

# CORPORATE & SOCIAL RESPONSIBILITY

Based on the strong belief that our services can make a major contribution to a more sustainable world, netMEDIA is committed to proactive environmental management at all levels.

*Environment and Society*

**net**MEDIA

## Environment

This section of the netMEDIA Corporate Social Responsibility (CSR) report provides information regarding our environmental challenges and how we are managing them. netMEDIA integrates environmental responsibility into all aspects of our business while meeting customer expectations with respect to product function, delivery, quality, service, and end-of-life management.

The risk from increasing GHG concentrations in the Earth's atmosphere is real and significant. netMEDIA supports the reduction of global GHG emissions through improvements to our products, and operations, and through the actions of our business partners.

netMEDIA seeks to decrease our negative impacts while enhancing our positive impacts on the environment. netMEDIA recognizes that the application of technology alone will not result in a drop in emissions. Changes in culture, management practices, and business processes are also needed to achieve the full potential of the technology.

## Office spaces

Based on netMEDIA's Environmental Management Plan, in our office spaces we are proactively measuring our energy consumption, recycling and waste generation & disposal so as to monitor how well we are reaching on our reduction goals. Scope 1 Green House Gases are non-applicable for our company since we don't manufacture physical goods. However, we do closely monitor and measure our company's total electric consumption in Kilowatt Hours each month in order to calculate our Scope 2 Green House Gas Emissions each month. Then we compare our annual Scope 2 Green House Gas

Category	Baseline	Goals
<b>Energy Consumption</b>	206,230 Kilowatt Hours	Reduce by 3%
<b>Scope 2 Greenhouse gases emissions</b>	142 metric tons	Reduction in energy consumption, equally reduces scope 2 emissions
<b>Waste management &amp; Recycling</b>	5,800 pounds of recycled material <small>(accurate data on total garbage picked up unavailable)</small>	Increase recycled volume by 3%, make efforts to reduce waste generation

Table 1: Baseline and Goals based on netMEDIA's Environmental Management Plan

Emissions to the previous year in order to see if we reached our Scope 2 Green House Gas Emission reduction goal.

One measure is to use automated light switches to turn off our lights after work hours in all our office spaces in order to reduce our company's total electric Kilowatt Hour consumption by 3%. We have established a baseline based on our energy consumption during the baseline period. The baseline period is defined as January 2011 to December 2011. In January 2012 we installed our automated light switches. So at the end of year 2012, when we will have our full year's electric consumption data, we will be able to see if we reached our goal of 3%. As scope 2 greenhouse gas emissions are tied directly to energy consumption for netMEDIA, any reduction in energy consumption will equally reduce scope 2 greenhouse gas emissions.

In order to increase our recycling volumes, In January 2012 we began recycling our printer cartridges and

toners as well as other recyclable materials. Our goal is to increase our total recycling by 3% as documented by our Environmental Management Plan. At the end of year 2012 we will benchmark our recycling volumes against those volumes during the baseline period.

Other ideas to improve on our goals of electric energy consumption includes – replacing existing equipment (computers, printers, copiers, etc.) with more energy efficient replacements. Other ideas to improve on our goals of waste recycling and waste generation include recycling used paper cups and soda cans in break rooms, providing unused food to a local charity to feed the poor, replacing paper towels with hand dryers in restrooms, recycling used printed papers, forcing duplex printing mode on all the printers.

## Data centers and other facilities

Our data centers incorporate numerous features to reduce environmental impact. Instead of hundreds of batteries typically used in older data centers, our data center uses rotary flywheels, which require little

energy to continue in motion, to start the diesel generators in case of power loss. The data center is cooled by an air-side economizer design that reduces the need for mechanical chilling by using ambient air when the outside temperature is low.

We worked closely with our real estate partner, to create “green leasing” terms. Sample terms in the “green leasing” include - temperature controls, sub-meters for major utilities, building recycling program, bicycle storage and facilities for cycling commuters to change for work, green building certification, etc. These terms vary depending on the size of the building and the length of the leasing contract, but in general, the larger the building and the longer the lease, the more stringent the green leasing terms.

Reducing our energy consumption and enabling a diverse energy supply for our facilities makes good business sense as well as benefiting the environment. A number of programs and projects are underway to help us reduce our present energy costs and future exposure to energy price fluctuations. These tactics help us stay competitive and reinforce our commitment to being environmentally responsible.

## Employee Engagement

At netMEDIA, we believe that environmental sustainability can be a part of each employee’s job. We encourage employees to have environmental sustainability-related goals and document the result. Incorporation of these goals in individual performance reviews effectively pushes the environmental agenda deeper into each functional area.

We provide both corporate responsibility and environmental management system employee training for all our new hires during their on-boarding process that cover all aspects of our Corporate &

Social Responsibility (CSR). In addition, all employees must participate in our annual on-line certification that includes business areas such as social and environmental responsibility.

netMEDIA supports employee interest in the environment through several other efforts:

- **Virtual Earth Day:** An annual activity consisting of a series of webinars on a variety of environmental topics of general interest to our employees.
- **Employee Electronics Recycling:** netMEDIA offers an electronics recycling program for employees, which helps employees recycle all electronic products from home that are at the end of their useful life. The program prevents these items from being disposed of improperly to landfills. This collected electronic waste is processed and recycled by using the same vendors and processes as of netMEDIA.
- **Employee Commuter Incentives:** netMEDIA supports the use of incentives to reduce carbon emissions from employee transportation. Through our incentives for using public transportation, we reduce traffic congestion, reduce commute-related pollutants, and reduce the stresses of drive-alone commuting.

The employee skill sets developed to reduce business air-travel and the accompanying business processes and management practices are also used to reduce employee travel between home and work. The wide availability of sophisticated collaboration tools within netMEDIA permits employees to become well versed in integrating these technologies into daily business activities. We have not adopted different emission factors of air service into our baselines and goals for two reasons. First, netMEDIA’s focus is on using

remote collaboration technologies to not travel. Reporting reduced emissions because a larger fraction of employees flew economy class this year compared to last moves the focus away from travel substitution. Second, we are unsure of the treatment of using different emissions factors for different classes of air travel for a given company. It is likely that scheduled air service has not been impacted by our reduction in air travel. That is, the same number of planes are still flying.

Overall, netMEDIA is strongly committed to preserving the environment and to decrease or eliminate any negative impact of our business activities on the environment. This commitment extends from Executive Management to every individual employee. It is, of course, work in progress – with tangible results being generated year over year as we continue on this journey.