

NETFLIX

# Environmental Social Governance Report <sup>2023</sup>

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# A Letter from our co-CEOs



**Ted Sarandos**  
co-Chief Executive Officer and  
President of the Company and Director



**Greg Peters**  
co-Chief Executive Officer and  
President of the Company and Director

With 270 million households now subscribing to Netflix — and a total audience of well over half a billion people globally — we are making steady progress against our mission to entertain the world. No entertainment company has tried to program for this many tastes, cultures and languages before. It’s a big responsibility and we work hard to be thoughtful about our impact in the world, in particular the creative communities in which we operate.

Our fifth Environmental, Social and Corporate Governance (ESG) Report shows how we continue to:

**Decarbonize our operations** — reducing emissions in our operations and productions through clean energy technology that could one day help transform our industry;

**Invest in our culture of inclusion and belonging** — building diverse teams where everyone, whatever their culture, identity or background, can do the best work of their lives; and

**Improve our governance** — updating our executive pay structure, code of ethics, supplier code of conduct and corporate governance guidelines, as well as publishing a new statement on human rights.

This is important work and we look forward to sharing our continued progress in the years ahead.



# About Netflix

At Netflix, we aspire to entertain the world — thrilling audiences everywhere with the variety and quality of our TV shows, movies and games.

Founded in

1997

Paid Memberships – with a total audience of over 500 million

270m

Public in

2002

Countries where films and series are created

50+

Approximate Employees<sup>1</sup>

13k

Languages streamed in more than 190 countries

30+

<sup>1</sup> As of December 31, 2023



# Our Approach to ESG

Our Environmental, Social and Governance (ESG) framework is informed by relevant reporting frameworks – including the Sustainability Accounting Standards Board (SASB), Global Reporting Initiative (GRI) and Task Force on Climate-Related Financial Disclosures (TCFD).

The Netflix Board of Directors oversees the Company’s ESG efforts and receives regular updates from management in these areas. In this report, we focus on the topics below:

## Environment



Climate Strategy  
Industry Collaboration  
Climate Risk

## Social



Inclusion and Diversity  
Supporting our People  
Data Privacy and Security  
Accessibility

## Governance



Corporate Governance  
Enterprise Risk Management  
Ethics and Compliance  
Intellectual Property Protection



# Our progress

Here is a glimpse, or “highlights reel” of our continued progress in 2023<sup>2</sup>

## Environment



Climate Strategy  
Industry Collaboration  
Climate Risk

We continue to make progress against the targets we've set to **reduce our emissions by roughly half by 2030<sup>3</sup>**; and match our **remaining emissions** from 2022 onwards in support of global net zero goals<sup>4</sup>. Because much of our overall carbon footprint is production-related, we've stayed on track in part by modernizing production operations. In the past year:

- All our scripted and directly managed productions used clean mobile power solutions to reduce diesel generator run hours, as well as electric, plug-in hybrid and hybrid vehicles.
- We co-founded the Clean Mobile Power Initiative and co-hosted Los Angeles Cleantech Demo Days with local unions.

In 2023, many of our titles also incorporated sustainability in their themes, storylines, characters, dialogue or visuals.

<sup>2</sup> All data points throughout this report are for the 2023 calendar year unless otherwise noted.

<sup>3</sup> Refer to the [table below](#) for more details on our validated Science Based Targets Initiative (SBTi) emissions reduction targets.

<sup>4</sup> [AR6 Synthesis Report: Climate Change 2023](#)



# Our progress

Here is a glimpse, or “highlights reel” of our continued progress in 2023

## Social



Inclusion and Diversity  
Supporting our People  
Data Privacy and Security  
Accessibility

Women continue to have the **highest gender representation** at Netflix, and **over 50%** of our US employees are from one or more historically underrepresented ethnic and/or racial backgrounds. In addition to reporting data on the gender identity and race/ethnicity of our employees, we are also sharing information about recruitment, retention and pay equity for the first time this year.

As of the end of 2023, we have invested over **\$41 million** globally in the Netflix Fund for Creative Equity, which helps increase training and opportunities within the entertainment industry for people from historically underrepresented groups. We also continue to invest in Black banks and financial institutions, as well as diverse suppliers.

More than 32% of our employees participated in the Netflix Employee Giving Program, which supported over 5,000 charities worldwide with **\$35.7 million** in giving.

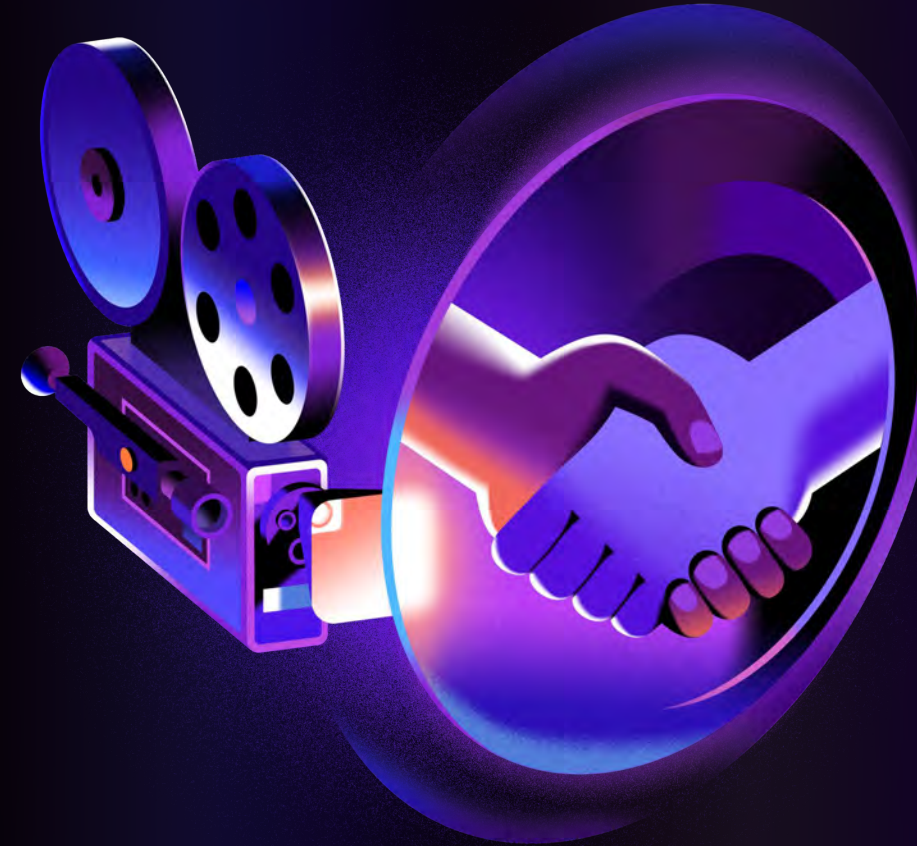
We've made our service more accessible so we can bring the thrill of Netflix to our members regardless of ability — including new accessible product experiences introduced in the series *All the Light We Cannot See*.



# Our progress

Here is a glimpse, or “highlights reel” of our continued progress in 2023

## Governance



Corporate Governance  
Enterprise Risk Management  
Ethics and Compliance  
Intellectual Property Protection

We made several changes to our disclosures and corporate governance practices. These include:

- Significant changes to the compensation program for our executive officers.
- The adoption of Corporate Governance Guidelines, which include a policy on directors’ service on other public company boards.
- The adoption of a Human Rights Statement that sets forth our ongoing commitment to respecting internationally recognized human rights.
- An update to the Netflix Code of Ethics.

In the last year, we met with shareholders collectively representing **nearly 50% of ownership** — including nine of our top 10 shareholders. Independent directors participated in 70% of these meetings.

Ambassador Susan Rice re-joined the Board as an independent director. At the end of 2023, women made up 40% of our independent directors and **31%** of our overall board.



# Environment

To entertain the world, we need a habitable world to entertain. In this section, we explain how we're modernizing our operations and productions to be more efficient and sustainable, engaging with business partners and vendors to decarbonize our value chain, managing climate risks and supporting creators who want to highlight sustainability on screen.





# Sustainability Strategy

## Sustainability in our Operations and Value Chain

If we are to prevent unmanageable climate change, what we do — and don't do — in the next decade will be critical. Netflix has established climate targets that can be measured in years, not decades.

## Our Public Climate Targets

We continue to make progress against the targets we set in March 2021 to:

01

Reduce our emissions by roughly half by 2030<sup>5</sup>; and

02

Match our remaining emissions from 2022 onwards in support of global net zero goals<sup>6</sup>, through investments in verified natural climate solutions and super pollutant (e.g., methane) destruction.

Beyond 2030, Netflix will continue to reduce our emissions in line with the latest climate science until global net zero is achieved.

<sup>5</sup> Refer to the [Decarbonization Target](#) table below for more details on our validated SBTi emissions reduction targets.

<sup>6</sup> <https://www.ipcc.ch/report/ar6/syr/>








# Decarbonization Target

## NETFLIX EMISSION REDUCTION ACTIONS

## TARGET

## TERMINOLOGY

 **Fuel**

Energy Efficiency      Electric Vehicles      Clean Mobile Power


**46% by 2030**

Absolute Reduction  
(reduce absolute emissions by 46% from a 2019 baseline)

Our  
"Sphere of Control"

---

Absolute  
Reduction Goal

 **Electricity**

Energy Efficiency      Renewable Energy      Provider Engagement


**55% by 2030**

Intensity reduction  
(reduce emissions by 55% per million \$ value added<sup>7</sup> from a 2019 baseline)

Our  
"Sphere of Influence"

---

Intensity  
Reduction Goal

 **Value Chain**

Demand Signaling      Technology Accelerators      Educational Offerings

<sup>7</sup> "Value Added" is a term used by SBTi. For Netflix, this is derived by subtracting "Cost of Revenues" from "Revenues", both of which are reported in our public financial statements.

We achieve these targets through measuring, reducing and matching our emissions:

**Measuring Our Emissions:**

We calculate our greenhouse gas (GHG) emissions (“Carbon Footprint”) annually in accordance with the Greenhouse Gas Protocol, and receive third party assurance from Ernst & Young LLP (EY). This helps us track progress against our public climate targets and prioritize our actions. See our footprint here.

**Reducing Our Emissions:**

We work to reduce our Scope 1 (fuel), 2 (electricity) and 3 (value chain) emissions in line with our science-based targets, and report our progress along the way. We continuously measure our progress through specific emissions avoidance tracking and our annual emissions accounting<sup>8</sup>. Learn about our specific efforts in our workplace, productions and value chain sections of the report.

**Matching Our Remaining Emissions:**

In addition to reducing emissions, each year starting in 2022 we match any remaining a) non-renewable electricity use with renewable energy credits and b) non-electricity emissions across Scopes 1-3 by purchasing and retiring third-party verified carbon credits<sup>9</sup>. In 2023, we matched our remaining emissions of 843,107 metric tons of CO2e with the equivalent in carbon credit retirements and 128,284 MWH of renewable energy credits. More information on our use of carbon credits can be found here.

This strategy is aligned with the current ISO Net Zero Guidelines (IWA 42:2022). These guidelines, which are designed to be universally applicable, were developed with input from more than 1,200 global experts from more than 100 countries<sup>10</sup>.

*“As our natural world changes around us, so does our way of life. Excessive carbon pollution is causing destructive storms, impacting our farming and food supply and damaging our health with increased allergies and asthma, particularly in children. **Netflix investments in clean energy and clean technology**, along with their protection and restoration of forests and soils are the kinds of action we need more of in order to secure a livable climate future for everyone.”*

**Marcene Mitchell**  
 SVP Climate, WWF

★ To help guide us, we created an Advisory Group made up of scientists and other experts. Membership in this group is entirely independent and voluntary.

The full list is available at [sustainability.netflix.com](https://sustainability.netflix.com)

<sup>8</sup> Reductions are based on a comparison of actual annual emissions.

<sup>9</sup> Credits have been certified under the Climate Action Reserve (CAR), Verified Carbon Standard (VCS), American Carbon Registry (ACR), Clean Development Mechanism (CDM) or Plan Vivo Carbon Standard (PV), as applicable based on the credit. The retirement of carbon credits has been subject to limited assurance noted in the “Our Carbon Footprint” section.

<sup>10</sup> Including participants from the Greenhouse Gas Protocol, SBTi, UN Framework Convention on Climate Change and UN Race to Zero teams.



# Our Carbon Footprint

The Greenhouse Gas Protocol helps us understand our largest sources of emissions and the biggest opportunities we have to reduce them. Our independent accountants, EY, have provided limited assurance over our 2020-2023 Scope 1, 2 and 3 greenhouse gas emissions inventories<sup>11</sup> (location- and market-based), and separately assured our retirement of carbon credits (refer to the assurance letter for 2023 emissions [here](#)).

## Greenhouse gas inventory

### MARKET BASED (Metric Tons CO<sub>2</sub>e)

Scope 1

Scope 2

Scope 3

**Total**
**Carbon Credits**

### LOCATION BASED (Metric Tons CO<sub>2</sub>e)

Scope 1

Scope 2

Scope 3

**Total**

### TARGET-BASED (Metric Tons CO<sub>2</sub>e)

Scope 1

Scope 2

Scope 3

**Total**

### SCOPE 3 INTENSITY-BASED EMISSIONS

Value Added (\$ millions), refer to footnote 8

 SCOPE 3 Target-Based Intensity  
 (Metric Tons CO<sub>2</sub>e per \$ value added)

### BIOGENIC EMISSIONS (Metric Tons CO<sub>2</sub>e)

 Renewable fuels  
 (e.g., renewable diesel, sustainable aviation fuel)

	2019	2020	2021	2022	2023
Scope 1	51,487	30,883	62,815	59,388	25,790
Scope 2	565	141	0	0	0
Scope 3	1,192,659	1,020,541	1,466,497	1,086,833	817,317
<b>Total</b>	<b>1,244,711</b>	<b>1,051,565</b>	<b>1,529,312</b>	<b>1,146,221</b>	<b>843,107</b>
<b>Carbon Credits</b>	<b>36,506</b>	<b>54,107</b>	<b>1,529,312</b>	<b>1,146,221</b>	<b>843,107</b>
Scope 1	51,487	30,883	62,815	59,388	25,790
Scope 2	26,594	28,585	42,291	41,411	30,303
Scope 3	1,234,936	1,067,778	1,471,243	1,110,989	840,778
<b>Total</b>	<b>1,313,017</b>	<b>1,127,246</b>	<b>1,576,349</b>	<b>1,211,788</b>	<b>896,871</b>
Scope 1	51,487	30,883	62,815	59,388	25,790
Scope 2	26,317	29,356	31,937	23,622	15,281
Scope 3	867,804	745,436	1,043,612	805,704	646,848
<b>Total</b>	<b>945,608</b>	<b>805,675</b>	<b>1,138,364</b>	<b>888,714</b>	<b>687,919</b>
Value Added (\$ millions), refer to footnote 8	7,716	9,720	12,365	12,447	14,008
SCOPE 3 Target-Based Intensity (Metric Tons CO <sub>2</sub> e per \$ value added)	112	77	84	65	46
Renewable fuels (e.g., renewable diesel, sustainable aviation fuel)	0	0	1,007	2,033	1,647

<sup>11</sup> Refer to the [appendix](#) for details about our emissions inventory methodology, footprint boundaries and data management process.

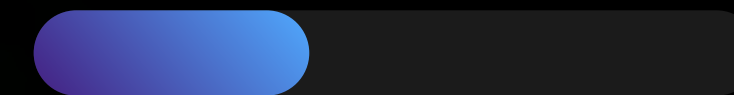


## Carbon Footprint by Business Activity

The largest source of emissions in 2023 came from our **corporate operations** (“corporate”), the second largest came from the **production and licensing of films, series and games** (“production”), followed by a small percentage coming from our **streaming delivery infrastructure and data center providers** (“streaming”). While we were still able to drive quantified emissions reductions through our decarbonization activities in 2023, the WGA and SAG-AFTRA strikes - which resulted in reduced production activity in certain markets (primarily the US, Canada and the UK) - also contributed to the decline in 2023 emissions. We expect production emissions to increase in 2024 as production operations have resumed, which will likely bring them back to be our highest percentage of emissions.

### 2022

#### Corporate



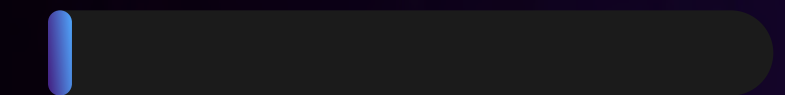
38%

#### Production



59%

#### Streaming



3%

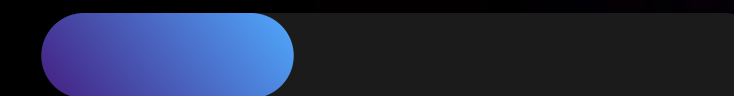
### 2023

#### Corporate



61%

#### Production



35%

#### Streaming



5%



# Our Operations

## Emissions Reductions Transition Plan

To meet these objectives we are focused on four key levers:



**Energy Efficiency:** Identifying the efficiency improvements with the highest return on investment for energy used in our offices and studios;



**Vehicle Electrification:** Transitioning from vehicles that use fossil fuels to electric and/or hydrogen-powered alternatives;



**Clean Mobile Power:** Using alternatives to diesel generators on productions; and



**Renewable Energy:** Using renewable sources of electricity and fuels.

We approach these four levers using a framework in which we first optimize energy use, then electrify it and decarbonize the rest (OED).

### Optimize

We conduct energy efficiency audits, optimize vehicle fleet operations, right-size vehicles and mobile power and give preference to more efficient equipment.

### Electrify

We are working to electrify the equipment that uses the most fuel, such as vehicles, buildings and generators. Where available, we use electric motors, which are more efficient, quieter, produce less odor and are more sustainable — because electricity is more easily decarbonized than direct fossil fuel combustion. Across our productions, we’ve increased the use of mobile batteries and hydrogen-battery powered generators in place of fossil-fuel powered generators. And we are also replacing internal combustion engine vehicles with electric, plug-in hybrid and hybrid vehicles.

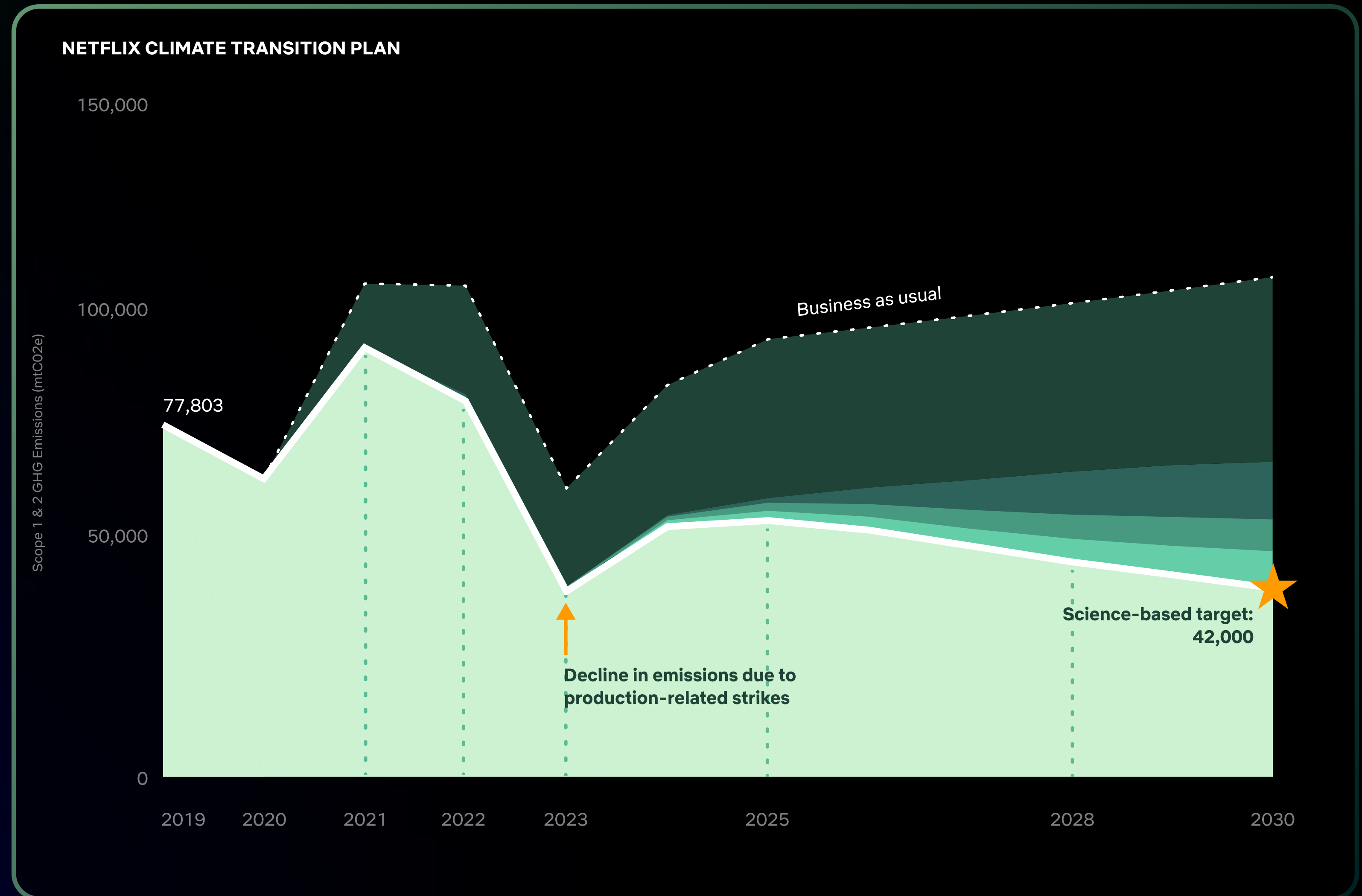
### Decarbonize

When optimization and electrification aren’t possible, we decarbonize the remaining emissions by installing and purchasing renewable energy and sustainable fuels.

Maximizing the solutions available today, while accelerating the market for tomorrow’s solutions, is also imperative. While energy efficiency and renewable energy solutions are cost-effective and can be deployed at scale now, clean mobile power and electric vans/trucks are more nascent technologies. That means they will deliver most of their respective emissions reductions for Netflix in the latter half of this decade. Learn how we are working to implement and scale these solutions in the [Reducing Emissions in the Workplace](#) and [Reducing Emissions in Productions](#) sections below.

Each year, we continually develop and further refine our 2030 science-based Target transition strategy. The following chart illustrates our transition plan to meet our Scope 1 and 2 target, and the decarbonization levers that will get us there.

- Renewable energy: electricity and fuel ●
- Electric Vehicles ●
- Clean mobile power ●
- Energy efficiency and behavior change ●
- Forecasted ●





## Tracking progress against our Science-Based Target for Scope 1 and 2 emissions

We track annual progress against our 2030 Scope 1 and 2 emissions target using the target-based figures noted in the carbon footprint table above. These figures reflect emissions reductions from specific decarbonization actions and those related to direct renewable energy supply (e.g., onsite generation, utility and landlord supply, PPAs or direct investments). They do not reflect emissions reductions resulting from our annual purchase of renewable energy certificates (or environmental attribute certificates). While permissible under current GHG accounting rules, we do not reflect emissions reductions resulting from our annual purchase of retail renewable energy certificates (RECs).

- 2023 Scope 1 and 2 target-based emissions are **51% lower<sup>12</sup> than they were in 2022, and 47% lower than our 2019 baseline year**, largely because of the work stoppages stemming from the WGA and SAG-AFTRA strikes.
- Excluding the production stoppages in 2023, the combined impact of our emissions reductions initiatives across our four priority levers in 2023 resulted in an approximately 55% lower Scope 1 and 2 footprint value than would have otherwise been reported absent these actions.
- The vast majority of our emission reductions still come from renewable energy and sustainable fuels. Transitioning from diesel to electric will take time to scale to a level that will have a measurable impact on emissions reductions.

<sup>12</sup> In addition to emissions reductions from our decarbonization efforts, external factors also influence the calculated emissions total, including data improvements (e.g., improved data quality, updated emissions factors) and changes in core business activities from year to year (e.g., number of self-managed vs. partner-managed productions which can shift the emissions representation between Scopes).



## 2023 Scope 1 and 2 Avoided Emissions Summary Table<sup>13</sup>

Emission Reduction Levers		Emissions Avoided (MT CO2e)			
Action	Sub-Lever	2021	2022	2022	
	Energy Efficiency	Equipment & Controls Improvements	0	162	163
		Right Sizing Diesel Generators	0	51	10
		<b>Sub-Total</b>	<b>0</b>	<b>213</b>	<b>173</b>
	Electric (and other low-carbon) Vehicles	Electric Vehicles	10	75	23
		Hybrid Vehicles	12	31	15
		Plug-in Hybrid	7	52	9
		<b>Sub-Total</b>	<b>29</b>	<b>158</b>	<b>46</b>
	Clean Mobile Power	Hydrogen Systems	22	81	275
		Grid Tie-In	0	967	75
		Hybrid Systems	0	4	40
		Batteries	85	127	28
		<b>Sub-Total</b>	<b>107</b>	<b>1,178</b>	<b>417</b>
	Renewable Energy (electricity & fuels)	Landlord Supplied Renewable Energy	5,702	6,764	7,570
		Utility Supplied Renewable Energy	3,869	9,452	7,205
		Streaming Partners Renewable Energy	3,612	5,705	5,799
		Renewable Diesel	717	1,738	841
		Sustainable Aviation Fuel	174	295	294
		Renewable Natural Gas	0	0	271
		<b>Sub-Total</b>	<b>14,074</b>	<b>23,954</b>	<b>21,980</b>
<b>Total</b>		<b>14,210</b>	<b>25,503</b>	<b>22,617</b>	

<sup>13</sup> For all interventions that are implemented in an effort to reduce carbon emissions, compared to what would have happened absent any intervention, we conduct detailed internal analysis to estimate the emissions impact ("Emissions Avoided").



## Reducing Emissions in the Workplace

### Energy Efficiency

Since Netflix does not own the majority of the facilities we occupy<sup>15</sup>, we partner with landlords and property managers on energy efficiency projects. Building upon the completion of energy efficiency audits at all of our major facilities across North America in 2022, we expanded the audits to all of our major facilities in EMEA. Based on the results of these audits, we are implementing projects within our control at several of our offices and studios. These projects include double glazing windows, temperature setbacks, lighting improvements and controls, plug load controls, daylight sensor installs and equipment upgrades.

In 2023, we broke ground on a major expansion project for our studio campus in **Albuquerque, New Mexico**. Traditionally, heating and cooling is one of the main drivers of energy use for stages and supporting offices. So, we evaluated different ways to reduce — or even eliminate — these emissions. By installing a ground-source geothermal heating and cooling system, we are able to efficiently operate these buildings. At more than 300 feet deep, several hundred closed-loop systems circulate fluid through tubing, taking advantage of the natural steady ground temperature to warm our studios in the winter and cool them in the summer.

We also secured interconnection approval and started construction of an on-site, behind-the-meter, solar and battery storage project at our Albuquerque Studio campus. The **5MW solar and 3MW battery energy storage system** is expected to generate enough carbon-free electricity to supply the entire campus' electricity needs beginning in 2025. This project plays an important role in decarbonizing both the buildings and our production operations in Albuquerque, preventing any increased carbon emissions from anticipated increased electricity use stemming from new stages and offices, an all-electric geothermal heating and cooling system and expanded EV charging on-site.



<sup>15</sup> Almost 90% of the space Netflix occupies is leased.





### Renewable Energy (electricity and fuels)

In 2023, as in previous years, we have matched our global operations with **100% renewable electricity**, covering all electricity consumption in our offices and for productions we directly manage. This was achieved through a range of approaches that include utility-supplied clean electricity, landlord-supplied clean electricity and retail RECs (which represent less than half of the total).

As mentioned in [Tracking progress against our Science-Based Target for Scope 1 and 2 Emissions](#), we don't count retail REC purchases as reductions against our science-based target for Scope 1 and 2.

We recognize that not all renewable energy supply is the same in terms of its positive impact. We recognize that not all renewable energy supply is the same in terms of its impact towards driving new emissions reductions.

### Renewable fuels

We strive to implement zero-emissions solutions where possible, but we can also achieve meaningful reductions in the near term. One way we're doing this is through the adoption of renewable fuels, such as renewable diesel and Sustainable Aviation Fuel (SAF), that have significantly lower life cycle emissions than conventional fuels. In select markets, we are fueling both production vehicles and mobile generators with renewable diesel (using nearly 90,000 gallons in 2023) as we work toward longer-term decarbonization. Similarly, we secured more than **135,000 gallons** of Sustainable Aviation Fuel (a Jet-A replacement fuel that incorporates these lower emissions alternatives), to help support Netflix business aviation in 2023.

Learn more about our efforts as a founding member of the [Sustainable Aviation Buyers Alliance \(SABA\)](#) in our [Industry Collaboration](#) section.

### 2023 Electricity Consumption Summary Table

SCOPE	METRIC	2020	2021	2022	2023
<b>Hardware Infrastructure Electricity<sup>15</sup></b>	Total electricity consumed (MWh)	26,196	33,407	36,110	41,827
<b>Remaining Electricity</b>	Total electricity consumed (MWh)	68,089	123,148	120,857	71,926
<b>Total electricity</b>	Total electricity consumed (MWh)	94,285	156,555	156,967	113,753

<sup>15</sup> Netflix does not own the data centers that house our content distribution network, but we do invest in server technology ([Open Connect](#)). This metric captures the electricity consumption of the Open Connect servers placed in co-located data centers globally.



## Reducing Emissions in Productions

Production-related emissions accounted for **35% of our overall footprint** in 2023. To reduce these emissions over time, we are focusing our efforts on: (1) replacing diesel generators with clean mobile power equipment and (2) replacing diesel and gasoline-powered vehicles with EVs and other low emissions vehicles. All of our production vehicle fleets and mobile power equipment are rented, meaning we have to partner with local equipment suppliers to make sustainable alternatives to fossil-fuel powered equipment available to our productions. In 2023, we tested these clean technologies on all of the scripted productions Netflix directly manages.

We employ sustainability experts who work with the production teams we manage to identify opportunities to reduce emissions and help implement solutions. We also maintain a production resources website that contains tools and resources to introduce our direct and partner-managed productions to the latest clean technologies available in their regions.





### Clean Mobile Power

Using diesel generators has long been an entertainment industry standard and, until recently, effective cleaner alternatives have not been generally available. Cleantech solutions are now coming to market — reducing diesel generator use, while saving fuel and reducing air and noise pollution on set. Learn more about our efforts as co-founders of the [Clean Mobile Power Initiative](#) in our [Industry Collaboration](#) section.

In the past year, **all of the scripted productions** Netflix directly managed — like *Bridgerton S3* and *The Piano Lesson* — incorporated clean mobile power solutions. This includes grid tie-ins, mobile batteries, battery-hybrid generators, solar-powered equipment and hydrogen power units, resulting in fuel reductions with an estimated 418 MTCO<sub>2e</sub> in avoided emissions compared to what they otherwise would have been in 2023.

### Clean Mobile Power Spotlights:





These are just a few examples of how clean energy powered our 2023 productions across the world.



### Batteries

Batteries were used on **more than 90% of the 2023 productions** we directly manage, including in new filming markets. For example, *The Decameron S1* production powered its unit base (sometimes referred to as a base camp), which includes production and cast trailers, with batteries recharged by solar at some of their locations in and around Rome. This technology was new to the Italian market, brought in to support the Netflix series. It's now being integrated into local equipment vendors' rental inventories, helping to create a ripple effect to other productions and studios. Batteries were also deployed on Netflix productions for the first time in Puerto Rico on Neon S1, and in Thailand, on *Mother of the Bride*.



### Hydrogen Power Units (HPUs)

Hydrogen Power Units using green hydrogen were deployed on UK productions that required supplemental power. Throughout *Bridgerton S3*, an HPU powered unit base and tech trucks at their studio, with an estimated 146 MTCO<sub>2</sub>e in avoided emissions. Watch how *Bridgerton* embraced clean mobile power solutions during its season 3 production in [this video](#). Additionally, *Back in Action*, produced in the London area, used an HPU for 24-hour power needs during prep and shooting, including powering the unit base and additional equipment and tents with an estimated 129 MTCO<sub>2</sub>e in avoided emissions. By optimizing the remaining diesel generators and integrating grid tie-ins, hybrid systems and batteries, an estimated 150 MTCO<sub>2</sub>e of avoided emissions were realized through clean mobile power solutions.



### Hybrid Generators

*Supacell* used a hybrid battery generator system while filming around London, helping to reduce emissions. The production was also the first to use Film London's [Grid Project](#) electrical power access cabinets, providing renewable grid power while filming at London's Victoria Park. Combined, these efforts resulted in an estimated 22 MTCO<sub>2</sub>e of avoided emissions. *The Electric State*, produced in Atlanta, also deployed a hybrid system and reduced the run time by nearly **80%** for the generators powering the main unit base and catering with an estimated 17 MTCO<sub>2</sub>e in avoided emissions.



### Electric Vehicles

*Family Switch*, filmed in Los Angeles, integrated seven fully electric vehicles into their production transportation fleet. This included four EV passenger vans to transport crew, one EV cargo van for catering, one EV pickup truck that pulled the director's trailer and one electric SUV for production runs.



**Vehicle Electrification**

Thousands of vehicles are used in our productions behind the camera, and the majority run on fossil fuels. In 2023, **all of the scripted productions** Netflix directly managed, began to incorporate electric, plug-in hybrid and hybrid vehicles. Half of these productions used at least one all-electric vehicle.

We recognize we are in the early days of electric vehicle deployment. We are working to accelerate the transition to low carbon vehicles by engaging with our suppliers and crew and by improving temporary and mobile charging infrastructure (see more below). We have also learned that plug-in hybrids and regular hybrids are good interim transition vehicles for longer-distance driving, meaningfully reducing emissions without creating range anxiety.

These are just a few examples of how clean energy powered our 2023 productions across the world.



In 2023, we installed EV charging infrastructure at studios where we frequently produce series and films. This charging capacity is especially crucial as we prepare for our first electric truck pilots in 2024.

- At Netflix Studios Albuquerque, we installed a 150 kW dual dispenser DC fast charger, one of the first of its kind on a studio lot, along with a variety of Level 2 EV charging options, including “fleet Level 2” stations. Additional DC fast chargers and Level 2 charging will come online in 2024.
- We’ve installed fleet Level 2 stations and a DC Fast Charging station at a studio in Los Angeles and fleet Level 2 stations at Netflix Studios Brooklyn in New York. A project to install multiple DC fast charging stations at a studio in London is also underway.
- To supplement these permanent charging solutions, we’ve invested in temporary DC fast charging equipment that can be deployed to Netflix productions filming at studios without adequate EV charging infrastructure.

★ **Our ability to achieve our emission reductions targets, particularly on productions, requires a broader shift to clean technology across the entertainment industry. To share our learnings, we have partnered with the non-profit We Mean Business to create open-source educational materials that can support small and medium-sized production companies, among others, with their own transition to electric vehicles.**



# Our Value Chain

## Scope 3 Emissions

Scope 3 emissions make up over **95%** of the GHG emissions in our footprint. The majority of these emissions come from Purchased Goods and Services<sup>16</sup> (PG&S) emissions (i.e., goods and services we buy from others), including films and series made for us by other studios. The next biggest category is business travel emissions<sup>17</sup>, including air travel, lodging and travel-related transportation, which account for ~12% of total Scope 3 emissions.

To contribute to the global halving of emissions by 2030, which scientists prescribe as an interim step to reach global net zero in 2050, we have committed to **reduce our Scope 3 emissions 55% per \$USD of value added by 2030**.

Compared to last year, our total Scope 3 emissions were **reduced by about 25%**, and Scope 3 emissions per million USD of value added have decreased by 59% since 2019. Year-over-year emissions reductions can be in part attributed to a smaller volume of productions in 2023 compared to 2022 due to the WGA and SAG-AFTRA strikes. While our Scope 3 footprint is largely driven by the slate of productions we make each year, and is therefore variable, we are also implementing proactive initiatives intended to reduce emissions over time (see below).

While addressing Scope 3 emissions requires collaboration and systemic change (read more about our industry collaboration efforts [here](#)); our near-term priority is to focus on high-impact areas of our value chain where we have more direct influence. To that end, we've developed an approach that helps us focus our decarbonization efforts in a principled and holistic way:

### Principles

01

#### Align

We prioritize Scope 3 decarbonization opportunities in areas that align with existing business priorities and industry advancement, so that we are more likely to achieve scale and bring direct benefit to the business.

02

#### Leverage

We apply the learnings and capabilities we've built in decarbonizing our own productions (Scope 1 and 2 emissions) to partner-managed productions (Scope 3 emissions), where possible.

03

#### Influence

We identify areas of our value chain where our influence, usually in industry-specific areas, enables a measurable impact.

04

#### Educate

We seek out opportunities to educate suppliers about efforts they can make to reduce their impacts, add value to their business and support the Netflix sustainability goals.

### Progress

Netflix value chain emissions are underpinned in large part by electricity usage. In 2023, we kicked off an internal initiative to support renewable energy adoption among our suppliers that deliver digital products and services; this will continue to be a priority area for us in the future. Some of our suppliers, including Amazon Web Services (AWS), already procure large amounts of renewable electricity for the services we buy from them.

Many of the titles that our members watch on Netflix are produced by other studios and third party production companies. We continuously apply learnings from the productions we manage to our partner productions to further cleantech adoption.

We are working to promote efficiency and reuse within our productions and corporate operations. We collaborate with industry groups to support long-term systemic change, and in the near term, identify other areas of our business where we can promote materials and asset reuse. In two recent office retrofits, we reduced 30% of emissions by sourcing reused materials and opting for less carbon intensive materials.

We recognize the power of aligning stakeholders in our supply chain towards a common goal, which is why we invest in supplier education. For example, we contributed to We Mean Business's electric vehicle [training program](#) to promote the adoption of EVs on both the productions we directly produce, as well as those produced by our partners. We also co-hosted The Los Angeles [Cleantech Demo Days](#), which helped to raise awareness about fossil fuel phaseout in our supply chain. We're always looking at ways to scale our engagement with suppliers, and have incorporated sustainability expectations into the [Netflix Supplier Code of Conduct](#).

<sup>16</sup> Scope 3 Category 1, per the Greenhouse Gas Protocol

<sup>17</sup> Scope 3 Category 6, per the Greenhouse Gas Protocol

## Internet Transmission and User Device Energy Use

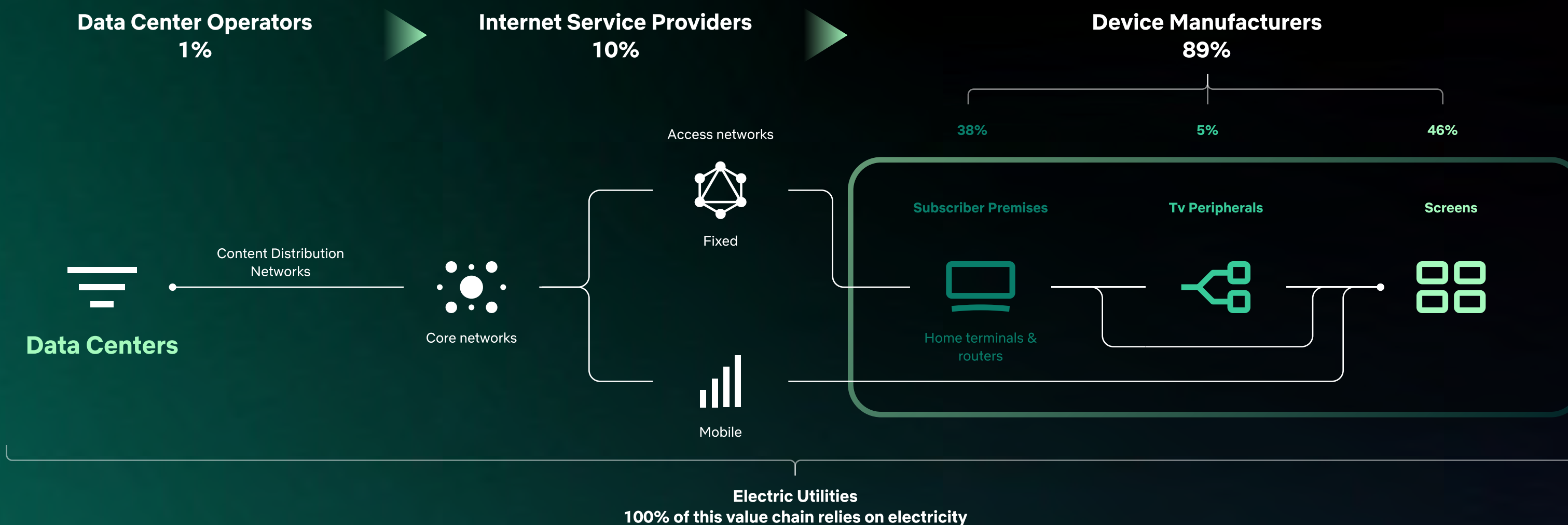
Because internet infrastructure (including data centers) is shared by such a vast number of consumers across so many services, the energy consumption for individual video streams is relatively efficient (i.e., **~10% of total use-phase streaming emissions**).

By contrast, the physical devices our members use (wifi routers, streaming sticks, set top boxes and displays) drive the majority of energy consumption and emissions (~89%). The total carbon footprint of streaming one hour of video is estimated to be approximately 55 gCO<sub>2</sub>e (grams of carbon dioxide equivalents), roughly<sup>19</sup> the equivalent of microwaving four bags of popcorn, or three boils in an electric kettle<sup>20</sup>.

Based on globally accepted greenhouse gas accounting standards<sup>21</sup>, indirect internet- and device-related emissions fall outside of the formal carbon footprint boundary for Netflix. Even so, we still think it is important for us to contribute to industry-wide decarbonization efforts. Beyond decarbonization, efficient digital infrastructure is aligned with our business goals: it costs less and offers a better quality experience.

Netflix is an active member of DIMPACT — a “think and do” coalition aligning industry players around science-backed efforts to reduce the impacts of serving digital media products. DIMPACT equips its members with actionable tools and resources to help reduce emissions across multiple internet-based sectors (i.e. streaming, publishing, advertising, etc). DIMPACT also leverages the latest available research across the digital media value chain to advance meaningful impact, and to provide policymakers with the information they need to design evidence-based policy.

Through our participation in DIMPACT, **Netflix collaborates with other entertainment streamers, Internet Service Providers (ISPs), device manufacturers, and academic and industry experts** to identify best practices, implement cutting edge solutions, and support smart policy that will help decarbonize video streaming and other digital emissions globally. Additionally, while we don’t make devices, we encourage energy-efficient devices through DIMPACT and by engaging device manufacturers directly, many of whom (like Amazon, Meta, Microsoft, Samsung and Sky) already work with the Carbon Trust to tackle the emissions of connected devices.



<sup>19</sup> Based on UK emissions factors, because these comparisons vary by country depending on the carbon intensity of the user’s national grid among other factors.

<sup>20</sup> The True Climate Impact of Streaming

<sup>21</sup> Per the Greenhouse Gas Protocol, indirect use-phase emissions are optional to include. The SBTi also specifies that internet- and device-related emissions are indirect use-phase emissions for software and telecommunication services, therefore optional to include in our footprint and target (Target Validation Protocol for Near-term Targets, Version 3.1, pg. 51).



## Cloud Services and Content Distribution Network (CDN)

Carbon Trust’s [white paper](#) on the Carbon Impacts of Video Streaming determined that the use-phase emissions associated with data center and CDN operations are small (<1%) compared to the rest of the video streaming value chain.

Netflix partners with AWS for our data storage and cloud computation needs, which has a goal of using 100% renewable energy by 2025. In 2023, AWS reported via their [customer carbon footprint tool](#) that due to their successful renewable energy sourcing and energy efficiency initiatives, the electricity powering Netflix computing needs was **99% renewable**.

When it comes to distributing content to our members, Netflix is working to make the process [as efficient as possible](#) with our [Open Connect](#) program. We localize, encode and adapt our stream to end-users’ watching conditions. That way when our members press play, instead of streaming their film or series from halfway around the world, they’re streaming it from around the corner with optimized quality — increasing efficiency for operators while also ensuring a high-quality, smooth viewing experience.



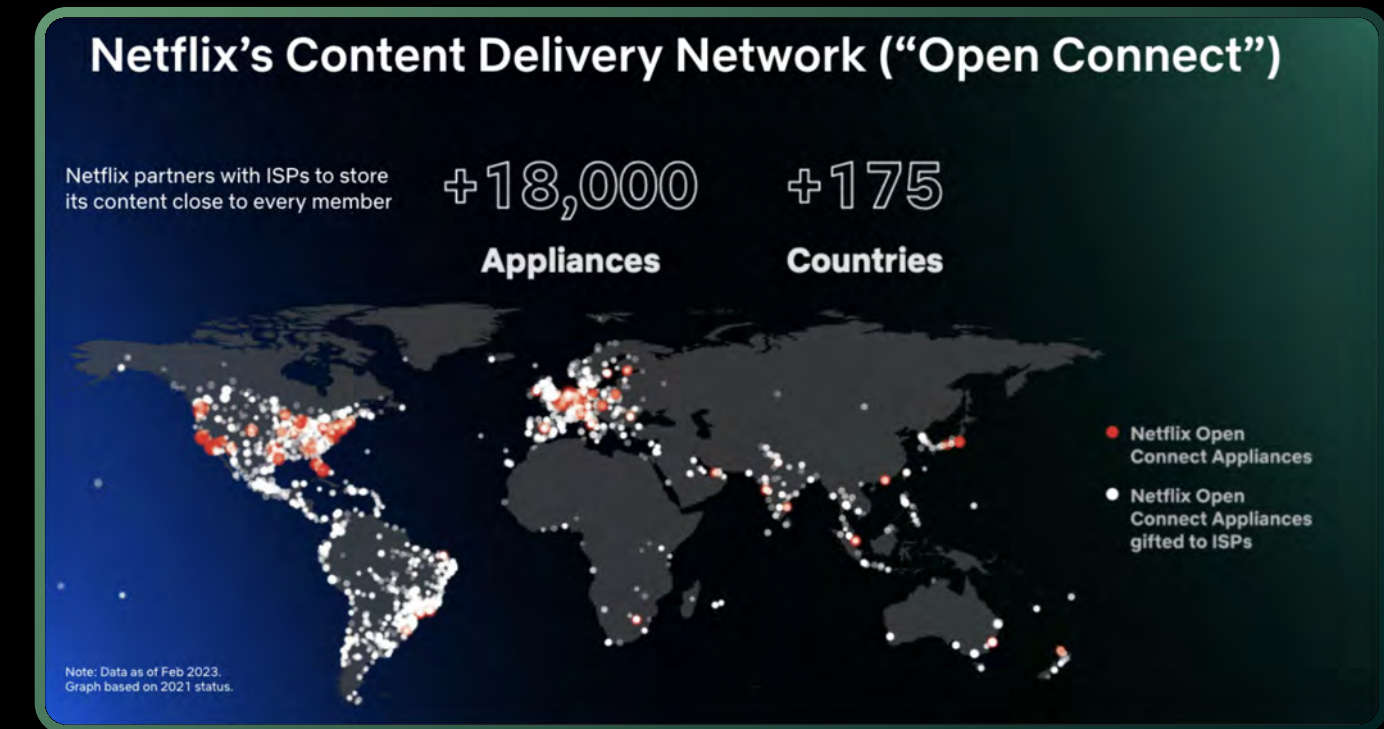
**Localize:** We make over 18,000 servers available for free to Internet Service Providers who operate them in their data centers across over 6,000 locations in over 175 countries<sup>21</sup>.



**Encode:** We develop encoding technology to reduce file sizes and optimize bandwidth use while maintaining high video quality for consumers. In the past five years, we have reduced our bitrates in half — meaning it takes 50% less data today to stream the same amount and quality of video. By 2030, we expect 4K SVOD streams to require less than 10Mbps, which is significantly lower than fiber or 5G connections (in the Gpbs).



**Adapt:** Netflix encodes multiple versions of the same video file, customized to the capabilities of different devices (including legacy ones). The multiple encoding versions adapt to the device automatically. This is efficient since there is no benefit to sending a heavy, ultra high definition video stream to a device with a lower resolution screen. On mobile phones, bitrates are on average around 10 times lower than on TVs, for a similar perceived quality.



We are encouraged by the strong energy efficiency and renewable energy usage trends of both AWS and our own Open Connect program, and we’re committed to continually decarbonizing these processes over time. This is in addition to the [significant efficiency gains](#) the telecom industry has achieved within their own networks.

<sup>21</sup> Keynote Address to the 2023 Mobile World Congress - About Netflix



## Matching Remaining Emissions

To supplement our decarbonization work, we're continuing to match remaining emissions with carbon credits, across all three scopes, each year. Netflix investments in carbon projects help finance climate solutions that are ready for deployment now and secure positive impacts for people, nature and the planet. This core principle is aligned with our Netflix Sustainability strategy, which recognizes the need to make enterprise-level reductions through our operational decarbonization efforts, then invest in carbon credits where reductions are not yet possible. In alignment with science<sup>22</sup>, our purchase of carbon credits is done in parallel to - not in lieu of - our decarbonization efforts<sup>23, 24</sup>.

## Natural Climate Solutions

Natural Climate Solutions<sup>25</sup> (NCS) have the potential to achieve **a third of the global GHG reductions and removals** needed to stabilize our climate and play an important part in protecting and restoring ecosystems to achieve global Net Zero<sup>26</sup>. When designed and implemented correctly, these solutions deliver long-lasting systems-level change within the agriculture and land use sector which is the source of nearly a quarter of annual global emissions. We carefully choose opportunities that make additional and verified climate impact, enhance biodiversity and deliver long-lasting benefits to communities in an equitable manner.

In addition to NCS, Netflix invests in projects that destroy or limit super pollutants, including methane gas, which has 80 times higher global warming potential than carbon dioxide. This makes the destruction and reduction of methane gasses an imperative within the next decade in order to meet the Paris Agreement goals.

*"To avoid the most dangerous impacts of climate change, we need to decarbonize our economies and pursue new carbon removal technologies, and at the same time protect and restore nature around the world. **Without nature, a sustainable climate and planet will be out of reach, and there's nothing we can do with technology that will overcome that.**"*

**Will Turner**

**Senior Vice President, Natural Climate Solutions at Conservation International.**

<sup>22</sup> All scenarios developed by the IPCC that limit climate change to 1.5°C rely on increasing the greenhouse gas sequestration potential of nature coupled with the avoidance of further damage to soils, forests, peatlands, wetlands, oceans and other critical biodiverse sinks - IPCC. (2022). [Climate Change 2022: Mitigation of Climate Change](#).

<sup>23</sup> A [We Mean Business](#) coalition study showed that if the world's 1,700 biggest emitters compensated each year for just 10% of the emissions they have not yet cut, through investments in nature, it would mitigate nearly 30 gigatons of emissions and mobilize up to \$1 trillion in climate finance by 2030.

<sup>24</sup> [US Government Principles for High-Integrity Voluntary Carbon Markets](#)

<sup>25</sup> [Ellis et al., 2024](#)

<sup>26</sup> [Oxford Principles for Net Zero Aligned Carbon Offsetting \(revised 2024\)](#)



## Project Spotlights



### Investing in working forests and forest restoration in Durango, Mexico

Ejidos and communally-owned lands in Mexico represents a unique climate mitigation opportunity that can bring both development and funding to some of the least developed places in the country, through carbon markets. These agrarian communities own at least 51% of the land base in Mexico and together, can make or break the country's ability to achieve its Paris Agreement climate targets.

Netflix's investment in Durango<sup>27</sup> supports five ejidos' efforts to improve the management of their forestland to provide for both livelihoods and nature. This ensures the **sustainability and health of ecosystem services that drive the local economy**, including for tourism. Through activities like selectively thinning poor growing trees to let healthier trees grow, extending the cycle of harvesting and creating natural fire breaks to enhance fire resilience, ejidos generate income from carbon credit sales (70%-85% of revenue goes back to ejidos) to reinvest into their communities as they deem appropriate.

<sup>27</sup> Our Durango portfolio of investments comprise five projects: Los Altares, El Rincon, Silvestre Revueltas, Quebrada de Cebollas, Hacienditas.



### Tackling super pollutants to address local and global air pollution

Cutting methane emissions from municipal landfills delivers the unique benefit of cleaning up the air locally, while simultaneously unlocking the fastest opportunity to immediately slow the rate of global warming. **Methane destruction is often overlooked among climate solutions but is a proven high-impact, near-term investment tackling a fossil fuel worse than coal.**

This is why Netflix invests in projects like the Salvador da Bahia Landfill Gas Management Project. Located in the city of Salvador, the capital of Bahia state in northeast Brazil, the project collects and destroys methane at municipal landfills that serve the city's 3 million residents.

By capturing landfill gas (LFG) on site and destroying it through flaring, the project provides health benefits to local communities. This is because LFG includes traces of other harmful air pollutants, such as ammonia and sulfides which increases the risk of cancer and other respiratory issues, and produces strong unpleasant odors. In addition, the project contributes to the local economy by hiring engineers, equipment vendors and construction firms to support project operations.



## Carbon Credit Portfolio

Our 2023 carbon credit portfolio spans **four continents, six countries and 25+ on-the-ground partners**. All of these credits are third-party verified for climate impact and issued by carbon standards with robust programmatic governance to ensure climate additionality and durability. Netflix performs extensive due diligence before including a project in our portfolio. We use a **five step evaluation process**<sup>28</sup> to select high quality credits that demonstrate economic, community and biodiversity benefits in addition to their environmental benefits. We continually refine our vetting process, staying abreast of transparency and integrity work from groups like Integrity Council for Voluntary Carbon Markets and the Oxford Principles (2024) and monitoring the ongoing improvements of project methodologies.

Approximately 75% of our portfolio consists of nature-based projects for both their ecosystem benefits<sup>29</sup> and ability to transition working lands to sustain nature while providing economic value for people, including indigenous people or those disproportionately affected by climate change. Since 2020, our U.S. portfolio of projects has helped more than **11,000 landowners and farmers sustainably manage 695,000+ acres** of working forests and agricultural land, about the equivalent of the Angeles National Forest<sup>30</sup>.



## Renewable Electricity Credits

For all remaining non-renewable electricity, we retired renewable energy credits (which vary in name<sup>31</sup>, depending on the jurisdiction). These credits come from renewable energy projects located in the same region as where we use power, covering our energy use in over 150 countries.

<sup>28</sup> Refer to the [appendix](#) for details about our evaluation process and screening criteria.

<sup>29</sup> <https://www.ipcc.ch/report/sixth-assessment-report-working-group-3/>

<sup>30</sup> Includes Netflix investments in regenerative agriculture projects developed by Indigo Ag, reforestation project developed by GreenTrees and improved forest management project developed by the American Forest Foundation which will issue credits in the coming years.

<sup>31</sup> For example, Renewable Energy Certificates (RECs) in the US, Guarantees of Origin (GOs) in Europe.



## 2023 Carbon Credit Portfolio<sup>32</sup> (Continued)

PROJECT NAME AND ID	LOCATION	CREDIT TYPE	REGISTRY AND PROTOCOL	PROJECT BENEFITS	SUPPLIER	Metric Tons
Reforestation Degraded Lands in Chile through the use of Mycorrhizal Inoculation ( <a href="#">VCS1055</a> )	Chile; Regions RM, V, VI, VII, VIII	Removal	Verified Carbon Standard AR-ACM0003	Advances biotechnology, biodiversity, local skilled jobs, soil rehabilitation	Mikro-Tek	58,760
Chyulu Hills REDD+ Project	Kenya; Makueni, Taita Taveta and Kajiado Counties	Avoided Emissions	Verified Carbon Standard: VM0009 v3 Climate Community Biodiversity Standard: 2nd Edition	Biodiversity protection, drought prevention, education, local jobs and alternative livelihoods	Conservation International	186,836
Salvador da Bahia Landfill Gas Management Project ( <a href="#">CDM0052</a> )	Brazil; Municipality of Lauro de Freitas, Bahia State	Avoided Emissions (methane)	Clean Development Mechanism: ACM0001 ver.19	Reduced air pollution, local skilled jobs, increased public health	ClimatePartner GmBH	300,000
Supporting Landless Farmers in the Tembien Highlands ( <a href="#">EthioTrees</a> , ID# 104000000014099)	Ethiopia; Hagere Selam 01, Tigray	Removal	Plan Vivo: PM001 Agriculture and Forestry Carbon Benefit Assessment Methodology	Food security, soil regeneration, water conservation	ClimatePartner GmBH	60,000
GreenTrees ACRE ( <a href="#">ACR114</a> )	USA; Mississippi Alluvial Valley floodplain	Removal	American Carbon Registry: Afforestation and Reforestation of Degraded Land v1.0	Floodplain restoration, biodiversity protection, job creation	Arbor Day Foundation	92,000
Ejido florestal Los Bancos ( <a href="#">CAR1392</a> )	Mexico; Municipio de Pueblo Nuevo, Durango	Removal	Climate Action Reserve: Mexico Forest Protocol v3	Ecosystem restoration, skills training, job creation, climate adaptation	Cool Effect	79,200
Durango portfolio of aggregated ejido projects ( <a href="#">CAR 1675, 1704, 1735, 1736, 1737</a> )	Mexico; Santiago Papasquiario, Otaez, and Tepehuanes in Durango State	Removal	Climate Action Reserve: Mexico Forest Protocol v3	Ecosystem restoration, protection of endangered species, strengthen community governance	Carbonof	49,019
Scott River Whiskey IFM project ( <a href="#">ACR733</a> )	USA; Etna, California	Combination Removals and Avoided Emissions.	American Carbon Registry: Improved Forest Management (IFM) on Non-Federal U.S. Forestlands v1.3	Fire prevention, biochar production, watershed restoration	EFM	17,292
					<b>TOTAL</b>	<b>843,107</b>

<sup>32</sup> The total volume of credits listed in the table were retired on behalf of Netflix with the retired volume matching our 2023 remaining emissions. These retirements have been subject to limited assurance by EY.

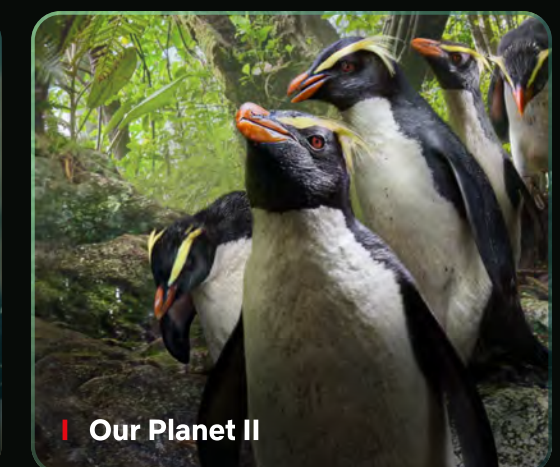


## Sustainability on Screen

Our goal is to **entertain the world**, with the best selection of TV shows and movies for our members. When creators want to include sustainability storylines into their titles we are there to support them. Some of the many examples include comedies such as *Unstable*, documentaries *You Are What You Eat* and *Life On our Planet*, star-studded drama *Leave the World Behind*, sci-fi thriller *3 Body Problem*, reality shows *Next in Fashion* and *Five Star Chef*, international favorites like *Represent* (France) and family fare like *Chicken Run: Dawn of the Nugget*.

We support creators from pitch to play, offering subject matter expertise and research assistance during script development followed by sustainability support during principal photography and launch. We've also curated over 200 sustainability-themed series, films and specials into a Netflix collection: [Sustainability Stories](#).

## Sustainability Stories Collection



200+ titles  
 200M households

200 million households around the world — over 80% of members — chose to watch at least one story on Netflix from our Sustainability Stories Collection



## EVs on screen

Our commitment to using more EVs in shows and films we produce has also been met with enthusiasm by our creators, with **90% of Netflix productions choosing to feature electric vehicles on screen**, from self-driving Teslas (*Leave the World Behind*) to smart cars (*Unstable*) and action cars in chase scenes (*Extraction 2*, *Heart of Stone*, *Spy Kids: Armageddon*). Our 2023 Super Bowl ad with GM, starring Will Ferrell, garnered several awards for excellence this year including a **Clio** and a **Cannes Lions Silver**.



## Earth Week

Our Netflix Family Earth Week celebration in April 2023, including an Activity Booklet with shows, movies and activities for the whole family, was nominated for a **Webby Award** in the Sustainability & Environment category.

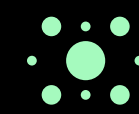


★ Visit the Netflix [Sustainability webpage](#) for more



# Industry Collaboration

The film and television industry is over a century old and has been traditionally powered by fossil fuels. So even though we've set our own climate targets, we know we can't transition entertainment to a cleaner, low carbon industry alone. It's why we partner with other studios and organizations to ensure progress made by one benefits everyone — and because we believe collective actions will yield positive outcomes, faster. We do this through:



**Sustainable production industry groups:** Netflix is a member of several industry groups globally such as the [Sustainable Entertainment Alliance](#) (global), [BAFTA's Albert](#) (UK and global), [Reel Green/On Tourne Vert/Ontario Green Screen](#) (Canada), [Green Motion](#) (Germany) and [Sustainable Screens Australia](#) to help bring more transparency and public advocacy for sector transformation (e.g., [hydrogen hub](#)).



**Clean Mobile Power Initiative:** We know that clean mobile power technologies can help to modernize and decarbonize the entire entertainment industry, but to accelerate their adoption on productions, there needs to be more clean power solutions that meet production needs, and increased awareness and adoption of these solutions on film sets. By co-founding the Clean Mobile Power Initiative (CMPI) together with The Walt Disney Company, with support from non-profit Rocky Mountain Institute and its climate accelerator, we aim to identify and deliver cost-competitive zero emissions mobile power at scale for the entertainment industry. The long term goal is to eliminate diesel generators in top production markets. In 2023, the Clean Mobile Power Initiative established its first accelerator cohort of 10 companies with innovative technologies that have the potential to deliver cost-competitive, zero-emissions mobile power for the entertainment sector — providing alternatives to diesel generators. Additionally, to raise awareness about solutions currently on the market, the initiative co-hosted Los Angeles Cleantech Demo Days with local unions. Learn more about our industry collaboration efforts [here](#).



**Sustainable Aviation Buyers Alliance:** Making a film or series requires air travel. To accelerate progress toward reducing the greenhouse gas emissions from burning jet fuel, Netflix co-founded the [Sustainable Aviation Buyers Alliance \(SABA\)](#). SABA sends market signals to producers of Sustainable Aviation Fuel (SAF) to grow supply, facilitates coordinated procurement activity and ensures the environmental integrity of their claims. In 2023, we partnered with 20 other companies in a procurement process that will result in an investment of nearly \$200 million into the SAF market by purchasing SAF certificates representing 50 million gallons of high-integrity SAF. This represents the largest collection of SAF certificate deals to date. As a supplement to our direct SAF purchasing, these SAF certificates send a strong demand signal to fuel providers, giving them the certainty to produce more low-emissions fuels and the additional revenue stream needed to make future projects happen.

Los Angeles  
**Cleantech  
Demo Days**



We also actively partner with other key business and non-profit consortia to: (1) further our understanding of climate representation on screen, including through [BAFTA](#) and the [Sustainable Entertainment Alliance](#) (as noted above) and the [Climate Entertainment Stakeholders Roll Call](#), a group organized by the [Television Academy](#), [Academy of Motion Picture Arts & Sciences](#), [Creative Artists Agency](#) and [PGA](#) that connects the companies and organizations working in climate entertainment; and (2) advocate for more sustainable policy solutions, including through [CERES](#), [C2ES](#), the [Business Roundtable](#) and the [Motion Picture Association](#).





# Climate Risk

## Governance

The **Netflix Board** oversees the Company's ESG efforts, which includes sustainability, with the assistance of the Nominating and Governance Committee. They receive updates on sustainability and enterprise risk management at Board meetings. **Executive Management** oversees decisions related to climate risk with expert input from internal teams. An annual Company-wide enterprise risk assessment is performed, in which climate risks are considered, and the findings of this assessment are **shared with our Board annually**. Our sustainability program, which includes our climate strategy, is led by our Netflix Sustainability Officer.

## Metrics and Targets

Refer to our public [climate targets](#) and Scope 1, 2 and 3 [greenhouse gas emissions data](#). Measuring our performance against these targets over time helps to inform our climate risk assessment process, in particular our transition risks.

## Strategy and Risk Management

We conducted a climate risk assessment to evaluate a range of climate risks as defined by the [Task Force on Climate-Related Disclosures](#), including physical, regulatory, reputational, market, legal and transitional risks. We also referenced the ESG-Specific Committee of Sponsoring Organizations' (COSO) framework and Intergovernmental Panel on Climate Change (IPCC) research to build a climate risk framework to assess risk to Netflix. We identified the following risks and opportunities, mapping them against current strategies.

★ Refer also to the [TCFD index](#) in the appendix to this report.





## Risks

RISK TYPE	DESCRIPTION	TIME HORIZON	MITIGATION STRATEGY
<b>Acute Physical</b>	Acute physical risks caused by disruption from wildfires, flooding and sea level rise could pose a threat to business continuity and productions in areas impacted by such natural disasters.	Short Term	We produce content all around the world and can be somewhat resilient to issues affecting a particular studio or filming location. As part of our planning for productions, we conduct risk assessments and develop detailed emergency response plans for each potential scenario. During production, we regularly track adverse weather events and other situations that may impact the continuity of our productions and implement plans as needed (e.g., halting production, moving locations, etc.). We will also continue to monitor global physical risks as a part of our enterprise wide risk management and business continuity programs, which will inform additional mitigation strategies.
<b>Emerging Regulation</b>	<p>Regulatory impacts could impose additional costs and limitations on how we produce content and operate our service.</p> <p>Regulatory impacts on traditional energy sources could pose a risk on our license to operate and produce content (e.g., bans on diesel generators in desirable shooting locations) if new comparable technologies aren't introduced in sufficient supply in time.</p>	Medium Term	<p>We partner closely with players across the industry to evaluate, develop and deploy new sustainable technologies as well as seek to operate as efficiently as possible with traditional energy sources.</p> <p>Along with other companies, we have partnered with DIMPACT to help better understand and assess the impact of emerging trends in our industry.</p> <p>Read more about these efforts in the <a href="#">Climate Transition Plan</a> and <a href="#">Our Value Chain</a> sections.</p>

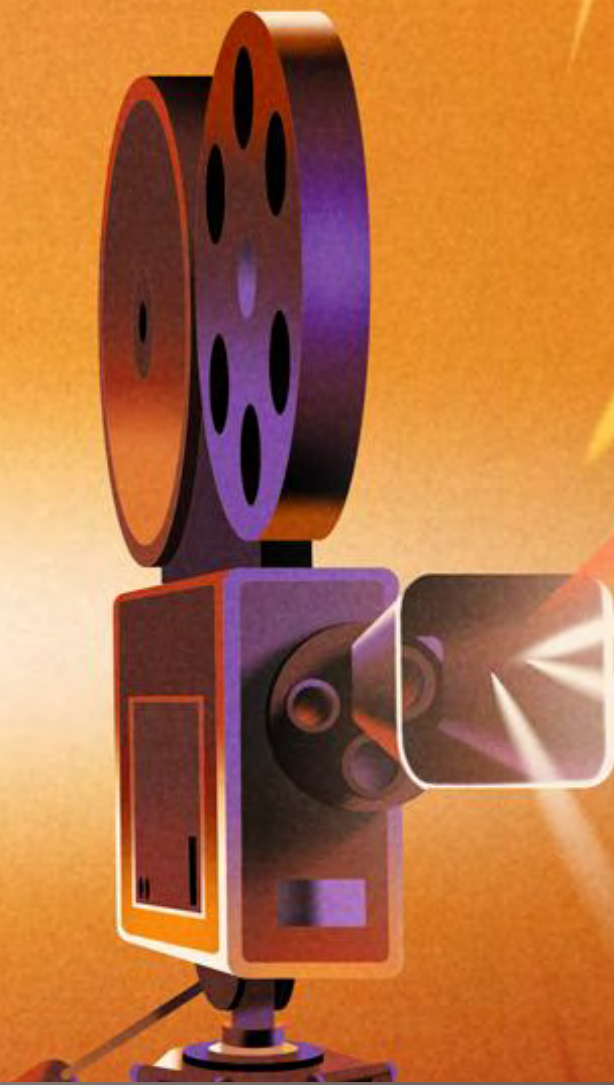


## Opportunities

OPPORTUNITY TYPE	DESCRIPTION	TIME HORIZON	BUSINESS STRATEGY
<b>Resource Efficiency</b>	Energy efficiency in our operations.	Short Term	Netflix conducts energy efficiency audits across our operations and long term lease facilities in order to reduce energy costs and emissions from inefficiencies in our built environment. Learn more in our <a href="#">Our Operations</a> section.
<b>Energy Source</b>	Optimization and electrification of our vehicle fleet across our operations, productions and in our supply chain.	Short Term	Netflix is exploring various ways to optimize fleet use with our suppliers and switching from fossil fueled transportation to EVs. EVs are more efficient, and many models have lower total cost of ownership than gas-powered vehicles. We anticipate that the integration of these practices and technologies will result in net cost and operational savings over the next decade. Learn more in our <a href="#">Our Operations</a> section.
<b>Products and Services</b>	Supporting entertaining and scientifically-informed content that raises environmental awareness.	Medium Term	Learn more in our <a href="#">Sustainability on Screen</a> section.

While the assessment was a useful exercise, the climate risks we identified were all mapped to risk mitigation strategies already in place or underway. The output of this climate risk assessment was also used as an input into our enterprise risk management (ERM) assessment. When evaluated using our ERM methodology, no standalone climate-related risks were identified as significant for the Company.





# Social

In order to entertain the world, we need a Company that reflects the world. Our members also want to see their cultures and lives reflected on screen. We employ people in multiple countries around the world, and work hard to ensure our workforce is as diverse as the members we serve.





# Culture and Engagement

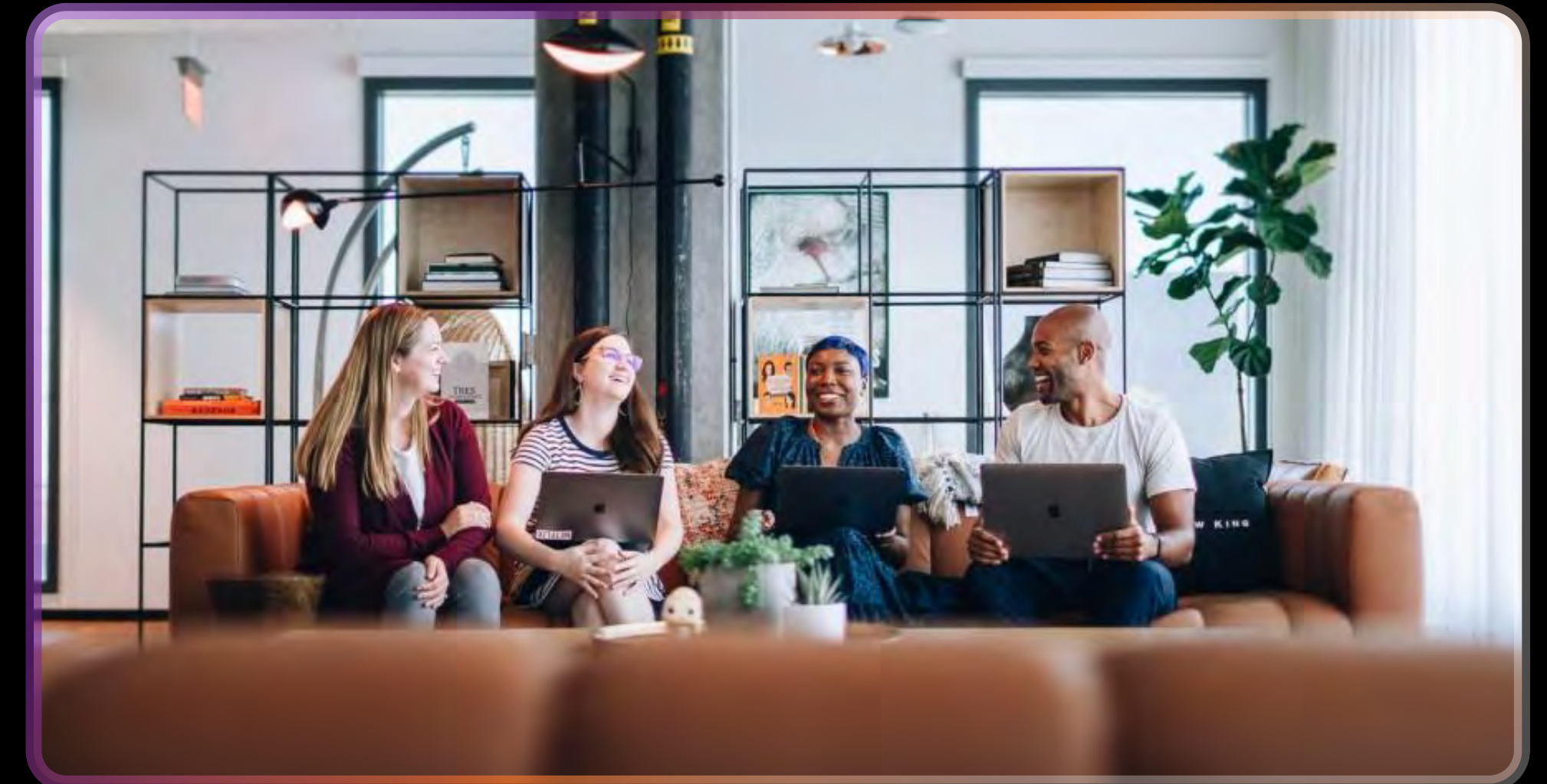
We've developed an unusual company culture focused on **excellence**, and creating an environment where talented people can thrive — lifting ourselves, each other and our audiences higher and higher. We want **everyone, whatever their culture, identity or background**, to be able to do their best work at Netflix. You can read more in our [Culture Memo](#), which we recently updated. We engage employees and seek feedback through regular town halls, surveys, business reviews and memos — which we often share broadly, inviting comments.





# Inclusion & Diversity

Our first inclusion report looked at “representation within the Company, how we plan to increase it and how we cultivate a community of belonging and allyship.” Over the last four years, we’ve continued to make progress through our inclusion and diversity (I&D) programs.







# Identity (Who we are)

Netflix uses a Self-ID survey to allow employees to self-identify across various dimensions of identity beyond race & ethnicity, and gender. The data presented in the I&D section are drawn from that self-reported data.

## Gender Identity (Global)<sup>33</sup>

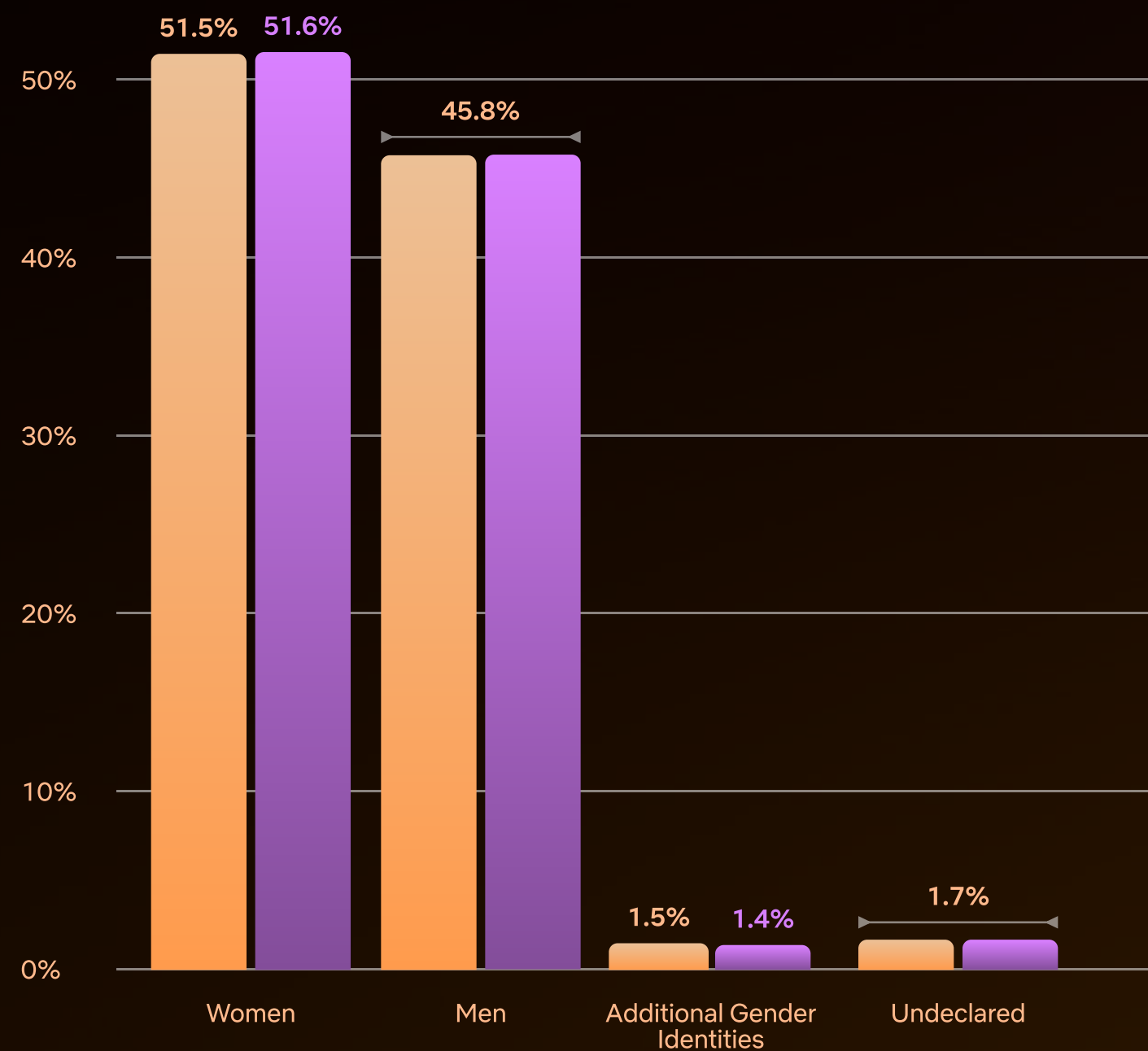
Across gender identities, our data remained relatively steady compared to 2022. Women make up **51.6%** of our workforce and have the highest representation at Netflix. Women also make up the highest representation of Director+ jobs at Netflix (**52.4%**). Men and additional gender identities<sup>34</sup> remained relatively flat at 45.8% and 1.4%, respectively in 2023.

## Senior Leadership

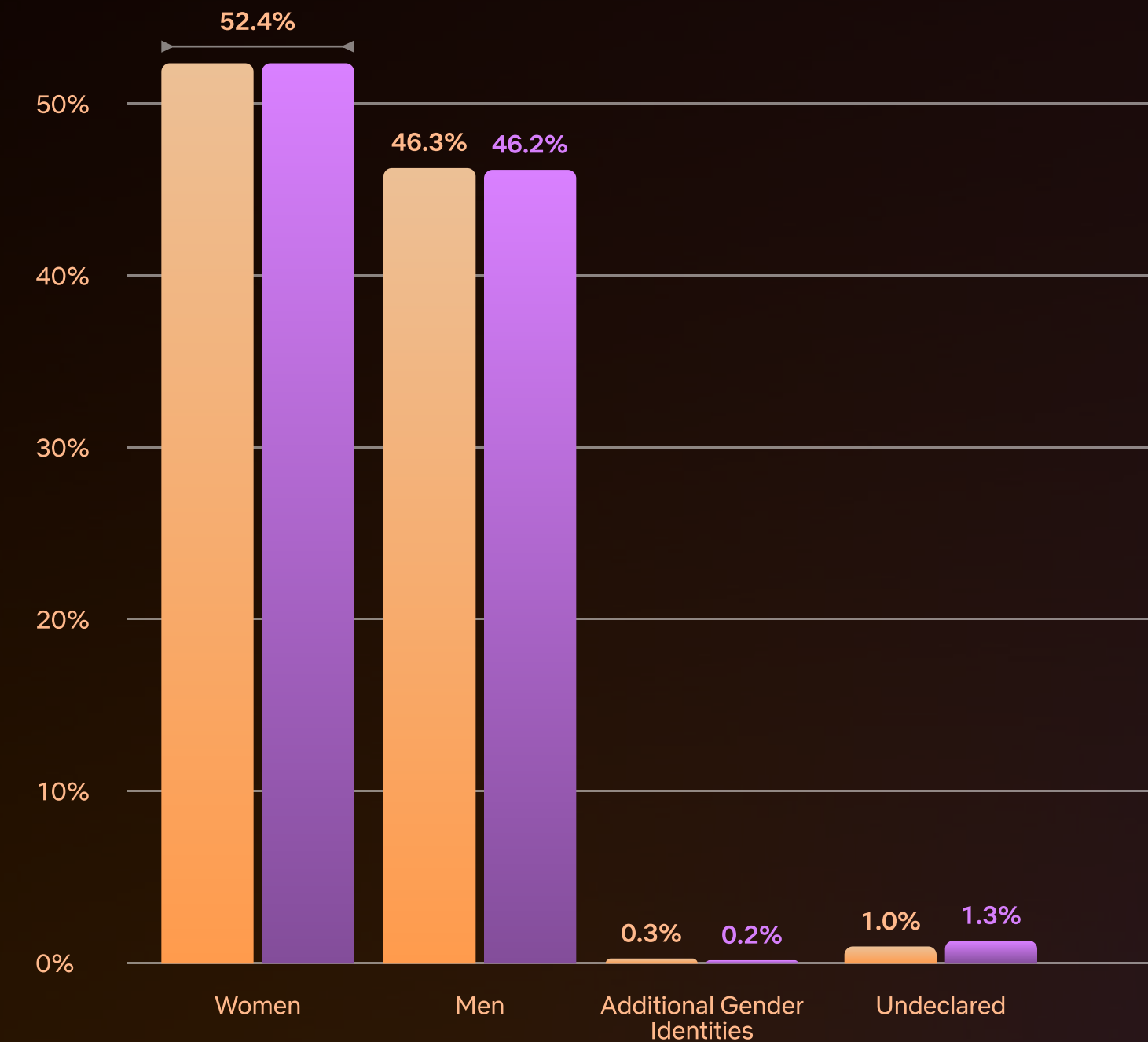
Of our 22 senior leaders<sup>35</sup>, **36.4%** (8) are women.

### GENDER IDENTITY (GLOBAL)

All Jobs Levels



Director+



<sup>33</sup> The data for gender identity represents approximately 78% of our global full-time employees (as reported in our 2023 10-K). Employees who are not represented in this data include: those that did not complete the Self-ID survey; those who are part of a business unit for which we haven't administered the Self-ID survey; and/or those who are located in a country where we cannot legally collect this data.

<sup>34</sup> Netflix acknowledges and honors that gender is non-binary, so employees can self-identify from categories outside of man or woman.

<sup>35</sup> Data represents our leadership team as of 12/31/23.

\* Undeclared means that an employee selected the option "I choose not to disclose" when completing their Self-ID survey



## Race/Ethnicity (US)<sup>36</sup>

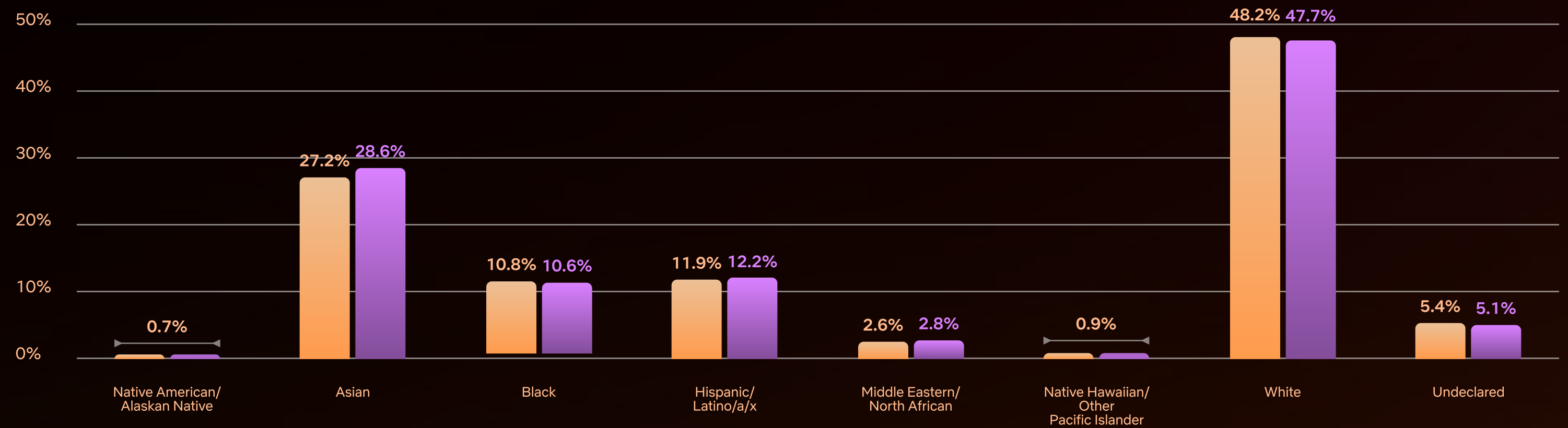
Over half of our US workforce (**55.8%**) is made up of people from one or more historically underrepresented ethnic and/or racial backgrounds<sup>37</sup>, including Asian, Black, Hispanic or Latino/a/x, Middle Eastern or North African, Native American and Pacific Islander. This is a slight increase from 2022 (54.1%).

### Senior Leadership

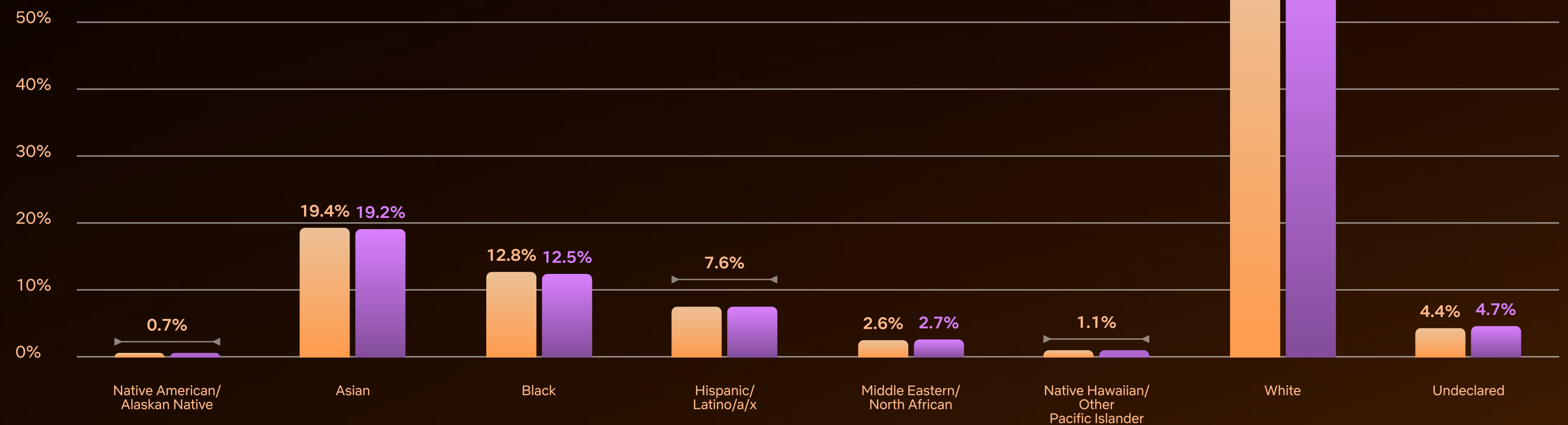
Of the 19 US based leaders on our senior leadership team in 2023<sup>38</sup>, **42.1%** (8) self-identify as belonging to one or more historically underrepresented ethnic and/or racial backgrounds.

### RACE/ETHNICITY

#### All Jobs Levels



#### Director+ Jobs Levels



<sup>36</sup> The data for race/ethnicity represents approximately 96% of our US full-time employees (as reported in our 2023 10-K). Employees who are not represented in this data include: those that did not complete the Self-ID survey and those who are part of a business unit for which we haven't administered the Self-ID survey.

<sup>37</sup> Our data collection methods allow employees to share multiple self-identities (e.g., Black and Asian compared to only "multi-race"); therefore, percentages can add up to more than 100%.

<sup>38</sup> Data represents our US-Based leaders on our leadership team as of 12/31/23.



# Recruitment and Retention

**Hiring@Netflix** is at the center of the Company's talent acquisition strategy and provides tools for a strategic, rigorous and inclusive hiring process. The program covers inclusive sourcing, reducing bias and creating a positive and consistent interview experience. Netflix also invests in recruiting events, job boards and external organizations like [AfroTech](#), [ADCOLOR](#), [Latinas Rising Up in HR](#), [The LGBTQ+ Bar](#), [Perspektywy Women in Tech](#) and more, with the goal of **meaningfully connecting with underrepresented communities and diversifying our pipelines.**

Investing in Emerging Talent is an opportunity to bring additive perspectives to complement our existing workforce and accelerate business innovation. We continue to deepen our investment and create opportunities for those early in their career. In 2023, we celebrated our third official year of intern and new graduate programs and **hired 247 students** (113 Interns, 134 new grads) across Engineering, Data & Insights, Design, Marketing, FinOps, Content Operations and Innovation (formerly Studio Operations), and Content Production. Our talent came from 83 different schools and based on candidate's self identification data, the class representation (interns and new grads) was **18% Black**, **23% Hispanic/ Latino/a/x** and **45% women**.

Creating a diverse workforce requires developing talent who have been historically underrepresented in our industry. That's why we've invested in the [Pathways Program](#) designed to connect underrepresented students with training and mentorship opportunities to hone their technical skills and prepare them for entry level roles at Netflix and beyond. Since its inception in 2020, **334 students** have participated in the Pathways Program.

Once someone accepts a job at Netflix, we offer everything from inclusive benefits that prioritize the well-being of our employees, to intentional growth and development opportunities for all employees, to company engagement initiatives. We want every employee to feel like they belong, have an opportunity to grow and can shape how we work — helping us find better ways to accomplish more together.

## Recruitment and Retention Data

### Gender (global)

01

We hired more women (**49.4%**) than men (**47.8%**) across all job levels.

02

Women represented a lower share of attrition (**48.8%**) compared to their share of the overall workforce (**51.6%**), while men and additional gender identities represented a higher share of attrition (47.7% and 2.7%, respectively) compared to their share of overall workforce representation (46% and 1.3%, respectively).



### **Europe, Middle East, and Africa (EMEA) Engineering Hub**

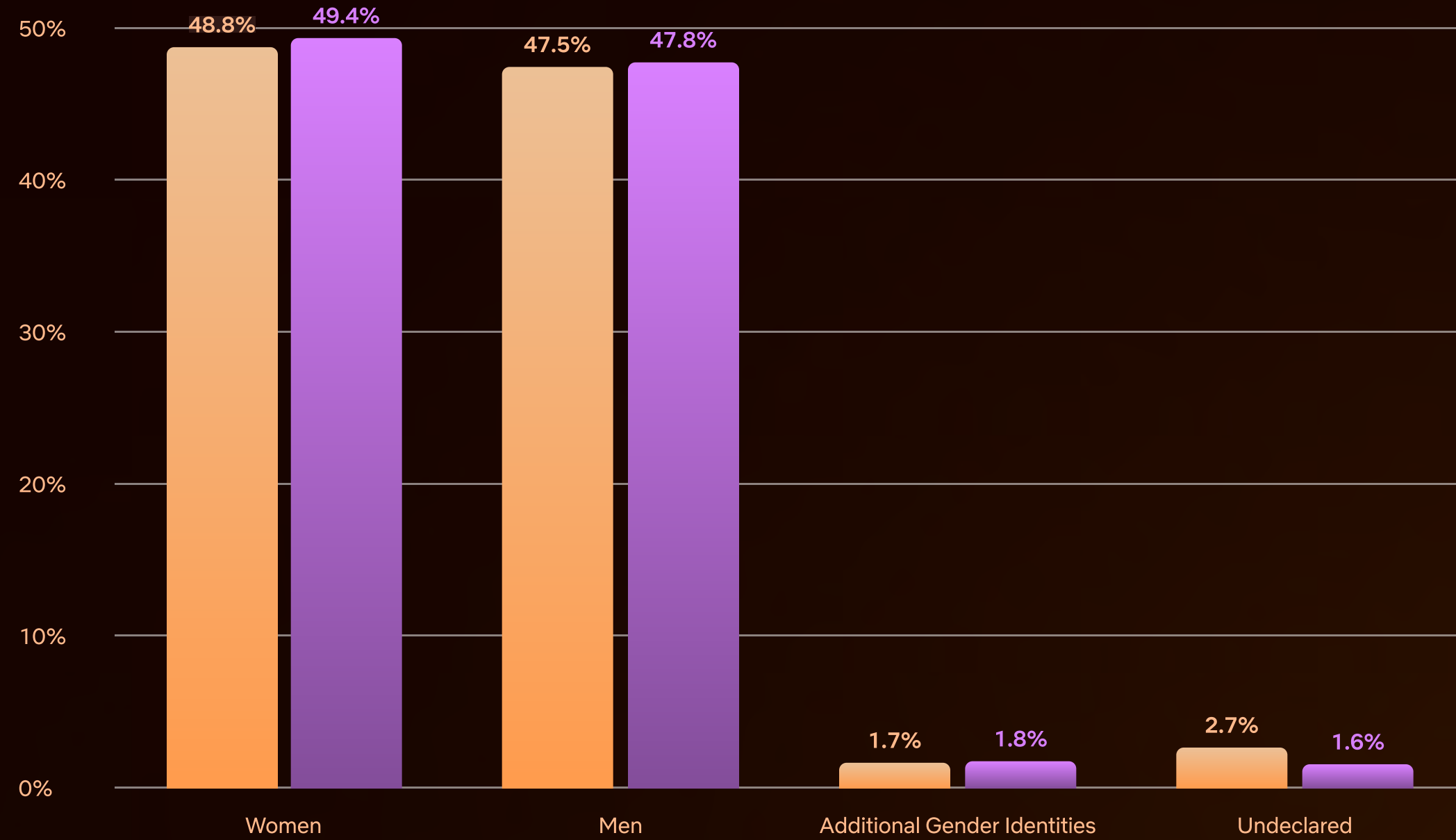
Last year, we opened our first EMEA Engineering Hub in Poland. As part of our commitment to I&D, we invested in a series of events aimed at connecting with local talent, with a special emphasis on sourcing underrepresented talent. As of the end of 2023, 50% of engineering managers hired to the Hub were women.



Gender (global) (continued)

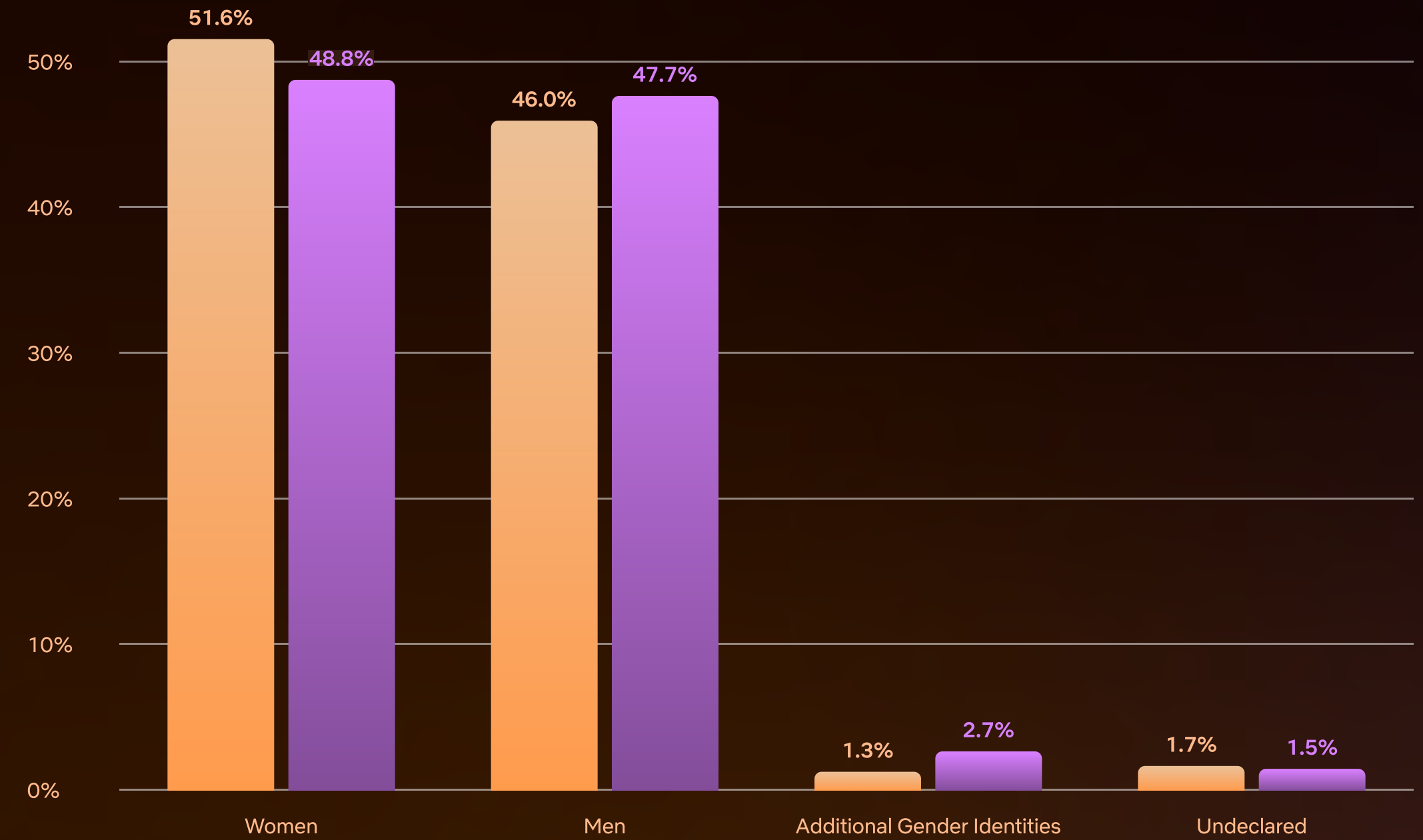
**HIRING**

All Job Levels<sup>39</sup>



**ATTRITION REPRESENTATION<sup>40</sup>**

All Jobs Levels



2022

2023

<sup>39</sup> Data excludes employees from acquisitions & internal transfers.

<sup>40</sup> This data reflects exits (both voluntary and involuntary) by employees of a particular group as a percentage of total employee exits within the respective year.



Race/Ethnicity (US)

01

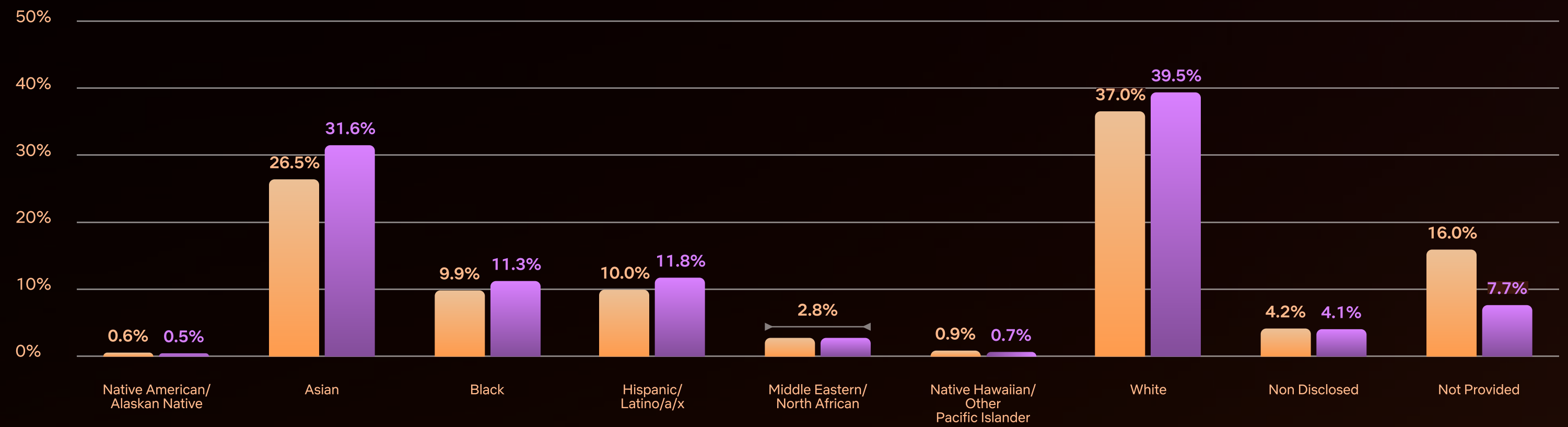
Employees from one or more historically underrepresented ethnic and/or racial backgrounds made up **63.4%** of employees hired in 2023.

02

Asian and Hispanic/Latino/a/x employees represented a lower share of attrition (26% and 13.6%, respectively) compared to their share of overall workforce representation (28.6% and 12.2%, respectively). Black employees represented a higher share of attrition (13.8%) compared to their share of overall workforce representation (10.6%)

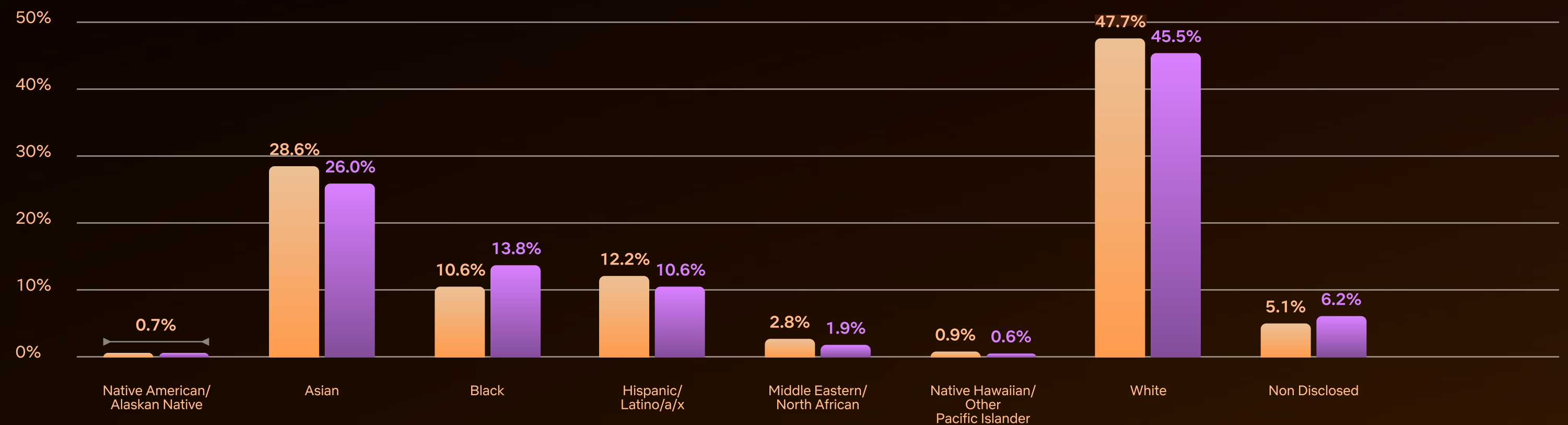
HIRING

All Jobs Levels



ATTRITION

All Job Levels







## Pay Equity

We are committed to **paying all of our employees** equitably. That’s why we conduct pay equity analyses at least once a year to ensure compensation is on par across similar work in the same location, with similar skills and levels of performance. We don’t want employees from historically underrepresented groups to be underpaid based on gender (globally) or race/ethnicity (US) relative to others doing the same or similar work under comparable circumstances. Every component of 2023 compensation<sup>41</sup> was used in the analysis. When we find pay gaps, we aim to fix them — and the results of this analysis are shared here.

### GENDER<sup>42</sup>

Adjusted Pay Equity<sup>43</sup> Global

Men compared to Women and Additional Gender Identities

Women and Additional Gender Identities earn  
**99¢ for every \$1** earned by Men.

### RACE / ETHNICITY<sup>44</sup>

Adjusted Pay Equity United States

White employees compared to employees with one or more historically underrepresented ethnic and/or racial backgrounds

Employees who are from historically underrepresented ethnic and/or racial background earn  
**99¢ for every \$1** earned by white employees

## Deepening our Culture of Inclusion and Belonging

Representation is only part of the journey. We also want Netflix employees to feel included and valued so they stay with us over the long term. That’s why we’ve been working to help employees at every level move from awareness about diversity, equity and inclusion to action and impact more quickly. In the last year, nearly **900 of our people leaders** around the world have participated in small group workshops on Leading Inclusively. We also have groups of inclusion advisors in all regions and functions helping develop best practices in hiring, compensation, onboarding, feedback, growth and development.

To help us build a more inclusive working environment, we now have **18 Employee Resource Groups (ERGs) with over 6,000 employees in 83 chapters globally**. These ERGs help create a positive and welcoming environment for employees from historically underrepresented communities at Netflix, raise our collective consciousness around diversity and inclusion issues, and support recruitment, retention and employee engagement.

<sup>41</sup> Including base salary, equity and bonus (applicable to only our co-Chief Executive Officers in 2023)

<sup>42</sup> The pay equity data for gender represents an analysis of approximately 76% of our global full-time employees (as reported in our [2023 10-K](#)). Employees who did not complete the Self-ID survey, did not declare a gender, are part of a business unit for which we don’t collect representation data or are located in a country where we cannot legally collect this data were not included in the analysis. We are committed to expanding the coverage of employees included in the pay equity analyses for gender in an effort to include all global employees, where collection of data is allowed, and increase transparency.

<sup>43</sup> Adjusted pay equity measures the difference in pay between two groups being compared (e.g., between men and women), statistically adjusted for factors such as job, level and geography.

<sup>44</sup> The pay equity data for race/ethnicity represents approximately 85% of our US full-time employees (as reported in our [2023 10-K](#)). Employees who did not complete the Self-ID survey, did not declare their race/ethnicity or are part of a business unit for which we don’t collect representation data were not included in the analysis. We are committed to expanding the coverage of employees included in the pay equity analyses for race/ethnicity in an effort to include all US employees and increase transparency.

★ [Visit the Netflix Inclusion webpage for more.](#)



# Benefits and Wellbeing

We offer our employees benefits built around four strategic pillars: physical health, mental health, family and financial. Here are a few highlights:

## Benefits Highlights:



### Physical Health

Medical benefits work differently by country, but no matter where an employee lives, we make sure they and their families are covered. We also focus on accommodations and workplace adjustments to allow employees with one or more disabilities to be productive and successful.



### Mental Health

Mental health is an important part of overall health, so we offer various programs to support employees and their dependents. Globally, we provide access to mindfulness and meditation resources, as well as free therapy and coaching sessions. Our primary goal is to sustain high performance by focusing on integrating wellbeing into our operations.



### Family Benefits

Netflix offers a global family forming and fertility health benefit to support employees during their fertility health, surrogacy, adoption and family forming journeys. This benefit is available to employees and their spouse/domestic partner, regardless of marital status, gender identity or sexual orientation. We also recognize that one of the most important events in many of our employees' lives is the birth or adoption of a child, which is why our parental leave policy is "take care of your baby and yourself."



### Financial Benefits

We provide employees the opportunity to prepare for their futures through our retirement-savings benefits, which vary by country.





## Employee Giving Program

Philanthropy at Netflix is driven by employees through our Employee Giving Program, where we allow employees to donate to causes that are meaningful to them. When an employee donates to a charitable organization (from over 2 million eligible organizations in 200 countries), Netflix matches it with **2x the donation** amount, with an upper limit of \$20,000 per employee per year for all donations and matches. We also offer a volunteer match program, encouraging Netflix employees to donate time by volunteering. For every hour an employee volunteers with an eligible cause, Netflix donates \$50 to the same cause as part of each employee's annual match maximum. This democratizes giving decisions, and incentivizes employees to support causes they're passionate about.

In 2023, total giving as part of the Netflix Employee Giving Program was approximately **\$35.7 million**, and supported over **5,000 charities** worldwide. More than **32%** of our employees participated in the Employee Giving Program, including by performing more than **16,000 hours** of volunteer work.







# Progress in Developing Talent Across Our Films and Series

Better representation on-screen starts with better representation behind the camera. That’s why we’re always working to include new voices and discover the next generation of storytellers.

## USC Annenberg Inclusion Report

We partner with the [USC Annenberg Inclusion Initiative](#) to examine several inclusion metrics (e.g., gender, race/ethnicity, LGBTQ+, disability) in our US-commissioned films and series. In 2021, we released our first-ever study and committed to publicly releasing our progress every two years through 2026. In 2023, we [shared](#) the next round of research looking at Netflix US films and series from 2020 to 2021. While there is still work to do when it comes to representation of specific racial/ethnic groups, including Latinx, Middle Eastern/North African, Indigenous and Native Hawaiian/Pacific Islander communities, the new findings showed **notable gains year-over-year for women and people from underrepresented racial/ethnic groups**. Read the executive summary [here](#) and the full report [here](#).

### Gender equality in leading roles



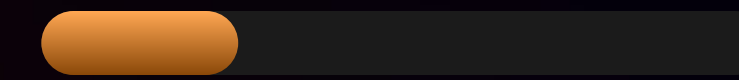
**55%**  
More than half (55%) of all Netflix films and series from 2018-2021 featured a girl or woman as the lead or co-lead.

### More People of Color in Leading Roles



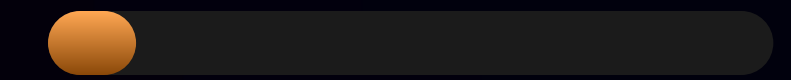
**47%**  
In 2020-2021, nearly half (47%) of Netflix films and series featured a lead or co-lead from an underrepresented racial/ethnic group.

### More Women Behind the Camera



**26.9%**  
In 2021, 26.9% of directors on Netflix films were women, compared to 12.7% across top-grossing films that same year. And 38% of show creators in 2021 were women, substantially higher than 26.9% in 2018.

### Women of Color Behind and In Front of the Camera



**11.8%**  
Women of color increased significantly as series directors from 5.6% in 2018 to 11.8% in 2021 — with similar growth for writer and creator roles. Nearly a third of films (27.7%) and more than half of series (54.75%) in 2021 had women of color as leads/co-leads.



## Fund For Creative Equity

In 2021, we established the [Netflix Fund for Creative Equity](#), a commitment of **\$100 million over five years** aimed at creating new opportunities for people from underrepresented communities in entertainment. Through the Fund, Netflix supports external organizations that are committed to creating more equitable opportunities in the TV and film industries, as well as [bespoke Netflix programs](#) designed to help us to identify, train and provide opportunities and access to jobs for up-and-coming talent globally.

As of the end of 2023, we've committed over **\$41 million** towards these initiatives, supporting over 13,000 people through more than 200 programs, reaching people in more than 50 countries around the world. Over 450 people from our programs have gone on to work on Netflix productions in a variety of roles, ranging from line producers and associate editors to casting assistants and grips. Read the latest updates on the Fund for Creative Equity [here](#).

*“For three years now, the Netflix Fund for Creative Equity has crafted and invested in programs that strive to nurture and grow the next generation of talent in film and entertainment. It's wonderful to see how these creatives have excelled in their careers and we look forward to continuing our work of expanding opportunities for storytellers everywhere.”*

**Tiffany Burrell**  
Director of Talent Development, Netflix



Invested more than **\$41 million** in programs over the past 3+ years



Supported over **13,000 people** through more than **200 programs**



Established more than **200 programs in over 50 countries** around the world



Over **450 people** from our programs have gone on to work on Netflix productions



## Program and Creator Spotlights

Here are a few of the programs and creators we supported in 2023.



### Kahina Ben Ama

#### Graduate from the La Fémis Résidence program in France

"I joined the Netflix program thanks to my course at the Residence of La Fémis. I had the honor of being able to work with the creators and showrunners of the series **Furies**. I was lucky to accompany the entire show from the start of writing until the end of filming. It was rich and dense to be able to follow all the stages of the process, ie. writing, development, filming as well as a little post-production for almost three years. Overall, this on-the-job experience was **incredibly enriching for me**, it's like a kind of accelerated training, it allowed me to learn a lot about writing a series, the whole creation of one's identity and the job of a showrunner that I could never have learned just by doing theory".



### Jabbar Raisani

#### Graduate from the Netflix Series Director Development Program in the US and current Executive Producer of Netflix series "Avatar: The Last Airbender"

"Participating in the 'Netflix Series Director Development Program' was a **transformative experience** in my career. I learned first-hand from incredibly accomplished directors and actors, gaining insights that continue to shape my work today. I wholeheartedly recommend this program to aspiring directors."



### Olga Jarzebiak

#### Graduate from the Film Your Future program in Poland

"When I started this project, I felt lost. I did not know what direction to take. However, now that it is over, I am incredibly appreciative of the experience because those ten days taught me more than the previous six months combined. I got to collaborate with amazing individuals and experience a lot of new things. And although I had little prior editing expertise, I was able to state with pride on the last day that I assisted with the editing of one of the films at the Film Spring Open. It opened up new opportunities, and **I'm determined to pursue an editing career**. These were undoubtedly some of the most intense and productive days of my life"



### Mujeer Pasha

#### Graduate from the QueerFrames Screenwriting Lab in India

"I am a self-taught filmmaker, so I have always been on the lookout for opportunities to learn the form. QueerFrames gave me the mentorship support and creative push to tell powerful queer stories. As a queer Muslim individual making films, the program has had a huge impact on me. I was able to access my voice that I had repressed over the years. **It gave me courage and hope and helped me tell the stories I have always wanted to**. I also found a nurturing community of queer filmmakers wanting to create a better world for LGBTQIA+ people."



### Canella Williams-Larrabee

#### Graduate from the Netflix/ Shondaland Producer's Inclusion Initiative in the US

"I had an invaluable experience participating in the Netflix & Shondaland 2022 cohort. The session speakers were at the top of their field as well as engaging and **collaborative, helpful and enthusiastic**. The sessions were all offered virtually and still provided a high level of interaction and useful information that future Line Producers can take and apply to future producing work."



### Lloyd Lee Choi

#### Recipient of the Future Gold Film Fellowship in the US

"The Future Gold Film Fellowship was such an incredible experience, with Netflix, Gold House and Tribeca Films providing funding and support for our short film CLOSING DYNASTY. The creative feedback and mentorship were so crucial every step of the way during prep, production and post. The success of the film on the festival circuit undoubtedly helped build the momentum needed to get my first feature film off the ground, and for that, **I'll be forever grateful**."



## Progress in Partnerships

### Supplier Diversity

We're working to make sure our consideration of potential suppliers and vendors include diverse backgrounds. This helps create jobs and opportunities in communities where we do business, often for people who've been historically marginalized. In 2023, we spent nearly **\$600 million on suppliers from underrepresented communities**, which represents a decrease from 2022 due primarily to variability in production spend.

### Supporting Black Banks and Financial Institutions

In 2020, we announced that we planned to move 2% of our cash holdings — initially up to \$100 million — into Black banks and similar financial institutions to help create economic opportunities for Black communities in the US. After we fulfilled our initial pledge, we expanded that investment to 2% of our cash and short-term investment holdings. As of December 31, 2023, we've committed **\$140 million**.

### PARTNER SPOTLIGHTS

#### Black Economic Development Fund

In 2020, we worked with LISC Fund Management (LFM) to create the Black Economic Development Fund (BEDF) with a seed investment of **\$25 million**. The Fund is designed to address economic challenges in the Black community and help close the racial wealth gap. Over the last three years, BEDF has grown into a \$250 million mission-driven fund investing in Black-led developers, financial institutions, anchor organizations and businesses, with a goal of growing these organizations and strengthening their contributions to the Black community. From inception to the end of 2023, Netflix contributions supported BEDF's investment of nearly \$212 million in black-led transactions: \$17 million in deposits to Black-owned banks; \$29 million to Black-owned businesses; and over \$166 million in Black-led real estate developers.

*“Netflix’s anchor investment of \$25 million has been instrumental in the creation of the Black Economic Development Fund, enabling us to invest in the Black community in a bold way. **Without the support of visionary partners like Netflix, this transformative initiative may have never come to fruition.** We are deeply grateful for their partnership and look forward to continuing to drive positive change together.”*

**Michelle Spivak**  
 Senior Director, LISC Fund Management







Hope Credit Union was one of the first investments we made to build economic opportunity in Black communities. Since then, we've supported the financing of more than 2,500 entrepreneurs, homebuyers and consumers of color. To learn more about these investments and their impact, check out the YouTube web series "**Banking On Us**" ([Ep 1](#) | [Ep 2](#) | [Ep 3](#)).



Netflix leverages CNote's technology to support cash management into diversified deposits targeting social impact. Netflix has committed \$6 million to CNote Impact Cash® funds to be deposited with mission-driven depository institutions (DIs). Deposits are deployed with a network of impact-driven depository institutions which have supported over 16,000 Black, Indigenous, People of Color (BIPOC) and low-to-moderate income communities and individuals, as well as women entrepreneurs.

Additionally, Netflix made a fixed income commitment of **\$16 million** supporting loans to community development financial institutions (CDFIs) with a focus on racial equity and disability. These CDFIs provide funds to support individuals with physical disabilities, those suffering from mental illness, those recently released from incarceration or recovering from substance abuse issues and members of BIPOC communities who have been denied access to capital or services.

*"As a women-led B-Corp, we're delighted to collaborate with Netflix, a leader in promoting racial justice, in our shared goal of reimagining how corporations invest in Communities of Color. Hand in hand, we're charting a new course for corporate responsibility."*

**Catherine Bermans**  
 CEO of CNote







# Privacy, Security and Accessibility on Our Service

Empowering people to easily choose and experience films, series and games they love is critical to a member’s joy every time they go to Netflix. We design our products to protect the privacy and security of our members, and to be inclusive and accessible to everyone.



## Privacy

When members sign up for any plan we ask for very limited information— email, name and method of payment. In some countries, Netflix also offers an ad-supported plan which allows members to enjoy our service at a lower price with limited ads. When someone signs up for our ad-supported plan, we also ask for date of birth and gender.

Our **Personal Information Handling Principles** ensure our engineering and business teams are aligned on our approach to privacy. And our [Privacy Statement](#) provides members with a detailed explanation of our privacy practices, including: the information Netflix collects or receives from each member; information from our partners; how we use and disclose it (including advertising that we conduct off Netflix to promote our service); and the controls each member has in relation to their personal information.

For our ad-supported plans, members have the ability to opt-out of the selection of ads based on third party behavioral advertising (i.e., ads selected based on use and/or interactions with unaffiliated third party websites and apps over time). We offer members the ability to exercise these opt-outs through a simple in-service control — and we do not share information about what individual members watch with advertisers.



## Information and Cybersecurity

We regularly assess risks from cybersecurity and technology threats and monitor our information systems for potential vulnerabilities. We use a **widely adopted risk quantification model** to identify, measure and prioritize cybersecurity and technology risks and develop related security controls and safeguards. We conduct regular reviews and tests of our information security program and also leverage audits by our internal audit team, tabletop exercises, penetration and vulnerability testing, red team exercises, simulations and other exercises to evaluate the effectiveness of our information security program and improve our security measures and planning. We also engage an external auditor to conduct an annual payment card industry data security standard review of our security controls protecting payment information, as well as third-party penetration testing of our cardholder environment and related systems. The results of these assessments are reported to the Audit Committee.

The Vice President of Security and Privacy Engineering leads our global information security organization responsible for overseeing the Netflix information security program. Our VP of Security and Privacy Engineering has over 30 years of industry experience, including serving in similar roles leading and overseeing cybersecurity programs at other public companies. Team members who support our information security program have relevant educational and industry experience, including holding similar positions at large technology companies. The teams provide regular reports to senior management and other relevant teams on various cybersecurity threats, assessments and findings.

The Board oversees our annual enterprise risk assessment, where we assess key risks within the Company, including security and technology risks and cybersecurity threats. The **Audit Committee of the Board** oversees our cybersecurity risk and receives regular reports from our VP of Security and Privacy Engineering on various cybersecurity matters, including risk assessments, mitigation strategies, areas of emerging risks, incidents and industry trends, and other areas of importance.

## Government Requests Related to Content

We give creators the opportunity to reach audiences around the world, but our catalog varies from country to country. In some cases, this is due to the fact that we don't have the rights to every title in every country where we operate. In a few cases, we've had to remove specific titles or episodes of titles in specific countries to comply with **government demands** and we report these annually. In other cases, a government may impose monetary fines in lieu of removing content. Below are the requests we complied with in 2023.

- In April 2023, we complied with a written demand from the Ministry of Information and Communication in Vietnam to remove all episodes of MH370: The Plane That Disappeared in Vietnam.
- In July 2023, we complied with a written demand from the Ministry of Culture, Sports and Tourism in Vietnam to remove the series Flight to You in Vietnam.
- In August 2023, we paid administrative monetary fines imposed by the Turkish Radio and TV Supreme Council (RTUK) related to the series Elite and the film Anne+.



## Accessibility on our Service

We believe all of our members should be able to enjoy our series, films and games, regardless of language, device, connectivity, or ability. Accessibility is just as important as the aesthetics, speed and stability of our service.

That’s why we conduct research with current and prospective members aimed at **identifying barriers** to perceiving, navigating and interacting with Netflix, and design solutions to remove those barriers. We build compatibility with assistive listening systems, brightness controls, keyboard shortcuts, screen readers, larger font size and voice commands into our products. Our mobile apps take advantage of device-specific assistive technologies (e.g., native features on Apple iOS and Android platforms) as much as possible. And we create our own accessibility options to give members more choice, including customizing the font, size, shadow and background color of closed captions and subtitles on TV and adjusting playback speed on mobile.

★ *Celebrating Disability with Dimension* is our global collection of series and films with characters or stories about people living with disabilities. This collection is for everyone to discover and enjoy year-round, and includes 11 newly added titles.

While we’ve made strides in accessibility, we know there is always more work to be done — and that **a better viewing experience benefits everyone**. It’s why Netflix is committed to working with the industry, community and policymakers to deliver more inclusive and accessible entertainment to the world.

With **over 40% of viewing hours** happening with subtitles across the globe, we’re working to increase the total number of films and series that support Audio Descriptions (AD) and Subtitles for the Deaf and Hard of Hearing (SDH). All Netflix-branded films and series support SDH for the language in which they were originally produced. So that more members can enjoy great stories from around the world, we’ve expanded the language availability in AD and SDH to include languages like Spanish, German and Japanese. We also include badge icons for our shows and films that have AD and SDH so members can more easily discover stories suited to their needs, eliminating the inconvenient need to play a title first. We’re also building new capability to deliver industry leading quality SDH during live shows, which is uniquely challenging.

We partner with vendors around the world who are dedicated to working with the blind and low vision community in many different capacities — from hiring blind or low vision narrators, quality controllers and co-author/editors, to working with local disability organizations to gather feedback through focus groups. Guidelines for the creation of Audio Descriptions, timed text style guides, gaming accessibility and minimizing photosensitivity issues (flashes or patterns that could negatively affect our audiences) are also publicly available to share best practices.



### Accessible Product Experiences for *All the Light We Cannot See*

In 2023, we created a series of new accessible product experiences for the limited series *All the Light We Cannot See*, which features the debut of two actresses who are blind. These include our first ever English Audio Introduction on Tudum narrated by the lead actress, Aria Mia Loberti, vivid Audio Descriptions in 18+ languages, and descriptive transcripts for our DeafBlind members. Publicity efforts also included advance screenings around the world for the disability community, including open Audio Description and Subtitles for the Deaf and Hard of Hearing.

★ Visit the Netflix [Accessibility web page](#) for more.



# Governance

From our earliest days mailing DVDs, to our current role as one of the world's leading entertainment services, we've managed our business with our eye on the long term. This approach has served our members, employees and shareholders well — allowing us to entertain the world and continue to grow our business.





# Corporate Governance

Our corporate governance structure is designed to find the right balance of rights and responsibilities among shareholders, the Board and management, and to provide appropriate checks and balances. As technology and the media landscape changes, we believe our governance structure also allows us to adjust our service to meet the needs and desires of our members.

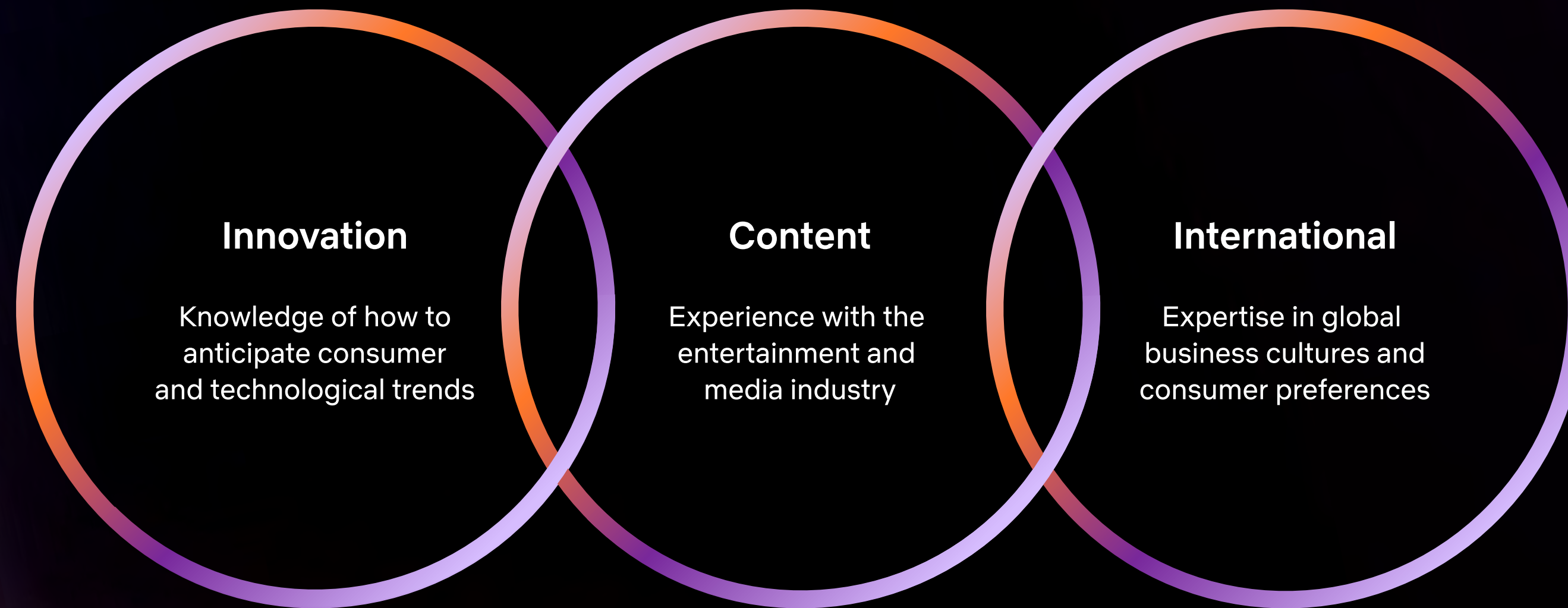
## Board Composition and Structure

Our Board is composed of **13 highly experienced and strategic directors** who have served as Board members and executives at some of the world's most successful companies. We believe that the Board is well situated to navigate the changing competitive environment we operate in, and that a diverse mix of skills, experience, perspectives and backgrounds contribute to an effective Board.

The composition of our Board has evolved over the past several years, and when looking to fill Board positions, we will continue to evaluate potential candidates who we believe complement and augment our current Board. Our Nominating and Governance Committee considers a number of factors, including characteristics such as gender, race and national origin when evaluating potential Board candidates.

### Strategy Alignment

Our board has the experience and expertise that aligns with these important facets of our long-term strategy





## Executive Directors

## Independent Directors



**Reed Hastings**  
Executive Chairman  
of the Board



**Ann Mather**  
Audit Committee (Chair)



**Timothy Haley**  
Compensation Committee  
(Chair)



**Brad Smith**  
Nominating and  
Governance Committee



**Ted Sarandos**  
co-Chief Executive Officer  
and President of the  
Company and Director



**Richard Barton**  
Audit Committee



**Anne Sweeney**  
Compensation Committee



**Strive Masiyiwa**  
Nominating and  
Governance Committee



**Greg Peters**  
co-Chief Executive Officer  
and President of the  
Company and Director



**Leslie Kilgore**  
Audit Committee



**Mathias Döpfner**  
Compensation Committee



**Ambassador Susan  
Rice**  
Nominating and  
Governance Committee

As of the end of 2023, women made up 40% of our independent directors and **31% of our overall Board**. Two independent directors come from a historically underrepresented ethnic and/or racial background. We maintain our current Board diversity matrix on our [investor relations website](#).



## Board Oversight

The Board’s role includes reviewing and discussing areas of material risk to Netflix — including overall enterprise, strategic, operational, financial and legal risks — with management. The Board also oversees the Company’s ESG efforts — including human capital management, inclusion, diversity and sustainability (including climate strategy) — and oversees succession planning.

The Board receives regular updates from management, typically in the form of an interactive memo where directors ask questions to management, and further discuss matters at meetings. Each of the Board committees oversees various ESG matters, depending on the specific issues, and reports to the full Board.



### THE BOARD

The Board as a whole oversees matters related to enterprise, strategic, operational, financial and legal risk and the Company’s ESG efforts.

### NOMINATING AND GOVERNANCE COMMITTEE

Primary committee responsible for Board structure, governance and director independence, as well as assisting the Board in overseeing ESG matters

### AUDIT COMMITTEE

Oversees matters of financial and legal risk, including cybersecurity risk

### COMPENSATION COMMITTEE

Oversees risks related to compensation issues

### COMPANY MANAGEMENT

The executive team, led by our co-Chief Executive Officers, supervises day-to-day risk management processes, including identifying, assessing, monitoring, managing and mitigating significant business risks. Company management reports to the board on an annual basis, or more frequently if needed, the top areas of risk.



## Governance Structure

Our goal is to align our corporate governance practices and shareholder rights with the long-term interests of shareholders. To that end, we've adopted the following:

01

**One share, one vote:** We have a single class of shares with each share entitled to one vote.

02

**Majority voting standard:** We have a majority voting standard in uncontested director elections.

03

**Annual director elections (fully declassified by 2025):** We have phased-in the declassification of our Board with directors elected at this year's annual meeting serving one-year terms and the entire Board standing for annual elections beginning in 2025.

04

**Elimination of supermajority voting:** We eliminated supermajority voting provisions in our Charter and Bylaws.

05

**Proxy Access:** A group of up to 20 stockholders, owning at least 3% of shares continuously for at least three years, may nominate up to two directors or 20% of the Board (whichever is greater) for inclusion in our proxy statement.

06

**Stockholder right to call a special meeting:** Stockholders holding a not less than 20% net-long position in the Company continuously for at least one year may call a special meeting.

07

**Director resignation policy:** Any incumbent director who fails to receive a majority of votes cast in an uncontested election must tender their resignation to the Board. The Nominating and Governance Committee must then make a recommendation to the Board regarding whether to accept or reject the resignation or take other action. The Board will act on the Nominating and Governance Committee's recommendation and publicly disclose its decision and the rationale within 90 days from the date the election results are certified.

08

**Policy on directors' service on other public company boards:** As part of our newly adopted corporate governance guidelines, we have included a policy that the Netflix co-CEOs may not serve on more than two boards of other public companies in addition to the Netflix Board, and that directors other than the co-CEOs, may not serve on more than four boards of other public companies in addition to the Netflix Board.



## Shareholder Engagement

Our Board and our management team engage directly and regularly with our shareholders, and our Board and its committees consider shareholders' feedback in assessing our governance structure — including our compensation program. This provides a direct opportunity to exchange information and perspectives, and the input from our shareholders will continue to inform our ongoing ESG programs as we evolve and grow.

We also engaged with the proxy advisory firms, Glass Lewis and Institutional Shareholder Services (ISS). Based on these engagements in the past year and the Board's ongoing evaluation of best practices, the Board has made several changes to our disclosures and corporate governance practices.

### Compensation Program Changes.

In response to shareholder feedback and engagement, the compensation committee significantly changed our executive compensation program to: (1) eliminate the ability to allocate compensation between cash salary and stock options for our Executive Officers; (2) limit guaranteed cash compensation by setting base salary at \$3 million for the co-CEOs, \$100,000 for our Executive Chairman, and \$1.5 million for the other Executive Officers; (3) expand participation in the annual performance-based cash bonus program to all Executive Officers; (4) grant performance-based restricted stock unit awards and time-based restricted stock unit awards to Executive Officers; (5) evolve our change-in-control severance arrangements to include "double-trigger" provisions; and (6) adopt stock ownership guidelines for Executive Officers<sup>45</sup>.

### Adoption of Corporate Governance Guidelines, which includes a policy on directors' service on other public company boards.

We adopted [corporate governance guidelines](#), which in conjunction with our charter and bylaws, provide the framework pursuant to which the Board oversees the Company's business in accordance with its fiduciary responsibilities. The corporate governance guidelines address various issues such as board composition, director qualifications, board terms, board responsibilities and procedures, among other items. In particular, the corporate governance guidelines include a policy for directors' service on other public company boards.

### Adoption of Human Rights Statement.

We adopted a [Human Rights Statement](#) that sets forth a commitment to respecting internationally recognized human rights as defined by the International Bill of Human Rights. Refer to the Ethics and Compliance section below for more details.

### Engagement since the 2023 annual meeting

54%

We invited 29 shareholders, representing over 54% of ownership<sup>46</sup> to engage and provide feedback.

48%

We met with 23 shareholders, including 9 of the top 10 shareholders, collectively representing approximately 48% of ownership.

70%

Netflix directors participated in 70% of the engagements, meeting with shareholders representing approximately 37% of shares outstanding.

The engagement team included members of the Netflix Board of Directors with members of the Netflix Legal and Investor Relations teams.

<sup>45</sup> Refer to the Netflix 2024 [Proxy Statement](#) for further detail.

<sup>46</sup> Ownership data presented in this section is based on shares outstanding as of 12/31/23.



# Enterprise Risk

We review enterprise risks on an ongoing basis and try to manage risk in a way that will help create, preserve and realize value for our members and shareholders. Our approach to enterprise risk management (ERM) is consistent with the COSO framework which defines ERM as “the culture, capabilities and practices, integrated with strategy-setting and performance, that organizations rely on to manage risk in creating, preserving and realizing value.” On an annual basis, an enterprise risk assessment is performed. We gather insights from several internal and external sources, including discussions with executives for their views on enterprise risks that the Company is facing, and compile an inventory of risks across the business. The findings of this assessment, including mitigation approaches, are **presented to the Board** for their input and oversight. We also report these risks in our annual report.<sup>47</sup>

# Ethics and Compliance

At Netflix, we aspire to entertain the world and to do so **ethically, sustainably and responsibly**. Cultivating a culture where all employees are expected to act ethically and with integrity is important to our long-term success. The Netflix Code of Ethics, updated in 2023, supports this goal and applies to members of the Board, officers and employees of Netflix and subsidiaries around the world.

We encourage anyone to report a breach of our Code or any unethical or inappropriate conduct to our Chief Legal Officer or, in the case of misconduct by a senior financial officer, to the Chair of our Audit Committee. We also provide access to a third-party operated service<sup>48</sup> where reports of misconduct can be made confidentially or anonymously, **24 hours a day, seven days a week, 365 days a year** in local languages. Reports made through this service are elevated and investigated until they are resolved, and updates are provided annually to the Audit Committee.

As part of our commitment to managing our business ethically and with integrity, we seek to identify and mitigate risks that could lead to potential legal and/or regulatory violations through an annual compliance risk assessment process. Our Global Anti-Corruption Policy requires our employees and contractors to abide by global anti-corruption and anti-bribery laws. We provide regular training on compliance with this policy, in addition to conducting regular and ongoing risk assessments. A copy of our practices and policies, which includes the Global Anti-Corruption Policy and Code of Ethics, has been translated into numerous languages and is available to all employees.

In 2024, Netflix adopted a Human Rights Statement which reflects our **commitment to respecting internationally recognized human rights** as defined by the International Bill of Human Rights — including freedom of expression. This statement also expresses our support of freedom of association, the right to collective bargaining, the elimination of forced or compulsory labor, the abolition of child labor, an end to workplace discrimination and the creation of a safe and healthy working environment as informed by the International Labour Organization Declaration on Fundamental Principles and Rights at Work, and in accordance with applicable local law. The statement is guided by the framework outlined in the United Nations Guiding Principles on Business and Human Rights.

Other areas of focus include our commitment to complying with applicable government mandated sanctions regimes (with leadership provided by a designated Sanctions Compliance Officer) as well as compliance with human rights legislation (e.g., UK Modern Slavery Act<sup>49</sup>, Australian Modern Slavery Act<sup>50</sup>).

<sup>47</sup> Netflix, Inc. Annual Report on Form 10-K for the year ended December 31, 2023

<sup>48</sup> <https://secure.ethicspoint.com/domain/media/en/gui/2020/index.html>

<sup>49</sup> [ir.netflix.com/governancedocs](https://ir.netflix.com/governancedocs)

<sup>50</sup> <https://modernslaveryregister.gov.au/statements/13690/>



# IP Protection & Piracy

Protecting our trademarks, service marks, copyrights, patents, domain names, trade dress, trade secrets, proprietary technologies and similar intellectual property is important to our success. That's why we use a combination of **patent, trademark, copyright, trade secret laws and confidentiality agreements** to protect our proprietary intellectual property. We also use a variety of methods to monitor potential infringement of our intellectual property, including searches conducted internally and by external vendors. We work closely with our industry organizations to identify and shut down major piracy infrastructure and protect consumers from illegal and harmful services. We're especially focused on preventing our intellectual property from being used in ways that may lead to consumer fraud.





NETFLIX

# Appendix





## About This Report

This report covers the calendar year **2023** and all data included in the report is from that time period unless otherwise noted. Refer to data tables below for a summary of ESG data for 2023 as well as published data from previous years. This report is also reflective of global Netflix operations unless otherwise noted. This report is informed by external ESG reporting frameworks including the Sustainability Accounting and Standard Board (SASB)'s "Internet Media & Services" and "Media & Entertainment" standards, as well as the Task Force on Climate-related Financial Disclosures (TCFD). SASB and TCFD indices are provided below.

### Forward-looking statements

The information covered by the report contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 including, but not limited to, statements regarding our ESG programs, activities, plans, policies, goals, targets, objectives, commitments, projections, expectations and strategies that are not historical in nature. These forward-looking statements are subject to risks and uncertainties that could cause actual results and events to differ, including any failure to meet stated ESG goals and commitments, and execute our strategies in the time frame expected or at all, as a result of many factors, including changing government regulations or stakeholder expectations, and our expansion into new products, services, technologies and geographic regions.

More information on risks, uncertainties and other potential factors that could affect our business and performance is included in our filings with the SEC, including in Item 1A: "Risk Factors" section of the Company's most recently filed periodic reports on Form 10-K, Form 10-Q and subsequent filings. All forward-looking statements included in this document are based on information available to us on the date hereof, and we assume no obligation to revise or publicly release any revision to any such forward-looking statement, except as may otherwise be required by law.





# ESG Data Tables

## General



Data Point	2019	2020	2021	2022	2023
Members (as of the end of the calendar year)	167 million	204 million	222 million	231 million	260 million
Employees	8,600	9,400	11,300	12,800	13,000
Revenue (millions, USD)	20,156	24,996	26,698	31,616	33,723
Value Added <sup>1</sup> (millions, USD)	7,716	9,720	12,365	12,447	14,008

<sup>1</sup> "Value Added" is a term used by SBTi. For Netflix, this is derived by subtracting "Cost of Revenues" from "Revenues", both of which are reported in our public financial statements.





## Environment

Data Point	2019	2020	2021	2022	2023
Electricity (MWH)	81,136	94,285	156,555	156,967	113,753
Global Renewable Electricity (%)	100	100	100	100	100
Scope 1 Emissions (Metric Tons CO2-e)	51,487	30,883	62,815	59,388	25,790
Scope 2 Emissions, Market-Based (Metrics Tons CO2-e)	565	141	0	0	0
Scope 2 Emissions, Location-Based (Metric Tons CO2-e)	26,594	28,585	42,291	41,411	30,303
Scope 2 Emissions, Target-Based (Metric Tons CO2-e)	26,317	29,356	31,937	23,622	15,281
Scope 3 Emissions, Market-Based (Metrics Tons CO2-e)	1,192,659	1,020,541	1,466,497	1,086,833	817,317
Scope 3 Emissions, Location-Based (Metrics Tons CO2-e)	1,234,936	1,067,778	1,471,243	1,110,989	840,778
Scope 3 emissions, Target-Based (Metrics Tons CO2-e)	867,804	745,436	1,043,612	805,704	646,848
SCOPE 3 Target-Based Intensity (Metric Tons CO2e per \$ value added)	112	77	84	65	46
Total GHG Emissions: Scope 1 + Scope 2 (Market-Based) + Scope 3 (Metric Tons CO2-e)	1,244,711	1,051,565	1,529,312	1,146,221	843,107
Carbon Credits	(36,506)	(54,107)	(1,529,312)	(1,146,221)	(843,107)





Social

Data Point	2020	2021	2022 <sup>2</sup>	2023
<b>Representation Data: All Job Levels</b>				
Global Gender Identity, % Women	48.7	51.7	49.6	51.6
Global Gender Identity, % Men	51.3	45.7	45.0	45.8
Global Gender Identity, % Additional Gender Identities	Gender Identity that allowed employees to self-identify from non-binary categories were added in 2021	1.3	1.3	1.4
US Race Ethnicity, % Asian	24	25.8	27.2	28.6
US Race Ethnicity, % Black	8.6	11.7	10.8	10.6
US Race Ethnicity, % Hispanic/Latino/a/x	7.9	11.2	11.9	12.2
US Race Ethnicity, % Middle Eastern/North African	0.8	2.2	2.6	2.8
US Race Ethnicity, % Native American/Alaskan Native	0.3	0.6	0.7	0.7
US Race Ethnicity, % Native Hawaiian/Other Pacific Islander	0.5	0.8	0.9	0.9

<sup>1</sup> 2022 data represented in this table may vary slightly from 2022 data included in the 2022 ESG Report, in an effort to maintain a consistent employee population represented in the date for year-over-year comparisons (due an increased % of employees with self-ID survey data available).





Social (Continued)

Data Point	2020	2021	2022 <sup>2</sup>	2023
US Race Ethnicity, % White	44.3	46.6	48.2	47.7
US Race Ethnicity, % 2 or more races/ethnicities	4.8	Starting in 2021, data collection methods were implemented to allow employees to share multiple self-identities (e.g., Black and Asian compared to “2 or more races/ethnicities”)		
<b>Representation Data: Director+ Job Levels</b>				
Global Gender Identity, % Women	47.8	51.2	51.4	52.4
Global Gender Identity, % Men	52.2	47.8	45.6	46.2
Global Gender Identity, % Additional Gender Identities	Gender Identity that allowed employees to self-identify from non-binary categories were added in 2021		0.3	0.2
US Race Ethnicity, % Asian	15.3	18.6	19.4	19.2
US Race Ethnicity, % Black	10.9	13.6	12.8	12.5

<sup>2</sup> 2022 data represented in this table may vary slightly from 2022 data included in the 2022 ESG Report, in an effort to maintain a consistent employee population represented in the date for year-over-year comparisons (due an increased % of employees with self-ID survey data available).



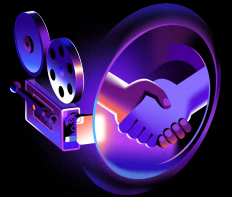


Social (Continued)

Data Point	2020 <sup>1,2</sup>	2021 <sup>3</sup>	2022 <sup>2</sup>	2023
US Race Ethnicity, % Hispanic/Latino/a/x	4.3	6.8	7.6	7.6
US Race Ethnicity, % Middle Eastern/North African	0.3	2.0	2.6	2.7
US Race Ethnicity, % Native American/Alaskan Native	0.0	0.4	0.7	0.7
US Race Ethnicity, % Native Hawaiian/Other Pacific Islander	0.6	0.8	0.9	1.1
US Race Ethnicity, % White	56.6	59.0	59.3	59.6
US Race Ethnicity, % 2 or more races/ethnicities	4.2	Data collection methods that allowed employees to share multiple self-identities (e.g., Black and Asian compared to “2 or more races/ethnicities”) were implemented in 2021.		
<b>Other Social Data</b>				
Number of Employee Resource Group Chapters	—	60	84	83
Number of Employee Resource Group Leaders	—	150	239	did not report
Employee Giving Program Total Donations (USD)	—	~31 million	~34 million	~35.7 million
Number of Government Requests to Remove Content	4	7	3	3

<sup>2</sup> 2022 data represented in this table may vary slightly from 2022 data included in the 2022 ESG Report, in an effort to maintain a consistent employee population represented in the date for year-over-year comparisons (due an increased % of employees with self-ID survey data available).





## Governance<sup>3</sup>

Data Point	2020	2021	2022	2023
Board of Directors (number of Directors)	11	12	12	13
Board of Directors (number of Independent Directors)	10	10	10	10
Gender representation on Board of Directors (number of women directors)	Self-reported demographic data was not collected from our Board before 2022		3	4
Race/Ethnicity representation on Board of Directors (number of directors from historically excluded ethnic and/or racial background)	Self-reported demographic data was not collected from our Board before 2022		1	2

<sup>3</sup> Data is based on the information included in each year's annual meeting proxy statement.



# SASB Index

## Internet Media & Services, Media & Entertainment



Topic	SASB Code	Accounting Metric	2020	2021	2022	2023
<b>INTERNET MEDIA &amp; SERVICES: Sustainability Accounting Standard</b>						
Entity-defined measure of user activity	TC-IM-000.A	Paid Membership	204 million	222 million	231 million	Over 260 million
Environmental Footprint of Hardware Infrastructure <sup>4</sup>	TC-IM-130a.1	Total energy consumed (MWH)	29,196	33,407	36,110	41,827
		Percentage grid electricity	100%	100%	100%	100%
		Percentage renewable	100%	100%	100%	100%
Environmental Footprint of Remaining Scope 2 <sup>5</sup>	TC-IM-130a.1	Total energy consumed (MWH)	68,089	123,148	120,857	91,929
		Percentage grid electricity	100%	100%	100%	100%
		Percentage renewable	100%	100%	100%	100%
Environmental Footprint of Hardware Infrastructure	TC-IM-130a.3	Discussion of the integration of environmental considerations into strategic planning for data center needs	Refer to the <a href="#">Sustainability Across the Value Chain</a> section of the report.			

<sup>4</sup> Only includes Scope 2 hardware infrastructure, i.e. Netflix-operated Open Connect Appliances in colocation data centers, which represent approximately 1/10th of Scope 2 and 3 data center electricity use (all Open Connect and AWS combined).

<sup>5</sup> While SASB only requires reporting for the “Environmental Footprint of Hardware Infrastructure,” Netflix has opted to report on its other Scope 2 energy consumption as well, which includes electricity use in corporate offices, production studios, and billboards, in addition to colocation data center infrastructure.



Topic	SASB Code	Accounting Metric	2020	2021	2022	2023
Data Privacy, Advertising Standards & Freedom of Expression	TC-IM-220a.1	Description of policies and practices relating to behavioral advertising and user privacy	Refer to the <a href="#">Privacy section</a> of the report and the <a href="#">Netflix Privacy Statement</a> .			
	TC-IM-220a.2	Number of users whose information is used for secondary purposes	Refer to the <a href="#">Privacy section</a> of the report and the <a href="#">Netflix Privacy Statement</a> .			
	TC-IM-220a.6	Number of government requests to remove content percentage compliance with requests	4 100%	7 100%	3 100%	3 100%
Data Security	TC-IM-230a.2	Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards	Refer to the <a href="#">Information and Cybersecurity</a> section of the report.			
Employee Recruitment, Inclusion & Performance	TC-IM-330a.3	Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff, and (3) all other employees	<p>Refer to Netflix employee representation data in the <a href="#">Representation Data</a> section of the report as well as in the Data Table in this appendix.</p> <p>Information on how Netflix fosters equitable employee representation across its global operations can be found in the <a href="#">Inclusion</a> section of the ESG report.</p>			
<b>MEDIA AND ENTERTAINMENT: Sustainability Accounting Standard</b>						
Activity Metric	SV-ME-000.A	(1) Total recipients of media and the number of (2) households reached by broadcast TV, (3) subscribers to cable networks, and (4) circulation for magazines and newspapers	As noted in the entity-defined measure of user activity above, there were 204 million paid Netflix memberships at the end of 2020.	As noted in the entity-defined measure of user activity above, there were 222 million paid memberships at the end of 2021.	As noted in the entity-defined measure of user activity above, there were 231 million paid memberships at the end of 2022.	As noted in the entity-defined measure of user activity above, there were over 260 million paid memberships at the end of 2022.
Media Pluralism	SV-ME-260a.1	Percentage of gender and racial/ethnic group representation for (1) management, (2) professionals, and (3) all other employees	Refer to Netflix employee representation data in the <a href="#">Representation Data</a> section of the report as well as in the Data Table in this appendix. Information on how Netflix fosters equitable employee representation across its global operations can be found in the <a href="#">Inclusion</a> section of the ESG report.			
Intellectual Property Protection & Media Piracy	SV-ME-520a.1	(1) Total recipients of media and the number of (2) households reached by broadcast TV, (3) subscribers to cable networks, and (4) circulation for magazines and newspapers	Refer to the <a href="#">IP Protection and Piracy</a> section of the report			



# TCFD Index



TCFD Disclosure Requirement	Netflix Disclosures
<b>Governance: Disclose the organization’s governance around climate-related risks and opportunities</b>	
Describe the board’s oversight of climate-related risks and opportunities	The Netflix Board oversees the Company’s ESG efforts, which includes sustainability, with the assistance of the Nominating and Governance Committee. They receive updates on sustainability and enterprise risk management at Board meetings. Executive Management oversees decisions related to climate risk with expert input from internal teams. An annual Company-wide enterprise risk assessment is performed, in which climate risks are considered, and the findings of this assessment are shared with our Board annually. Our sustainability program, which includes our climate strategy, is led by our Netflix Sustainability Officer. Refer to the <a href="#">Climate Risk</a> section of the ESG report.
Describe management’s role in assessing and managing climate related risks and opportunities	Executive Management oversees decisions related to climate risk with expert input from internal teams. An annual Company-wide enterprise risk assessment is performed, in which climate risks are considered, and the findings of this assessment are shared with our Board annually. Our sustainability program, which includes our climate strategy, is led by our Netflix Sustainability Officer. Refer to the <a href="#">Climate Risk</a> section of the ESG report.
<b>Strategy: Disclose the actual and potential impacts of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning where such information is material</b>	
Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term	Refer to the risks and opportunities tables in the <a href="#">Climate Risk</a> section of the ESG report.
Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning	
Describe the resilience of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	



TCFD Index



TCFD Disclosure Requirement	Netflix Disclosures
<p><b>Risk Management: Disclose how the organization identifies, assesses, and manages climate-related risks</b></p>	
<p>Describe the organization’s processes for identifying and assessing climate-related risk</p> <p>Describe the organization’s processes for managing climate-related risks</p> <p>Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management</p>	<p>We conducted a climate risk assessment to evaluate a range of climate risks as defined by the Task Force on Climate-Related Disclosures, including physical, regulatory, reputational, market, legal and transitional risks. We also referenced the ESG-Specific Committee of Sponsoring Organizations’ (COSO) framework and Intergovernmental Panel on Climate Change (IPCC) research to build a climate risk framework to assess risk to Netflix. While the assessment was a useful exercise, the climate risks we identified were all mapped to risk mitigation strategies already in place or underway. The output of this climate risk assessment was also used as an input into our enterprise risk management (ERM) assessment. When evaluated using our ERM methodology, no standalone climate-related risks were identified as significant for the Company.</p>
<p><b>Metrics &amp; Targets: Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material</b></p>	
<p>Disclose the metrics used by the organization to assess climate related risks and opportunities in line with its strategy and risk management process</p> <p>Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks</p> <p>Describe the targets used by the organization to manage climate related risks and opportunities and performance against targets</p>	<p>Refer to the <u>Public Climate Targets</u> and <u>Carbon Footprint</u> sections of the ESG report for information on our metrics, emissions and targets. Measuring our performance against our climate targets over time helps to inform our climate risk assessment process, in particular our transition risks.</p>



## Resources

### ESG Report Archive

[Environmental Social Governance Report 2022](#)  
[Environmental Social Governance Report 2021](#)  
[Environmental Social Governance Report 2020](#)  
[Environmental Social Governance Report 2019](#)



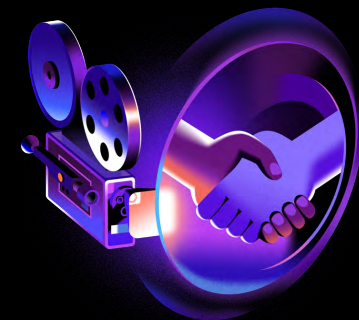
### Environment

[About Netflix - Sustainability](#)  
[Our Progress on Sustainability: Three Years In](#)  
[Energy Efficiency in Streaming](#)  
[Carbon Impact of Video Streaming](#)  
[Earth Week 2024](#)  
[2023 Greenhouse Gas Emissions Inventory Assurance Letter](#)



### Social

[About Netflix - Inclusion](#)  
[Netflix Fund for Creative Equity | 2023 Update](#)  
[Inclusion in Netflix Original Films & Series - Executive Summary](#)  
[Inclusion in Netflix Film & Series - Full Report](#)  
[Netflix EEO-1 Reports](#)  
[Political Activity Disclosures](#)



### Governance

[FY2023 10-K](#)  
[2024 Proxy Statement](#)  
[Netflix Governance Documents](#)  
[Leadership & Directors](#)  
[Netflix Code of Ethics](#)  
[Netflix Human Rights Statement](#)  
[Netflix Supplier Code of Conduct](#)



# Greenhouse Gas Emissions (GHG) Inventory Methodology

Netflix reports its emissions following the World Resources Institute (WRI) / World Business Council for Sustainable Development's (WBCSD) Greenhouse Gas Protocol Corporate Standard, as amended by the GHG Protocol Scope 2 Guidance, as well as WRI / WBCSD's Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard and Technical Guidance for Calculating Scope 3 Emissions (collectively, the GHG Protocol). Netflix GHG emissions reporting follows the operational control approach set out by the GHGP.

Our reported emissions account for all GHGs covered by the [UNFCCC Kyoto Protocol \(Annex A\)](#) relevant to Netflix activities and are converted into metric tons of carbon dioxide equivalents (MTCO<sub>2</sub>e) as specified by the GHG Protocol. All emission factors are applied to the data and updated annually to reflect the latest guidance and factors published by US EPA Emission Factors for Greenhouse Gas Inventories (2023), US EPA eGRID2022 Electricity Grid Emission Factors (2024) and UK DEFRA Greenhouse Gas Reporting Conversion Factors (2023). Additionally, where data is not available or of sufficient quality, Netflix uses proxy data, industry-average figures, or expert assumptions. In such instances, we use third-party sources for reliability and completeness. Some of these data sets such as the average building energy use intensity values from the U.S. Energy Information Administration Commercial Building Energy Consumption Survey (2018).

Netflix greenhouse gas (GHG) emissions reporting is consistent with the “operational control” approach as set out by the GHG Protocol Corporate Accounting and Reporting Standard: Revised Edition. The organizational and operational boundary applies to the global Company including its subsidiaries, the office and studio facilities we own and operate (e.g., Netflix Albuquerque Studios, USA) as well as facilities we lease from others but over which we have operational control (e.g., corporate and studio offices and stages).

## Location-Based Emissions

Location-based emissions reflect the average emissions intensity of the grid on which energy consumption occurs. This method uses regional or national grid averages to calculate the GHG emissions resulting from the electricity consumed. The emission factor is generally provided by government agencies or grid operators and reflects the mix of different energy sources (like coal, natural gas, renewables, etc.) used to produce electricity in that region.

## Market-Based Emissions

Market-based emissions accounting takes into account contractual instruments, such as renewable energy certificates (RECs), guarantees of origin, or Power Purchase Agreements (PPAs), which the reporting entity has purchased. This method reflects the emissions from the electricity that Netflix has specifically chosen to buy or has contractual rights to claim.

## Target-Based Emissions

We use a target-based emissions accounting method relative to our science-based targets, which is custom to Netflix. This method builds off of the market-based method and utilizes the same emission factors hierarchy as outlined in the GHGP, including for direct renewable energy supply (e.g., onsite generation, utility & landlord supply, PPAs, or direct investments). However, it does not account for the reductions of emissions stemming from electricity usage that is covered by spot purchases of renewable energy certificates (RECs) and their geographical equivalents.



## Our Footprint Boundary

**Scope 1 and 2:** Our emissions include all Scope 1 (direct) and Scope 2 (indirect emissions) from the following: our corporate operations (e.g., offices, etc); the production of our films, series and games; and the storage and delivery of our content. Scope 2 emissions are calculated using market-based and location-based emissions accounting methods defined by the GHG Protocol Scope 2 Guidance. Location-based estimates are calculated based on the emissions intensity of the locations where the electricity consumption occurs. The market-based method incorporates electricity procurement decisions that are chosen within the local electricity market, including zero-carbon electricity supply from utilities (i.e., opt-in “green tariff” rates) and contractual instruments such as renewable energy certificates (RECs).

**Scope 3:** Netflix also estimates and reports relevant Scope 3 categories, which therefore includes activities outside of our operational control. Our Scope 3 boundary was established in alignment with the GHG Protocol Corporate and Scope 3 Standards. Netflix includes all relevant and material sources of emissions including categories 1-8, and 11. For the first time in 2023, Netflix calculated emissions from waste (category 5) for inclusion in our footprint.

Scope 3 emissions use location-based emissions factors except where individual suppliers provided supplier specific emissions that are market-based (e.g., AWS) or through application of RECs to Scope 3 emissions where information on the specific energy consumption by location was available (e.g., for the Open Connect network) in order to match the contractual instrument to known energy consumption in accordance with GHG Protocol Scope 2 Guidance. Netflix works with individual suppliers, wherever possible, to determine that any renewable contractual instruments applied to their emissions are appropriately attributed.

We include all Netflix-branded content productions, whether we manage the production directly (like *The Sea Beast*, *Spirit Rangers*, *Don't Look Up*, *Our Great National Parks*), or through a third-party production company (like *Glass Onion: A Knives Out Mystery*, *The Elephant Whisperers*) as well as all content that we license that is Netflix-branded (like *Octonauts: Above and Beyond*, *Captain Nova*, *Down to Earth with Zac Efron*). Activities outside of our operational control present challenges to measuring and reducing emissions, but because so much of production infrastructure, crew and equipment are shared across studios, we believe that holding ourselves accountable for all emissions from Netflix-branded content (wherever it is produced) will create a positive ripple effect across our own emissions as well as the entire industry.

## Data Management

We maintain a Greenhouse Gas Inventory Management plan to ensure consistency of calculating and estimating emissions from year to year, and to provide to our 3rd party assurance providers as a basis for their audit of our emissions. We maintain documentation as evidence to support our emissions inventory and follow Netflix retention policies for these records. In 2022, we began implementing a carbon accounting software solution to help streamline and mature our data collection processes, and to help maintain related documentation.



# Carbon Credit Project Screening Criteria

01

## Competitive selection

Our competitive requests for proposals (RFPs) are issued widely, to over 75 project developers, non-profits, brokers and credit retailers across many project types and geographies. This is done periodically to ensure we evaluate new proposals for investment on a rolling basis.

02

## Meet core quality criteria

Any credits that we purchase must meet globally recognized core quality criteria and be:

- Additional
- Verified by a 3rd party
- Based on a conservative and realistic<sup>51</sup> baseline
- Not double counted
- Durable
- Issued by a credible standard<sup>52</sup> with robust provisions for reversal risk, and accounts for leakage (the risk of displacing emissions from one location to another)

These criteria align with the 2024 [Core Carbon Principles \(CCPs\)](#) defined by the [Integrity Council for the Voluntary Carbon Market \(ICVCM\)](#), as well as with foundational project accounting standards, such as the [GHG Protocol for Project Accounting](#) and [ISO 14064 Part 2](#).

03

## Deep project- level diligence and impact screening

Our team conducts due diligence on the projects and holds live interviews directly with the project developers and/or trusted project partners. This includes research on the projects, their proponents and other local stakeholders. Engaging directly with the project hosts enables a deeper understanding of the unique circumstances and conditions that surround a particular carbon credit project and how and why it came to be.

In addition, we make use of The Nature Conservancy's (TNC) 2024 [Principles of Natural Climate Solutions](#) and the International Union for Conservation of Nature's (IUCN) 2020 [Global Standard for Nature Based Solutions](#)<sup>53</sup> as guiding frameworks for the assessment of project design quality.

We also conduct additional screens for local community ownership and direct benefit sharing; job creation and training; women and girls empowerment; biodiversity and habitat restoration and protection (e.g., Verra Climate, Community & Biodiversity certified projects); and climate resilience impacts. In this way, we align with the Sustainable Development principles of ICVCM's CCPs, which includes requirements for ensuring social safeguards and alignment with the transition to a global net zero state.

04

## Use digital tools and resources to improve visibility

Where feasible, we use technology to enhance project validation and verification, such as AI-powered satellite imagery, machine learning and remote sensing analysis. We actively seek opportunities to connect projects with geospatial data and tools providers to unlock higher frequency monitoring of project progress, as well as to augment impact visualization to support communication and ongoing transparency.

05

## Seek additional expert advice

Netflix relies on its expert [Advisory Group](#) and other expert authors of the various standards in order to provide additional insight and guidance on an ongoing basis across a range of key issues, including our carbon credit investment plan. This helps us identify things we may have missed.

<sup>51</sup> Periodically updated, or where appropriate, employ a dynamic baseline.

<sup>52</sup> We only purchase credits that have been third-party verified and registered on a trusted registry, including – Verra, Gold Standard, Climate Action Reserve and American Carbon Registry – or have demonstrated an equivalent level of rigor, including programmatic rules to address reversal risks such as buffer pool mechanisms.

<sup>53</sup> As Netflix increases its investments to support new project development, we leverage IUCN's project design-focused guidance to support our diligence.



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