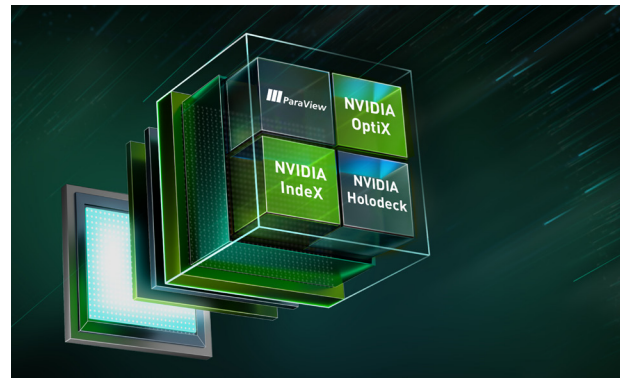
**NVIDIA XAVIER**

Our Xavier system-on-a-chip integrates the Volta GPU architecture, a custom eight-core CPU architecture, and a new computer vision accelerator. The processor performs at 21 tera-operations per second (TOPS) while consuming only 15 watts of power, and 14 TOPS at 10 watts. As the brain of self-driving cars, Xavier is designed to comply with critical automotive standards, such as the ISO 26262 functional safety specification.



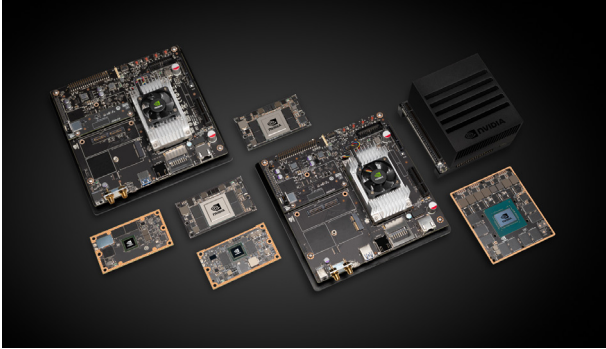
**NVIDIA DGX SYSTEMS**

Built on the Volta GPU architecture, the NVIDIA DGX Station, DGX POD, DGX-1, and DGX-2 are AI supercomputers that provide the compute power to train deep neural networks significantly faster and create more intelligent AI. Designed variously for the desktop, the data center, or the cloud, the DGX systems' energy-efficient consumption and fast computing mean a smaller IT infrastructure footprint and work that gets done more quickly.



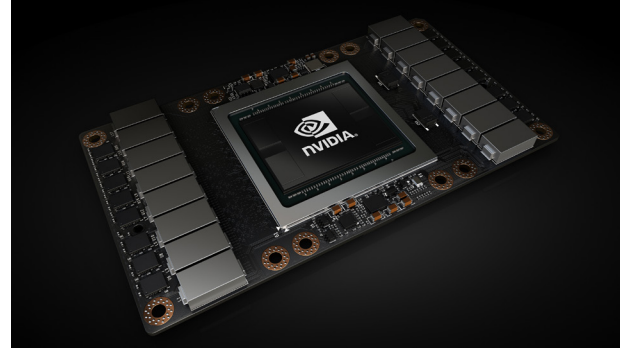
**NGC**

NGC is a GPU-accelerated container registry that enables data scientists and researchers to rapidly build, train, and deploy neural network models to address some of the most complicated AI challenges. Its catalog includes fully integrated and optimized deep learning framework containers and is optimized to run on any accelerated computing environment.



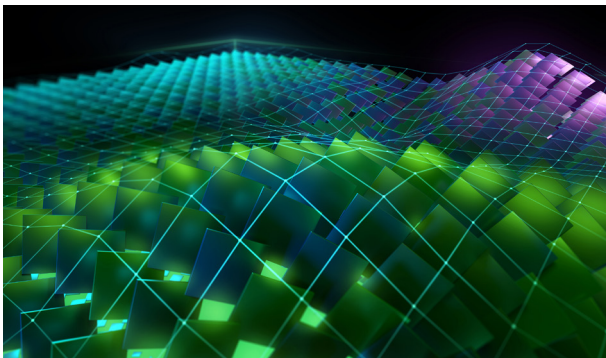
### **NVIDIA JETSON**

NVIDIA Jetson is the world's leading AI computing platform for GPU-accelerated parallel processing in mobile embedded systems. The compute density, energy efficiency, and AI inferencing capabilities of the NVIDIA Jetson AGX Xavier SoC offers high-performance, low-power computing for deep learning and computer vision that makes it the ideal platform for compute-intensive edge devices.



### **NVIDIA NVLINK**

NVLink interconnect technology lets data move between GPUs and CPUs five to 12 times faster than with PCI-Express. It doubles the number of GPUs that can work together in deep learning computations and enables more flexible and energy-efficient server design compared to PCI-E.



### **NVIDIA CUDA-X AI**

CUDA is a parallel-computing platform and model that enables compute-intensive calculations to be executed on lower cost, power-efficient GPUs. More than 600 applications support CUDA, including the top 15 in high-performance computing.

### **EPEAT Registration**

The **EPEAT** program independently verifies electronic products and is used by thousands of private and public institutional purchasers around the world to make sustainable IT procurement decisions. All NVIDIA GPUs support EPEAT conformance and information is provided to customers seeking registration.

NVIDIA's **product recycling page** provides information to consumers about how to recycle the company's branded products.

## PACKAGING, TRANSPORT, AND LOGISTICS

### WHAT IT COVERS:

*Reducing environmental impacts associated with product packaging, transportation, and logistics*

### Packaging

We strive to optimize a balance of protecting the environment and ensuring that our customers receive their products in excellent condition. We use 100 percent recycled fibers in 100 percent of our bulk carton packages and in over 80 percent of our consumer packages. We take every opportunity to reduce packing materials and increase the proportion of recyclable materials used. Whether products are packaged for end-users or prepared for bulk shipping, we design our containers to maximize package density and reduce overall package size.

In FY20, we continued the environmental protection initiatives we implemented three years ago, which included development of smaller and lighter-weight packaging and creating a “core box” system so that primary packaging and shipping carton boxes can be shared among product SKUs. With product protection in mind, we use recyclable HDPE-2 in place of polystyrene PS-6 material wherever plastics are required. Our top priorities include removing film lamination, which in most communities renders packaging non-recyclable; switching the brand appearance from black ink to white, which facilitates removal of laminate; and switching tray components from plastics to paper-based materials.

For automotive systems and our server products, such as the DGX-2 and RTX Server, which require shipping in a large cardboard box with protective foam, we aim to maximize recyclability in all packaging materials.

As a result, all of our packaging for consumer products (retail boxes) has maintained a recyclability rate well above 70 percent. Packaging for non-consumer products has maintained a recyclability rate above 90 percent. We’re also reducing paper use by providing online instructions wherever possible.

Other efforts to recycle and reduce packaging include using vegetable oil-based or water-based printing inks, using suppliers that leverage distribution centers to minimize the shipping footprint of packing/packaging materials, and applying materials labels to 100 percent of our packages to simplify consumer recycling. Whenever possible, we reuse moisture-barrier bags, trays, and bulk cartons; ship products directly to the retail distributor; and use existing packaging for return merchandise authorization support, which further reduces the environmental impact and ecological footprint.

Our key packaging suppliers are compliant with NVIDIA’s environmental requirements for Forestry Stewardship Council, ROHS, Halogen Free, and REACH.

### Transport and Logistics

The methods we use to plan, pack, and execute our raw material, work-in-progress, and finished-goods shipments have a significant effect on our carbon footprint. Fuel represents a major component of our overall freight costs, and our continuous focus on optimizing our

We apply materials labels to 100 percent of our packages to simplify consumer recycling.

supply chain and reducing freight expenditures has resulted in cost savings and a positive impact on the environment. The efforts we’ve made to optimize logistics include:

- > Efficiently configuring packing to reduce the number of pickups and deliveries;
- > Ensuring that subcontractor cartons and pallets are fully packed and efficiently unitized;
- > Using lightweight paper or cardboard pallets, whenever feasible, to reduce shipment weights;
- > Using a multimodal (ocean/truck) replenishment program within the U.S. and for retail distribution outside the U.S.;
- > Requiring suppliers to report their participation in environmental initiatives on a quarterly basis; and
- > Using reverse logistics solutions that use onsite or regional failure verification and repair to streamline product returns and eliminate international shipments.

We gather data from shipping partners related to the carbon emissions of our shipments from air, land, and sea. Our goal is to determine the appropriate metric by which to target reductions.

# 08 GOALS AND PERFORMANCE



## FY20 GOALS AND PERFORMANCE

OPERATIONAL EFFICIENCY AND EXCELLENCE	PROGRESS	COMMENTS
Maintain Full member status in the RBA.	100%	Achieved. <a href="#">Social, Supply Chain Management and Product Quality</a>
Implement method to track, allocate and report NVIDIA scope 3 manufacturing GHG emissions from global supply chain to customers.	100%	Achieved. <a href="#">Environmental, Greenhouse Gas Emissions and Climate Change</a>
Achieve 100 percent RMAP-compliant tantalum, tin, tungsten, and gold processing facilities.	85%	This calculation is based on the percentage of the processing facilities in our supply chain that are compliant, as determined by the Responsible Minerals Assurance Process (RMAP). The majority of "non-compliant" smelting facilities in our supply chain include previously compliant smelters that have temporarily ceased operations and are no longer eligible for RMAP compliance. <a href="#">Social, Materials Availability</a>
Rank all active suppliers for their compliance with the RBA Code of Conduct, leveraging our RBA membership and using the RBA-Online platform.	100%	Achieved. <a href="#">Social, Supply Chain Management and Product Quality</a>

## FY20 GOALS AND PERFORMANCE (Cont.)

Work with suppliers deemed high risk to improve their RBA risk performance status.	30%	30% of high or moderate risk suppliers have successfully lowered RBA risk performance. Work is ongoing to improve supplier VAP scores deemed high or moderate risk, but we expect delays in reporting and auditing due to impacts related to COVID-19.  <a href="#">Social, Supply Chain Management and Product Quality</a>
Third party auditor to complete an ISO 50001 Energy Management System gap analysis.	100%	Complete.  <a href="#">Environmental, Management System</a>
Continue tracking for LEED Gold points for planned second new Silicon Valley campus building.	100%	Ongoing.  <a href="#">Environmental, Management System</a>
<b>RECRUITMENT AND RETENTION</b>	<b>PROGRESS</b>	<b>COMMENTS</b>
Leverage existing and evaluate potential new training and tools that focus on supporting managers to identify and mitigate bias in areas including career growth, cultural sensitivity, communications style, and management development.	100%	Complete.  <a href="#">Social, Diversity and Inclusion</a>
Provide sponsorship of underrepresented groups in technology through partnerships with Black in AI and Latinx in AI. Offer conference fees and travel for attendance to our GPU Technology Conference, host networking event at the event for these groups. Sponsor Black in AI at NeurIPS conference.	100%	Complete.  <a href="#">Social, Diversity and Inclusion</a>
<b>RISKS AND REPUTATION</b>	<b>PROGRESS</b>	<b>COMMENTS</b>
Provide overviews to NVIDIA Board of Directors on Diversity and Inclusion and Societal Impacts of AI.	100%	Complete.  <a href="#">Stakeholder Engagement</a>
Review all strategic suppliers for cybersecurity and intellectual property alignment to NVIDIA standards.	100%	Complete.  <a href="#">Economic, Cybersecurity</a>

## FY21 GOALS

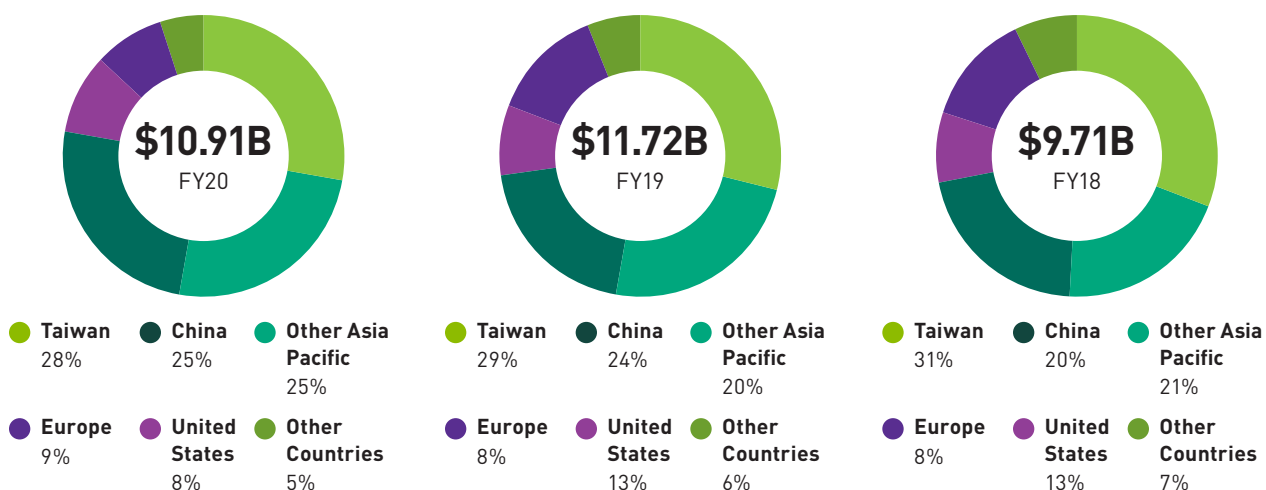
OPERATIONAL EFFICIENCY AND EXCELLENCE
Maintain Full member status in the RBA
Expand quarterly business review process to include more strategic mechanical, component, and ODM suppliers
Work with suppliers deemed high risk to improve their RBA risk performance status
Achieve 100 percent RMAP-compliant tantalum, tin, tungsten, and gold processing facilities
Rank all active suppliers for their compliance with the RBA Code of Conduct, leveraging our RBA membership and using the RBA-Online platform
Monitor disclosure demand for additional conflict minerals and materials, specifically the upcoming EU regulation. Achieve 100 percent response rate from suppliers regarding cobalt
Integrate Russia EAC RoHS into New Product Introduction process
Enhance compliance to RBA Code of Conduct for Privacy, Intellectual Property, and Information Security
Achieve or exceed 80 percent landfill diversion rate for our Silicon Valley headquarters campus
Complete ISO 50001 Energy Management Systems Stage 1 Audit
Continue to track in line with LEED Gold criteria for our new headquarters building
Make progress toward our new goal to source 65 percent of our global electricity use from renewable energy by the end of FY25
Pursue a lost-time incident rate of zero in the U.S.
Maintain work-related injury losses below industry average (as measured by an <a href="#">experience modification</a> rating of less than 1) in the U.S.
RECRUITMENT AND RETENTION
Increase diversity of candidate pool by improving outreach to the Black community and other underrepresented minorities and improve retention of diverse employees by creating internal opportunities
Sponsor underrepresented groups in technology through partnerships with Black in AI, Latinx in AI, Rewrite the Code, Recruit Military, and ARCS Foundation
Sponsor Queer in AI, WIML, and Disabilities in AI at NeurIPS and several other high-profile conferences
Sponsor conference fees to our GPU Technology Conferences and host networking events for new diversity partners
RISKS AND REPUTATION
Evaluate membership in Task Force for Climate-Related Financial Disclosures
Maintain inclusion on key workplace and CSR lists



## ECONOMIC PERFORMANCE

INDICATOR (DOLLARS REPRESENTED IN MILLIONS)	FY20	FY19	FY18
Revenue	\$10,918	\$11,716	\$9,714
Total operating expenses	\$3,922	\$3,367	\$2,612
Net income	\$2,796	\$4,141	\$3,047
Gross margin	62.0%	61.2%	59.9%
Income tax expense (benefit)	\$174	[\$245]	\$149
Total assets	\$17,315	\$13,292	\$11,241
Total shareholders' equity	\$12,204	\$9,342	\$7,471
Total liabilities and shareholders' equity	\$17,315	\$13,292	\$11,241
R&D expenses	\$2,829	\$2,376	\$1,797

### Revenue by Region



## DIVERSITY PERFORMANCE

We gather information for this report at the end of the fiscal year, and the data points in the accompanying charts reflect a snapshot of our employee/contractor base at that time.

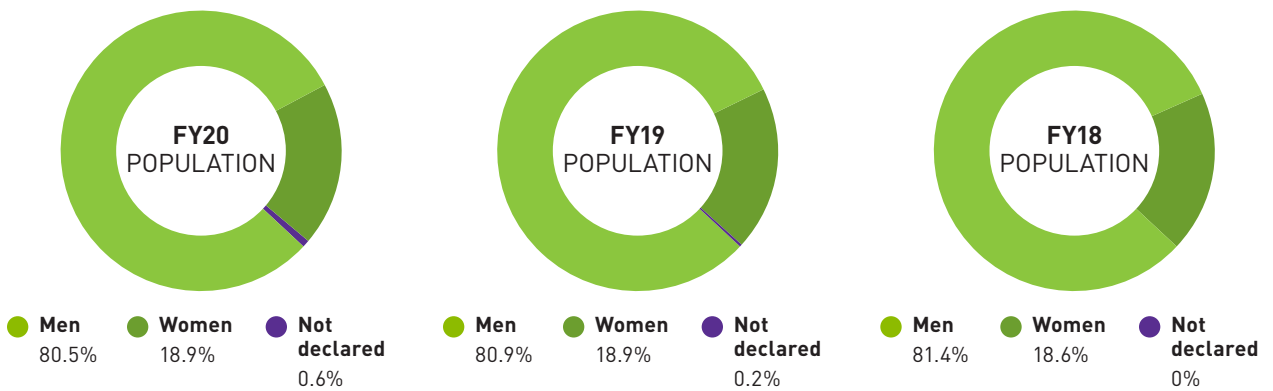
Learn more about our approach in the [Diversity and Inclusion](#) section.

### Racial / Ethnic Diversity Snapshot\*

RACE/ETHNICITY	FY20	FY19	FY18
Asian/Indian	49.2%	50.2%	50.1%
White	38.2%	38.7%	41.1%
Hispanic/Latino	3.4%	3.3%	3.3%
Black/African American	1.1%	1.0%	1.0%
Native Hawaiian/Pacific Islander	0.3%	0.3%	0.3%
American Indian/Alaska Native	0.2%	0.1%	0.1%
Two or more races	0.9%	0.7%	0.5%
Decline to state/not specified	6.7%	5.7%	3.6%
TOTAL	100%	100%	100%

\* Minority data represents the United States only.

### Gender Data



## Gender Diversity Snapshot

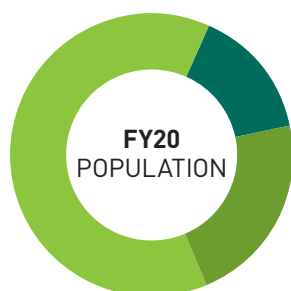
POSITIONS HELD BY WOMEN	FY20	FY19	FY18
Outside directors	18.2%	18.2%	20.0%
Executive officers	40.0%	40.0%	40.0%
Leaders	10.5%	11.0%	8.5%
Managers	16.2%	16.5%	16.1%
In technical roles	13.6%	13.7%	13.3%
In global workforce	18.9%	18.9%	18.6%
New hires, % globally	18.8%	20.4%	19.2%
New hires, number globally	265	501	353

## Gender Turnover

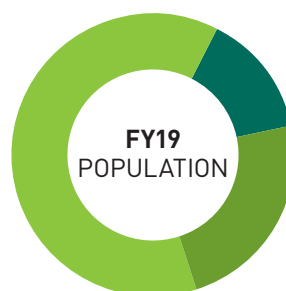
The turnover rate for women and men has remained similar for the past several years.

GENDER	FY20	FY19	FY18	FY17	FY16	FY15
Female	6.9%	5.6%	5.4%	6.7%	9.4%	7.9%
Male	6.7%	5.7%	5.3%	6.3%	13.9%	8.2%

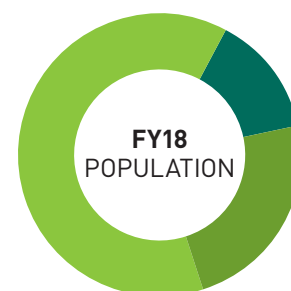
## Age Data



- 20-30 Years  
22.0%
- 31-50 Years  
63.0%
- 51+ Years  
15.0%



- 20-30 Years  
23.4%
- 31-50 Years  
62.5%
- 51+ Years  
14.1%



- 20-30 Years  
23.5%
- 31-50 Years  
62.7%
- 51+ Years  
13.8%

## WORKFORCE PERFORMANCE

We gather information for this report at the end of the fiscal year, and the data points in the accompanying charts reflect a snapshot of our employee/contractor base at that time.

### Employee Profile

METRIC	FY20	FY19	FY18
Employees	13,775	13,277	11,528
Offices	62	57	48
Countries	22	22	21

### Headcount by Type

REGION	Full Time	Part Time	Contractors	Interns
Americas	7,576	10	1,363	98
APAC	2,596	0	404	64
India	2,525	1	1,999	100
EMEA	1,045	22	89	10
Total Count	13,742	33	3,855	272

### Employee Type by Level

Executive

**23**

(0.2%)

Management

**2,466**

(17.9%)

Regular Employee

**11,286**

(81.9%)

Total

**13,775**

### New Hires by Age Group



- 20-30 Years  
713 (50.6%)
- 31-50 Years  
606 (43.0%)
- 51+ Years  
89 (6.3%)
- Not Declared  
53 (3.7%)

### New Hires by Gender



- Male  
1,090 (77.4%)
- Female  
265 (18.9%)
- Not Declared  
53 (3.7%)

### New Hires by Region



- Americas  
790 (56.1%)
- APAC  
234 (16.6%)
- India  
229 (16.3%)
- EMEA  
155 (11.0%)

## Promotion and Retention

In FY20, we promoted 13.8 percent of our workforce. Of the 1,907 promotions, women comprised 364 (19 percent, which is roughly the total percentage in the company). In the U.S., 570 U.S. promotions were for members of minority groups. Women continue to be promoted at an equal rate to men, 13.9 percent versus 13.8 percent in FY20.

NVIDIA's turnover remains low at 6.7 percent in FY20, compared to the semiconductor industry average of 14 percent, according to Radford's Q4 2019 Workforce Trends Report. Our voluntary turnover rate is 6.5 percent, which is well below the semiconductor industry average of 10 percent.

Retention rates for women and employees from our Black and Latinx communities have held equal to their peers.

TURNOVER TYPE	FY20	FY19	FY18	FY17	FY16*	FY15
Overall Turnover	6.7%	5.6%	5.6%	6.7%	13.0%	8.7%
Voluntary Turnover	6.5%	5.4%	5.1%	5.8%	7.2%	7.9%

\* Our turnover rate increased in FY16 due to a business closure.

## ENVIRONMENTAL PERFORMANCE

Due to rounding, numbers presented in the tables below may not add up precisely to the totals indicated and percentages may not precisely reflect the absolute figures for the same reason.

See the [Environmental](#) section for info on our policies and objectives.

### Greenhouse Gas Data

METRIC	FY20	FY19	FY18	FY17	FY16
GHG Scope 1, total global (tCO2e)	2,817	2,675	2,370	2,571	2,419
Stationary natural gas	2,577	2,384	2,267	2,313	2,316
Stationary distillate fuel oil	46	54	43	78	71
Gasoline	80	119	44	42	16
Refrigerants	114	118	16	139	16
Perfluorocarbons (PFCs) (Santa Clara headquarters lab operations)	0	<1 kg	<1 kg	Not tracked	Not tracked
GHG Scope 2, total global (tCO2e), market-based <sup>a</sup>	65,936	60,093	56,903	47,142	43,889
Purchased and used electricity	65,882	59,282	56,460	46,721	43,487
Purchased heating/cooling	54	811	443	421	402
Total GHG emissions, Scope 1 and 2 (tCO2e) <sup>a</sup>	68,753	62,767	59,273	49,713	46,308
Normalized GHG emissions per headcount (Scope 1 and 2 total/headcount)	3.84	3.60	3.88	4.01	4.26
Percent change in normalized GHG emissions per employee, compared to FY14	-15%	-20%	-14%	-11%	-6%
GHG Scope 2, total global (tCO2e) <sup>a</sup> , location-based	74,692	65,107	50,863	51,224	48,774

## Greenhouse Gas Data (Cont.)

GHG Scope 3 (tCO2e)	415,913	427,730	326,648	277,014	237,579
Purchased goods and services (indirect procurement)	224,687	254,071	190,734	150,741	159,976
Capital goods	72,946	49,964	50,463	78,076	31,748
Fuel- and energy-related activities not included in Scope 1 and 2	27,885	24,146	21,613	20,246	19,055
Upstream transportation and distribution <sup>b</sup>	30,380	38,352	28,590	Not tracked	Not tracked
Waste generated in operations <sup>c</sup>	752	991	405	240	839
Business travel	31,285	51,525	31,360	25,064	23,285
Employee Commuting <sup>d</sup>	17,929	Not tracked	Not tracked	Not tracked	Not tracked
Upstream leased assets	9,329	8,681	3,483	2,647	2,676
Scope 1 carbon dioxide emissions (metric tons)	2,698	2,551	2,349	2,427	2,398
Scope 1 nitrous oxide emissions (metric tons)	2	2	2	2	2
Scope 1 methane emissions (metric tons)	4	4	3	4	3
Sulfur dioxide emissions (metric tons) <sup>e</sup>	0.08	0	0.08	0.14	0.12
VOC emissions (metric tons) <sup>e</sup>	0.15	0.24	0.17	0.16	0.15
Carbon monoxide emissions (metric tons) <sup>e</sup>	0.26	0.31	0.25	0.44	0.41
ODS emissions from HCFCs (metric tons R-11e) <sup>e</sup>	0.002	0.006	0.003	0.010	0.004
Particulate emissions (metric tons) <sup>e</sup>	0.09	0.10	0.08	0.14	0.13

## Energy, Water, and Waste

METRIC	FY20	FY19	FY18	FY17	FY16
Energy used, global (MWh)	244,760	197,074	151,164	139,847	131,316
Energy per headcount, global (MWh/headcount)	13.67	11.36	9.90	11.27	12.07
Non-renewable fuels purchased and consumed (MWh)	14,635	13,611	12,894	13,270	13,217
Non-renewable electricity purchased (MWh)	150,732	94,216	86,045	90,923	85,115
Steam/heating/cooling and other energy (non-renewable) purchased (MWh)	210	227	196	185	141
Total renewable energy purchased or generated for own consumption (MWh) <sup>f</sup>	79,184	89,020	52,029	35,470	32,844
Renewable electricity as percentage of total electricity <sup>f</sup>	34%	49%	38%	28%	28%
Total power generated, onsite solar (MWh)	749	772	719	0	0
Water withdrawal, global (cubic meters)	315,599	319,713	265,030	213,625	196,309

## Energy, Water, and Waste (Cont.)

Surface water	0	0	0	0	0
Groundwater	4,136 <sup>a</sup>	32,208	20,264	13,535	24,364
Rainwater collected directly and stored	0	0	0	0	0
Wastewater from another organization	31,644	47,737	13,796	0	0
Municipal water supplies or other public/private water utilities	279,819	239,768	230,970	200,090	171,945
Percent of water (internally) recycled	0	0	0	0	0
Water consumption, global (cubic meters) <sup>h</sup>	72,378	96,196	61,169	39,506	29,127
Water discharge, global (cubic meters)	243,221	223,517	203,860	174,119	167,182
Total waste, corporate headquarters (metric tons) <sup>i</sup>	5,290	18,344 <sup>j</sup>	2,670	2,987	15,626 <sup>j</sup>
Total waste recycled/composted	4,100	16,554	1,973	2,260	14,790
Landfill diversion rate	78%	90%	74%	76%	95%
General waste recycled	1,682	1,288	334	138	105
General waste composted	1,116	1,008	874	799	651
Clean paper recycled	19	29	102	145	70
Batteries recycled	2	46	2	2	1
Hazardous waste recycled	2	4	0.4	1	1
Electronic waste recycled	75	128	59	63	96
Lamps recycled	0.3	0.2	0.5	1	1
Construction/demolition waste recycled	1,205	14,051 <sup>j</sup>	602	1,111	13,866 <sup>j</sup>
Total waste landfilled	1,189	1,790	696	726	836
General waste landfilled	945	617	474	480	349
Hazardous waste landfilled	0	0	0	0	0
Construction/demolition waste landfilled	245	1,174	223	246	487

**a** Selected historic values have been updated to reflect changes in methodologies or corrections to data. For example, we are now calculating Scope 2 market-based and location-based emissions per the WRI/WBCSD GHG Protocol and have updated prior years' data to align with the new methodology.

**b** In FY18, we started reporting Scope 3 upstream transportation emissions.

**c** The Scope 3 GHG emissions for waste generated in operations reflect the waste at our corporate headquarters only.

**d** In FY20, we began reporting on Scope 3 employee commute emissions.

**e** As of FY18, these metrics have been calculated and reported with historical year values updated. ODS emissions are from HCFCs; sulfur dioxide, carbon monoxide, and particulate emissions are from diesel generators. VOCs are from diesel generators and Santa Clara campus lab solvent usage (e.g., wipe cleaning).

**f** In FY18, we started calculating our global renewable energy use, excluding grid and including renewables from generation, utilities, and residual mix. Previous years reflect renewables only from our local utility in Silicon Valley.

**g** In FY20, less groundwater was available at our Pune, India site.

**h** Water consumption includes water consumed by landscaping and evaporated in a cooling tower for our new headquarters building.

**i** Waste data for corporate headquarters is estimated on a calendar year basis.

**j** We accumulated a large amount of demolition debris as part of our project to construct a new Silicon Valley headquarters building. 88 percent of this debris was recycled in FY16 and 92 percent was recycled in FY19.

## EMPLOYEE HEALTH AND SAFETY PERFORMANCE

METRIC	FY20	FY19	FY18	FY17	FY16
Lost-time incident rate (U.S.)	0.01	0.00	0.00	0.11	0.11
Total recordable incident rate (U.S.)	0.25	0.00	0.17	0.19	0.19
Fatalities (global)	0	0	0	0	0

## GRI INDEX

We applied the internationally recognized Global Reporting Initiative [\(GRI\) Sustainability Reporting Standards](#) to produce this FY20 CSR Report. This report has been prepared in accordance with the GRI Standards: Core Option.

Per the GRI Standards, we indicate the location of the required “General Disclosures” and each of the “Topic-Standard Disclosures” related to our priority issues (“Management Approach for Material Topics” and selected disclosures). In some cases, we provide a direct response to disclosures or additional information related to content located on the main pages of the report within the index itself.

### 2020 GRI Content Index

GRI 102: GENERAL DISCLOSURES 2016*		
DISCLOSURE	DESCRIPTION	CROSS-REFERENCE OR ANSWER
<b>Organizational Profile</b>		
102-1	Name of the organization	<a href="#">2020 10-K</a>
102-2	Activities, brands, products, and services	<a href="#">2020 10-K</a> <a href="#">About NVIDIA</a> <a href="#">NVIDIA Products</a>
102-3	Location of headquarters	Santa Clara, California, USA
102-4	Location of operations	<a href="#">Our Locations</a> Significant operations in U.S. (California), India, and China. Offices in 21 countries.
102-5	Ownership and legal form	<a href="#">2019 Proxy Statement</a>
102-6	Markets served	<a href="#">Our Locations</a> <a href="#">2020 10-K</a>
102-7	Scale of the organization	<a href="#">Goals and Performance, Economic</a> <a href="#">Goals and Performance, Diversity</a> <a href="#">Goals and Performance, Workforce</a> <a href="#">NVIDIA Products</a>



GRI 102: GENERAL DISCLOSURES 2016* (Cont.)		
DISCLOSURE	DESCRIPTION	CROSS-REFERENCE OR ANSWER
102-8	Information on employees and other workers	<a href="#">Goals and Performance, Diversity</a> <a href="#">Goals and Performance, Workforce</a> NVIDIA employs several contract employees globally who provide a variety of roles across our operations and administrative functions. Current temporary worker percentage is 21.5% of total headcount (employees + contractors).
102-9	Supply chain	<a href="#">Social, Supply Chain Management and Product Quality</a>
102-10	Significant changes to the organization and its supply chain	None.
102-11	Precautionary Principle or approach	We do not specifically apply the precautionary principle. A description of the role of the Board in risk oversight is located in the 2019 Proxy Statement.  <a href="#">2019 Proxy Statement</a>
102-12	External initiatives	<a href="#">Social, Supply Chain Management and Product Quality</a>
102-13	Membership of associations	<a href="#">Social, Supply Chain Management and Product Quality</a>
<b>Strategy</b>		
102-14	Statement from senior decision-maker	<a href="#">Executive Letters, Message from our CEO</a> <a href="#">Executive Letters, Message from our EVP of Operations</a>
<b>Ethics and Integrity</b>		
102-16	Values, principles, standards, and norms of behavior	<a href="#">Governance, Ethical Conduct</a>
102-17	Mechanisms for advice and concerns about ethics	<a href="#">Governance, Ethical Conduct</a>
<b>Governance</b>		
102-18	Governance structure	<a href="#">Corporate Governance</a> NVIDIA has two committees responsible for decision-making on economic, environmental, and social topics: an executive-level committee, and a staff-level committee. NVIDIA's board-level Nominating and Governance Committee oversees CSR.

**GRI 102: GENERAL DISCLOSURES 2016\* (Cont.)**

DISCLOSURE	DESCRIPTION	CROSS-REFERENCE OR ANSWER
<b>Stakeholder Engagement</b>		
102-40	List of stakeholder groups	<a href="#">Stakeholders, Stakeholder Engagement</a>
102-41	Collective bargaining agreements	Employees in the U.S., Canada, India, and APAC regions are not unionized. Employees in Brazil are unionized and make up .1% of our total population. Employees in Finland, France, Germany, Italy, and Poland (which make up 3.8% of our total employee population) could participate in unions but NVIDIA is legally not allowed to inquire with them about their involvement. 3.9% represents the highest possible unionized presence that could exist in NVIDIA's workforce. NVIDIA participates in collective bargaining agreements in Finland, France, and Italy. Employees in Germany have formal representation on work councils, and our France offices have employee representatives.
102-42	Identifying and selecting stakeholders	<a href="#">Stakeholders, Stakeholder Engagement</a>
102-43	Approach to stakeholder engagement	No engagement undertaken specifically as part of the report. <a href="#">Stakeholders, Stakeholder Engagement</a>
102-44	Key topics and concerns raised	<a href="#">Stakeholders, Stakeholder Engagement</a>
<b>Reporting Practice</b>		
102-45	Entities included in the consolidated financial statements	<a href="#">2020 10-K</a>
102-46	Defining report content and topic Boundaries	<a href="#">Priorities</a>
102-47	List of material topics	<a href="#">Priorities</a>
102-48	Restatements of information	There were no restatements of information.
102-49	Changes in reporting	There were no significant changes in reporting.
102-50	Reporting period	<a href="#">About this Report</a>
102-51	Date of most recent report	June 2019
102-52	Reporting cycle	<a href="#">About this Report</a>
102-53	Contact point for questions regarding the report	<a href="#">About this Report</a>

GRI 102: GENERAL DISCLOSURES 2016* (Cont.)		
DISCLOSURE	DESCRIPTION	CROSS-REFERENCE OR ANSWER
102-54	Claims of reporting in accordance with the GRI Standards	This report has been prepared in accordance with the GRI Standards: Core option.
102-55	GRI content index	<a href="#">GRI Index</a>
102-56	External assurance	<p><a href="#">Environment, Greenhouse Gas Emissions and Climate Change</a></p> <p>We did not seek external assurance for the report. NVIDIA's internal audit function reviews elements of our CSR program, focusing on workforce and supply chain data points. Trucost provides <a href="#">limited assurance</a> for our CDP report, reviewing scope 1, 2 and some scope 3 metrics, which are also featured in this report. Our pay data and equal pay metrics are evaluated by Economist, Inc. annually. Framework ESG assesses stakeholder information annually, to inform our Priority Issues matrix.</p>

\* With the exception of GRI 303 and 403 that apply the 2018 version of the GRI Standards, NVIDIA's 2020 Sustainability Report applies the 2016 version of the GRI Standards; "2016" refers to the Standards issue date, not the date of information presented in this report.

## 2020 GRI Content Index

GRI 103: TOPICS AND TOPIC BOUNDARIES 2016*		
MATERIAL TOPIC	MANAGEMENT APPROACH CROSS-REFERENCE	RELEVANT EXTERNAL ENTITIES
<b>Economic</b>		
GRI 201: Economic Performance 2016	<p><a href="#">2020 10-K</a></p> <p><a href="#">2019 CDP Response</a></p>	Customers Consumers Shareholders Developers Suppliers Government Communities
GRI 206: Anti-competitive Behavior 2016	<b>Economic</b> , Business Model and Competitiveness	Customers Government Shareholders
<b>Environmental</b>		
GRI 302: Energy 2016	<p><b>Environment</b>, Energy</p> <p><b>Environment</b>, Environmental Impacts of Products</p>	Customers Consumers Developers Suppliers
GRI 308: Supplier Environmental Assessment 2016	<p><b>Social</b>, Supply Chain Management and Product Quality</p> <p><b>Social</b>, Materials Availability</p>	Suppliers

**GRI 103: TOPICS AND TOPIC BOUNDARIES 2016\* (Cont.)**

MATERIAL TOPIC	MANAGEMENT APPROACH CROSS-REFERENCE	RELEVANT EXTERNAL ENTITIES
<b>Social</b>		
GRI 401: Employment 2016	<b>Social</b> , Talent Strategy <b>Stakeholders</b> , Stakeholder Engagement	Prospective employees Shareholders
GRI 403: Occupational Health and Safety 2018	<b>Social</b> , Employee Health and Safety	Prospective employees Shareholders
GRI 404: Training and Education 2016	<b>Social</b> , Talent Strategy	Prospective employees
GRI 414: Supplier Social Assessment 2016	<b>Social</b> , Supply Chain Management and Product Quality	Customers Shareholders Suppliers
GRI 418: Customer Privacy 2016	<b>Economic</b> , Cybersecurity <a href="#">NVIDIA Privacy Policy</a>	Customers Consumers Shareholders Governments

\* With the exception of GRI 303 and 403 that apply the 2018 version of the GRI Standards, NVIDIA's 2020 Sustainability Report applies the 2016 version of the GRI Standards; "2016" refers to the Standards issue date, not the date of information presented in this report.

**2020 GRI Content Index**

**GRI 200-400 TOPIC-SPECIFIC DISCLOSURES 2016\***

TOPIC	DISCLOSURE	DESCRIPTION	CROSS-REFERENCE, OMISSIONS, AND EXPLANATIONS
<b>Economic</b>			
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	<a href="#">Goals and Performance, Economic 2020 10-K NVIDIA Foundation Report</a>
	201-2	Financial implications and other risks and opportunities due to climate change	<a href="#">2019 CDP submission</a>
	201-4	Government financial assistance	We have funding from the Department of Energy, DARPA and the Department of Defense for GPU-related research. No governments are present in NVIDIA's shareholder structure. <a href="#">Stakeholders, Stakeholder Engagement</a>

GRI 200-400 TOPIC-SPECIFIC DISCLOSURES 2016* (Cont.)			
TOPIC	DISCLOSURE	DESCRIPTION	CROSS-REFERENCE, OMISSIONS, AND EXPLANATIONS
GRI 206: Anti-competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	In FY20 there were no legal actions for anti-competitive behavior, anti-trust, or monopoly practices.
<b>Environmental</b>			
GRI 302: Energy 2016	302-1	Energy consumption within the organization	<a href="#">Goals and Performance, Environmental</a>
	302-3	Energy intensity	<a href="#">Goals and Performance, Environmental</a>
	302-4	Reductions in energy consumption	Energy consumption initiatives implemented during FY20 are projected to deliver total annual electricity savings of 4,673 gigajoules. The projections are derived from engineering estimates. Initiatives include upgrades to high efficiency lighting, HVAC and controls; installation of a high efficiency hybrid chiller and data center equipment tuning to increase efficiency.
	302-5	Reductions in energy requirements of products and services	<a href="#">Environment, Environmental Impact of Products</a>
GRI 303: Water and Effluents 2018**	303-3	Water withdrawal	<a href="#">Goals and Performance, Environmental</a>

GRI 200-400 TOPIC-SPECIFIC DISCLOSURES 2016* (Cont.)			
TOPIC	DISCLOSURE	DESCRIPTION	CROSS-REFERENCE, OMISSIONS, AND EXPLANATIONS
GRI 305: Emissions 2016**	305-1	Scope 1 GHG emissions	<a href="#">Goals and Performance, Environmental</a>
	305-2	Scope 2 GHG emissions	<a href="#">Goals and Performance, Environmental</a>
	305-3	Scope 3 GHG emissions	<a href="#">Goals and Performance, Environmental</a>
	305-4	GHG emissions intensity	Our GHG emissions intensity, ratio is, 3.84 compared to 4.52 in our baseline FY14. The metric chosen to calculate the ratio is our global headcount of employees and contractors = 17,902 in FY20. Scope 1 and scope 2 emissions (68,753 tCO2e) are included in the intensity ratio.
	305-5	Reduction of GHG emissions	<a href="#">Environment, Greenhouse Gas Emissions and Climate Change</a> <a href="#">Goals and Performance, Environmental</a>
	305-6	Emissions of ODS	<a href="#">Goals and Performance, Environmental</a>
	305-7	NOX, SOX, and other significant air emissions	<a href="#">Goals and Performance, Environmental</a>
GRI 306: Effluents and Waste 2016**	306-2	Waste by type and disposal method	<a href="#">Goals and Performance, Environmental</a>
GRI 307: Environmental Compliance 2016**	307-1	Non-compliance with environmental laws and regulations	To date, we have not incurred significant expenses related to environmental regulatory compliance matters.
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers screened using environmental criteria	In 2016 we implemented a process for new suppliers, which includes screening them for environmental and social criteria. 100% of new suppliers were screened in FY20.  <a href="#">Social, Supply Chain Management and Product Quality</a>

GRI 200-400 TOPIC-SPECIFIC DISCLOSURES 2016* (Cont.)			
TOPIC	DISCLOSURE	DESCRIPTION	CROSS-REFERENCE, OMISSIONS, AND EXPLANATIONS
<b>Social</b>			
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	<a href="#">Goals and Performance, Diversity</a> <a href="#">Goals and Performance, Workforce</a>
	401-2	Full-time benefits not provided to temporary/part-time employees	<p>We provide employees with a comprehensive benefits package (see NVIDIA benefits for more information). U.S. employees are eligible to enroll in NVIDIA's health and welfare programs if they are regular, full-time or part-time employees normally scheduled to work 20 hours or more per week and more than 5 months/year. Part-time employees working fewer than 20 hours/week are not eligible.</p> <a href="#">Social, Talent Strategy</a> <a href="#">NVIDIA benefits</a>
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	<a href="#">Social, Employee Health and Safety</a>
	403-9	Work-related injuries	<a href="#">Social, Employee Health and Safety</a> <a href="#">Goals and Performance, Employee Health and Safety</a>
GRI 404: Training and Education 2016	404-2	Programs for upgrading employee skills and transition assistance programs	<p>Transition support is available through the Employee Assistance Program, which is available through COBRA. In some cases, NVIDIA may provide outplacement services. NVIDIA's Learning &amp; Development organization provides skills building and lifelong learning opportunities.</p> <a href="#">Social, Talent Strategy</a>
	404-3	Percentage of employees receiving regular performance and career development reviews	100% of employees receive regular performance and career development reviews.
GRI 405: Diversity and Equal Opportunity 2016**	405-1	Diversity of governance bodies and employees	<a href="#">Goals and Performance, Diversity</a> <a href="#">Goals and Performance, Workforce</a> <p>Our board gender/racial diversity is 25%. NEO gender diversity is 40% and NEO gender, racial, and ethnic diversity is 80%.</p>

GRI 200-400 TOPIC-SPECIFIC DISCLOSURES 2016* (Cont.)			
TOPIC	DISCLOSURE	DESCRIPTION	CROSS-REFERENCE, OMISSIONS, AND EXPLANATIONS
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 might be at risk	<p>We ask our suppliers to submit RBA Self-Assessment Questionnaires on an annual basis, in which they self-report information on freedom of association and collective bargaining. We validate this with critical tier 1 suppliers through the RBA Validated Audit Process protocol.</p> <p><a href="#">Social, Supply Chain Management and Product Quality</a></p> <p><a href="#">NVIDIA's Code of Conduct</a></p> <p><a href="#">Corporate Responsibility Directive</a></p> <p><a href="#">RBA Code of Conduct</a></p>
GRI 408: Child Labor 2016**	408-1	Operations and suppliers at significant risk for incidents of child labor	<p>We ask our suppliers to submit RBA Self-Assessment Questionnaires on an annual basis, in which they self-report information on child labor. We validate this with critical tier 1 suppliers through the RBA Validated Audit Process protocol.</p> <p><a href="#">Social, Supply Chain Management and Product Quality</a></p> <p><a href="#">NVIDIA's Code of Conduct</a></p> <p><a href="#">RBA Code of Conduct</a></p>
GRI 409: Forced or Compulsory Labor 2016**	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	<p>We ask our suppliers to submit RBA Self-Assessment Questionnaires on an annual basis, in which they self-report information on forced or bonded labor. We validate this with critical tier 1 suppliers through the RBA Validated Audit Process protocol.</p> <p><a href="#">Social, Supply Chain Management and Product Quality</a></p> <p><a href="#">Combatting Trafficking in Persons Policy</a></p> <p><a href="#">RBA Code of Conduct</a></p>
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	<p>In 2016 we implemented a process for new suppliers, which includes screening them for environmental and social criteria. 100% of new suppliers were screened in FY20.</p> <p><a href="#">Social, Supply Chain Management and Product Quality</a></p>



GRI 200-400 TOPIC-SPECIFIC DISCLOSURES 2016* (Cont.)			
TOPIC	DISCLOSURE	DESCRIPTION	CROSS-REFERENCE, OMISSIONS, AND EXPLANATIONS
GRI 417: Marketing and Labeling 2016**	417-2	Incidents of non-compliance concerning product and service information and labeling	We consider significant incidents of non-compliance those that are disclosed in the company's SEC filings. There were no such incidents in FY20 that fell into this category.
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	We consider significant substantiated complaints those that are disclosed in the company's SEC filings. There were no substantiated complaints in FY20 that fell into this category.
GRI 419: Socioeconomic Compliance 2016**	419-1	Non-compliance with laws and regulations in the social and economic area	We consider significant fines those that are required to be disclosed in the company's SEC filings. We were not subject to any significant fines in FY20 for non-compliance with laws and regulations.

\* With the exception of GRI 303 and 403 that apply the 2018 version of the GRI Standards, NVIDIA's 2020 Sustainability Report applies the 2016 version of the GRI Standards; "2016" refers to the Standards issue date, not the date of information presented in this report.

\*\* We have reported additional disclosures not related to material topics.

## SASB INDEX

We are responding for the first time to the Sustainability Accounting Standards Board for the Technology and Communications sector, Semiconductor industry.

As we are a fabless semiconductor company, we have been asked by SASB to not provide metrics for direct energy, water, and waste metrics for our suppliers as it hinders comparison against suppliers with manufacturing facilities. We monitor the environmental footprint of our suppliers and work with them through the supplier management process on goal setting and activities they can undertake to reduce their environmental impact. We calculate carbon, water, and waste data of all silicon manufacturers and systems contract manufacturers to determine carbon emissions and water consumption per product and per financial outlay.

TOPIC	CODE	METRIC	UNIT OF MEASURE	RESPONSE/LOCATION
Greenhouse Gas Emissions	TC-SC-110a.1	Gross global Scope 1 emissions	Metric tons (t) CO <sub>2</sub> -e	<a href="#">Environmental Performance</a>
		Amount of total emissions from perfluorinated carbons	Metric tons (t) CO <sub>2</sub> -e	<a href="#">Environmental Performance</a>
	TC-SC-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	N/A	<a href="#">2019 CDP Response</a> pp. 35-48

SASB Index (Cont.)

TOPIC	CODE	METRIC	UNIT OF MEASURE	RESPONSE/LOCATION
Energy Management in Manufacturing	TC-SC-130a.1	Total energy consumed	Gigajoules (GJ)	NVIDIA is a fabless semiconductor company and does not have its own manufacturing facilities. Discussion of how we work with suppliers to track energy, waste, and water see our <a href="#">GHG and Climate Change</a> section.
		Percentage of total energy consumed that is grid electricity	Percentage (%)	
		Percentage of total energy consumed that is renewable	Percentage (%)	
Water Management	TC-SC-140a.1	Total water withdrawn	Thousand cubic meters (m <sup>3</sup> )	NVIDIA is a fabless semiconductor company and does not have its own manufacturing facilities. Discussion of how we work with suppliers to track energy, waste, and water see our <a href="#">GHG and Climate Change</a> section.
		Total water consumed	Thousand cubic meters (m <sup>3</sup> )	
		Percentage of total water withdrawn in regions with High or Extremely High Baseline Water Stress	Percentage (%)	
		Percentage of water consumed in regions with High or Extremely High Baseline Water Stress	Percentage (%)	
Waste Management	TC-SC-150a.1	Amount of hazardous waste from manufacturing	Metric tons (t)	NVIDIA is a fabless semiconductor company and does not have its own manufacturing facilities. Discussion of how we work with suppliers to track energy, waste, and water see our <a href="#">GHG and Climate Change</a> section.
		Percentage of hazardous waste from manufacturing that is recycled	Percentage (%)	
		The entity shall disclose the legal or regulatory framework(s) used to define hazardous waste and recycled hazardous waste, and the amounts of waste defined in accordance with each applicable framework	N/A	

SASB Index (Cont.)

TOPIC	CODE	METRIC	UNIT OF MEASURE	RESPONSE/LOCATION
Employee Health & Safety	TC-SC-320a.1	Discussion of efforts to assess, monitor, and reduce exposure of employees to human health hazards	N/A	NVIDIA is a fabless semiconductor company. We manage the health and safety of workers in our supply chain through membership in the Responsible Business Alliance. We comply with the RBA code of conduct, and require suppliers to complete self-assessments and participate in audits every two years. See <a href="#">Supply Chain</a> for more information, and the <a href="#">Employee Health and Safety</a> section for how we manage EHS across our corporate campuses.
	TC-SC-320a.2	Total amount of monetary losses as a result of legal proceedings associated with employee health and safety violations	Reporting currency	
		The entity shall briefly describe the nature, context, and any corrective actions taken as a result of the monetary losses	N/A	
Recruiting & Managing a Global & Skilled Workforce	TC-SC-330a.1	Percentage of employees that are foreign nationals	Percentage (%)	Percentage of foreign nationals not disclosed.
		Percentage of employees that are located offshore	Percentage (%)	<a href="#">Workforce Performance</a>
		Disclosure shall include a description of potential risks of recruiting foreign nationals and/or offshore employees, and management approach to addressing these risks	N/A	<a href="#">2020 10-K, p. 16</a>

SASB Index (Cont.)

TOPIC	CODE	METRIC	UNIT OF MEASURE	RESPONSE/LOCATION
Product Lifecycle Management	TC-SC-410a.1	Percentage of products by revenue that contain IEC 62474 declarable substances	Percentage (%)	Approximately 42% of products contain IEC 62474 declarable substances.
		Disclosure shall include a discussion of efforts to minimize usage of these substances	N/A	NVIDIA is working with Digital Europe and European Commission to research and develop viable alternatives.
	TC-SC-410a.2	Processor energy efficiency at a system-level for servers	Various, by product category	Processor energy efficiency for servers not reported.
		Processor energy efficiency at a system-level for desktops	Various, by product category	<a href="#">Environmental Impact of Products</a>
		Processor energy efficiency at a system-level for laptops	Various, by product category	<a href="#">Environmental Impact of Products</a>
	Disclosure shall include a discussion of efforts to design for new and emerging usage patterns with respect to energy efficiency in all product categories (i.e., applications for servers, desktops, laptops, workstations, netbooks, tablets, mobile phones, and storage).	N/A	<a href="#">2019 CDP Response</a> C2.4a, pp. 20-21.	
Materials Sourcing	TC-SC-440a.1	Description of the management of risks associated with use of critical materials	N/A	NVIDIA is primarily focused on the risks associated with the recognized “conflict minerals” which includes Tantalum, Tungsten and Cobalt from the list.  <a href="#">Materials Availability</a> <a href="#">2019 Form SD</a>
Intellectual Property Protection & Competitive Behavior	TC-SC-520a.1	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	Reporting currency	In FY20 there were no legal actions for anti-competitive behavior, anti-trust, or monopoly practices.
		The entity shall briefly describe the nature, context, and any corrective actions taken as a result of the monetary losses	N/A	N/A

## TCFD INDEX

We are responding for the first time to the Task Force for Climate-Related Financial Disclosures. As of June 2020, we are not currently members of the TCFD, however the company will evaluate membership in FY21.

TCFD REPORT			
DISCLOSURE ITEM	RECOMMENDED DISCLOSURE	DESCRIPTION	NVIDIA REFERENCE
<b>Governance</b>	a. Board Oversight b. Management’s Role	Describe the Board’s oversight of climate-related risks and opportunities	<a href="#">2019 CDP Climate Change Response: C1.</a> Governance - C1.1 Pg. 4
		Describe management’s role in assessing and managing climate-related risks and opportunities.	<a href="#">2019 CDP Climate Change Response: C1.</a> Governance - C1.2 Pg. 5-8
<b>Strategy</b>	a. Risks and Opportunities b. Impact on Organization c. Resilience of Strategy	Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	<a href="#">2019 CDP Climate Change Response: C2.</a> Risk & opportunities - C2.2c Pg. 10-13
		Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning.	<a href="#">2019 CDP Climate Change Response: C2.</a> Risk & opportunities - C2.3a Pg. 14-30
		Describe the potential impact of different scenarios, including a 2°C scenario, on the organization’s businesses, strategy, and financial planning.	We have not completed a scenario analysis at the time this report was published, but plan to complete one in FY21.
<b>Risk Management</b>	a. Risk Assessment Processes b. Risk Management Processes c. Integration into Overall Risk Management	Describe the organization’s processes for identifying and assessing climate-related risks.	<a href="#">2019 CDP Climate Change Response: C2.2b</a> Risk & opportunities - C2.2b Pg. 9
		Describe the organization’s processes for managing climate-related risks.	<a href="#">2019 CDP Climate Change Response: C2.</a> Risk & Opportunities - C2.2d Pg. 13-14
		Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management.	<a href="#">2019 CDP Climate Change Response: C2.</a> Risk & opportunities - C2.6 Pg. 29-30
<b>Metrics and Targets</b>	a. Climate-Related Metrics b. Scope 1,2,3 GHG Emissions c. Climate Related Targets	Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	<a href="#">2019 CDP Climate Change Response: C5.</a> Emissions methodology - C5.1 Pg. 40-41
		Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	<a href="#">2019 CDP Climate Change Response: C6.</a> Emissions data - C6.1 Pg. 41-59
		Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	<a href="#">2019 CDP Climate Change Response: C4.</a> Targets and performance - C4.1b Pg. 33-34

# ABOUT THIS REPORT

The NVIDIA FY20 Corporate Social Responsibility Report covers our economic, environmental, social, and governance performance for the fiscal year ended January 26, 2020.

This report adheres to the [GRI Standards: Core](#) option. We've reported through GRI publicly since 2010. New this year we will disclose through the [Sustainability Accounting Standards Board](#) and [Task Force for Climate-Related Disclosures](#). We continue to align our social impact activities with the [United Nations' Sustainable Development Goals](#).

Previous CSR reports:

[FY19](#)  
[FY18](#)  
[FY17](#)  
[FY16](#)

We determined the content for this report based on conversations among management and engagement with several stakeholders. No significant changes have occurred during the reporting period with regard to the scope, boundary, or measurement methods applied in this report.

## Distributing This Report

We promote the availability of our report through:

- > Targeted communications to employees and executives.
- > Outreach to stakeholders and reporting organizations.
- > Individual outreach to shareholder groups that make inquiries throughout the year.
- > Our social media channels, which reach approximately 26 million individuals.

We welcome feedback on this report and our performance. Please send comments and suggestions to [globalcitizenship@nvidia.com](mailto:globalcitizenship@nvidia.com) or to:

**NVIDIA**  
Corporate Responsibility  
2530 Zanker Rd.  
San Jose, CA 95131

The information contained in this report is accurate as of approximately June 10, 2020, unless a different date is used in this report. The information is subject to change, and NVIDIA will not necessarily disclose such changes. The information may be updated, amended, supplemented, or otherwise altered by subsequent reports or filings by NVIDIA.

Certain statements included or incorporated by reference in this report, other than statements or characterizations of historical fact, including, but not limited to, statements as to: our growth; our market opportunities; the performance, impact and benefits of our products and technologies; our strategies; our priorities, goals, and objectives; market trends; future forecasts; and other predictions and estimates are forward-looking statements and are based on our current expectations, estimates, and projections about our industry and our management's beliefs and assumptions. We caution readers that these statements are merely predictions and are not guarantees of future results. Actual events may differ materially, perhaps adversely.

Our Annual Report on Form 10-K, subsequent Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and other filings made with the Securities and Exchange Commission discuss some of the important risk factors that could contribute to differences between projections and outcomes, which could affect our business, operational results, and financial condition. Except as required by law, NVIDIA does not recognize any obligation to revise or update any forward-looking statements.