

# CORPORATE SOCIAL RESPONSIBILITY REPORT

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## **Message from the CEO**

The dawn of AI is transforming science and industry at an unprecedented pace. NVIDIA's accelerated computing, developed two decades ago, provides significant energy efficiency improvements, crucial for industries like aerospace and electronics. Our Earth-2 initiative aims to create a digital twin of the planet for better environmental predictions. NVIDIA's technology powers 23 of the top 30 systems on the Green500 list, demonstrating our leadership in sustainable computing. Our AI collaborations, like with Medtronic, enhance medical tools for early cancer detection and augmented surgeries. Our team's dedication and our culture of generosity have contributed over \$22 million and 16,500 volunteer hours to charitable causes in FY23.

Jensen Huang, CEO and Co-Founder, NVIDIA.

## **About NVIDIA**

NVIDIA is a leader in accelerated computing, initially focused on PC graphics and now spanning AI, data science, autonomous vehicles, robotics, and more. The invention of the GPU revolutionized video games and AI. NVIDIA's platform integrates hardware, systems, software, and services, supported by a robust developer ecosystem. With over \$37 billion in R&D, innovations like the CUDA programming model have positioned NVIDIA at the forefront of AI.

## **NVIDIA's Core Values**

NVIDIA's core values are the foundation of its success, guiding its approach to innovation, intellectual honesty, and teamwork.

- Innovation, Speed & Agility Encouraging risk-taking and learning from mistakes.
- Intellectual Honesty Upholding high ethical standards and learning from feedback.
- One Team Fostering transparency and teamwork.
- Maintain the Highest Standards Hiring talented individuals and striving for excellence.

## **CSR Policies**

#### **Policy Overview**

NVIDIA is dedicated to contributing to the harmonious and sustainable development of society and the environment through its business activities and CSR initiatives, prioritizing areas of operation.

#### **Guiding Principles for CSR Projects**

- 1. **Relevance**: Projects should address local issues and be need-based.
- 2. **Outcomes-orientation**: Projects will have clear objectives, planned outcomes, and a suitable monitoring and reporting framework. Regular reviews will be conducted for course correction.

#### 3. Sustainability:

- Long-term impact and replicability in other regions.
- Selection of implementation partners based on credibility, local knowledge, and domain expertise.
- Incorporation of community participation, ownership, and co-financing where necessary.
- Regular management of material risk factors.

#### **CSR Committee**

1. **Composition**: A minimum of three Directors, with members nominated by the Board.

#### 2. Functions:

- o Formulate and recommend a CSR Policy and Annual Action Plan.
- Monitor and review CSR projects and activities.
- Ensure compliance with corporate governance standards.
- Oversee CSR spending and reporting.
- 3. **Annual Action Plan**: Includes a list of CSR projects, execution plans, fund utilization, implementation schedules, and impact assessments.

#### **CSR Spending and Reporting**

1. **Spending Commitment**: NVIDIA ensures at least 2% of the average net profits from the last three financial years are spent on CSR activities.

#### 2. CSR Expenditure:

- Projects are pre-approved by the CSR Committee and Board.
- Focus areas may include education, gender equality, women's empowerment, waste management, environmental sustainability, and maintaining ecological balance.
- Collaboration with other companies for joint CSR initiatives.

#### 3. Reporting:

- Impact assessments by independent agencies for significant CSR projects.
- Transparent monitoring mechanisms for implementation.

#### **Board's Role**

- Oversight: The Board ensures CSR activities are undertaken either by the company or through registered trusts, societies, or companies with a proven track record.
- 2. **Unspent Amounts**: Unspent CSR funds are transferred to a special account or a specified Fund within the regulatory timeline.
- 3. **Collaboration**: The Board may approve multi-year projects and ensure their smooth implementation.

# **CSR Strategies and Stakeholder Engagement**

NVIDIA engages with stakeholders—customers, employees, governments, and trade associations—to address their perspectives and concerns. Regular feedback informs NVIDIA's engagement efforts.

#### **Customers**

- Full membership in the Responsible Business Alliance (RBA) reflects responsible business practices.
- Completed self-assessment questionnaires and participated in quarterly business reviews.
- Reported carbon emissions data to the Carbon Disclosure Project (CDP).

#### **Employees and Prospective Employees**

- Pulse surveys indicate high employee engagement and satisfaction.
- Recognized among the top five large U.S. employers on Glassdoor's Best Places to Work list.
- Continuous efforts to create a positive workplace culture and strong benefits.

#### **Trade Associations**

- Participated in the Semiconductor Industry Association's advocacy efforts focusing on U.S. workforce investments and federal R&D programs.
- Engaged with European trade associations to inform regulations on AI, HPC, and the metaverse.
- Collaborated with the Financial Al Cluster (FAIC) to develop trustworthy Al techniques for the financial services industry.

#### **Environmental Protection:**

- Energy Harvest Charitable Trust: Reduces air pollution by preventing biomass burning in Punjab.
- Foundation for Ecological Security: Restores forests and promotes natural farming in Odisha.
- **Naandi Foundation:** Trains farmers in sustainable practices in Andhra Pradesh.
- **S M Sehgal Foundation:** Increases water availability and soil productivity in Karnataka.
- **SEEDS:** Restores mangroves and builds community resilience in West Bengal.
- **Udyogini:** Trains villagers in sustainable harvesting and cultivation of medicinal plants in the Himalayas.
- **Previous Success Stories:** Projects with Grow-Trees.com and Saahas led to forest regeneration in Jharkhand and improved waste management in Bengaluru.

## **Business Practices**

**Business Continuity:** Ensures operational readiness through a robust management framework.

**Human Rights:** Upholds human rights in operations and supply chains, with oversight and training.

**Cybersecurity & Data Privacy:** Maintains stringent practices to protect data and infrastructure, ensuring compliance with global privacy laws.

**Product Security:** Enhances product security through collaboration and timely vulnerability management.

**Quality Standards:** Adheres to industry standards and continuously improves through customer feedback.

**Trade Issues:** Ensures compliance with international regulations for smooth operations.

# **People at NVIDIA**

**Recruitment and Diversity:** Partners with universities and organizations to enhance diversity and internal referrals.

**Benefits and Compensation:** Offers comprehensive benefits, ensuring pay parity through regular reviews.

**Employee Well-Being:** Supports hybrid work environments and extensive well-being programs.

**Community and Engagement:** Engages employees in community service, contributing significantly to charitable causes.

**Learning and Development:** Provides extensive learning opportunities and maintains promotion parity.

**Health and Safety:** Ensures compliance and safety standards through training programs.

**Retention:** Maintains low turnover rates, ensuring equal retention across diverse communities.

## **Goals and Commitments**

NVIDIA's comprehensive approach to sustainability integrates advanced technologies, renewable energy adoption, and global partnerships to drive environmental stewardship and mitigate climate change impacts.

#### **Energy Efficiency and Greenhouse Gas Management:**

- Develops energy-efficient hardware and software to reduce emissions.
- Commits to 100% renewable electricity by FY25.

**Product Energy Efficiency:** Enhances performance while reducing energy use.

**Water Conservation and Waste Management:** Implements water-efficient measures and promotes waste reduction.

**Climate Action and Innovation:** Uses AI technologies for climate modeling and clean energy development.

# **Conclusion**

NVIDIA's CSR initiatives focus on environmental protection, sustainable communities, and energy efficiency. Through partnerships and innovation, NVIDIA drives positive change and contributes to a sustainable future globally.