



Dear NETGEARians,

NETGEAR prides itself on a commitment to build our business by providing customers with high quality and innovative products with integrity and honest conduct. NETGEAR prides itself on fostering an honest and ethical environment in which to work, and it is in that spirit that I encourage all of you to read and consider carefully the Anti-Corruption Compliance Policy attached hereto.

Policies are important, but it is how we act on them that truly matters. It is our intention that all employees understand how to do their jobs properly within applicable legal, regulatory, and ethical standards. Accordingly, each of you has an important role to play in putting these principles set out in the Anti-Corruption Compliance Policy attached hereto into practice. This means following both the letter and the spirit of the policy by avoiding actions that create even the *appearance* of conflicts of interest and unethical behavior and representing NETGEAR with integrity in everything you do. We all share the responsibility of behaving ethically, identifying any internal problems, and reporting them to the right people. The attached Anti-Corruption Compliance Policy, along with the Code of Ethics which you previously received, will assist you in understanding and carrying out your legal and ethical obligations.

If you have any questions about these policies, please consult with anyone in the Human Resources, Internal Audit, or Legal Departments. They will be happy to assist you.

Thank you for helping NETGEAR achieve these important goals.

Sincerely,

Patrick

NETGEAR ANTI-CORRUPTION COMPLIANCE POLICY

Updated as of April 18, 2013

Policy

*It is the policy of NETGEAR, Inc. (“NETGEAR”) and all of its subsidiaries and affiliates, wherever they may be located (the “Policy”), to comply fully with the letter and spirit of the Foreign Corrupt Practices Act (“FCPA”), United Kingdom Bribery Act and all other applicable anti-corruption and anti-bribery laws of each country in which NETGEAR does business (collectively, the “Applicable Anti-Corruption Laws”). **NETGEAR strictly prohibits all improper, unlawful or unethical payments to any person(s) anywhere in the world.** No offer, promise or payment of anything of value may be made, directly or indirectly, to or for the benefit of any person(s) that is or may appear to be related to obtaining, retaining or directing business or for any other improper advantage.*

All officers, directors, employees and agents of NETGEAR and all of its U.S. and foreign corporate subsidiaries and affiliates, wherever they may be in the world (collectively, “NETGEAR Personnel”) are required to comply strictly with all applicable internal controls for the approval and screening of any expenditure involving the provision of benefits to business contacts or partners, whether public or private in nature.

The FCPA and other applicable laws also require that NETGEAR keep accurate records of transactions and transfers of assets to ensure compliance with this obligation. All transactions should be recorded in a timely and accurate manner and any information material to a transaction must be recorded. No transaction should ever be entered into that requires or contemplates the making of false or fictitious records in whole or in part. These requirements apply to all transactions falling under the FCPA, regardless of whether they would otherwise be considered financially material.

Application

This Policy applies to all NETGEAR Personnel. All NETGEAR Personnel shall act in a manner consistent with this Policy. Failure to do so constitutes grounds for immediate termination or revocation of the governing service agreement, as applicable.

Expectations

Conduct: No NETGEAR Personnel may offer, promise or give a Thing of Value, directly or indirectly, to a Government Official or to a Business Affiliate for the purpose of obtaining or retaining business or securing an improper business advantage or inducing the recipient to perform a job function improperly.

“Business Affiliate” includes any director, officer, employee or agent of a commercial customer or supplier.

“Government Official” includes any candidate or prospective candidate for political office, or anyone acting on their behalf, and an official, employee, or agent of a political party, a governmental agency, a state-owned or state-controlled enterprise, regardless of whether such individual is considered a public official under local law. For example, any employee of a state-controlled commercial enterprise, regardless of rank, is a Government Official under this Policy.

A “Thing of Value” may include any tangible or intangible benefit. Examples include, without limitation, cash; cash-equivalents (such as gift cards); gifts; travel; meals; entertainment; use of vehicles and accommodations; and even valuable favors such as educational opportunities and employment of friends and relatives. There is no minimum value;

even small gifts are Things of Value. This prohibition extends to *indirect* corrupt payments through third party intermediaries, including agents or joint venture partners. It extends to situations where NETGEAR Personnel *should have known* that a prohibited offer, promise or payment was being made, even if the individual in question did not have actual knowledge of such payments. All NETGEAR Personnel are expected to take reasonable steps to detect when monies made available to third parties are being or may appear to be passed through to a decision-maker on behalf of NETGEAR.

Any action that creates even the appearance of an improper advantage is prohibited. Regardless of the customs of a particular country, this Policy and the Applicable Anti-Corruption Laws must be followed in all business relationships.

Obtaining Approvals/Maintaining Records: All NETGEAR Personnel must comply with all applicable approval and documentation processes with respect to any payment to a Government Official or Business Affiliate to ensure compliance with this Policy and the Applicable Anti-Corruption Laws.

No payments or gifts falling under this Policy may be made without first complying with the applicable approval processes, including obtaining approval from the business unit general manager or his/her designee and the NETGEAR Legal Department.

All NETGEAR Personnel must fully and accurately document all expenditures involving Government Officials and Business Affiliates (even if approved), no matter how small, in accordance with applicable expense reporting procedures. If you have any questions regarding the financial reporting obligations applicable to you, please contact the Vice President of Internal Audit or finance personnel in your region.

Reporting: Any transaction that violates or potentially violates this Policy, no matter how small, must be promptly reported to NETGEAR's management by contacting the Senior Vice President of Human Resources, the General Counsel, the Vice President of Internal Audit, or the Chairman of the Audit Committee. If the individual so desires, a report may be made confidentially and anonymously through the whistleblower hotline via the secure web form at <http://www.openboard.info/ntgr/index.cfm> or voicemail at 1-866-225-5131.

All such reports will be treated as confidential, to be used only for the purpose of addressing the specific problem they address. Such reports will be shared by management and other authorized individuals only on a need-to-know basis. As long as a report is made honestly and in good faith, NETGEAR will take no adverse action against any person based solely on the making of such a report. NETGEAR Personnel have an affirmative obligation to report promptly all known or suspected violations of this Policy and/or the Applicable Anti-Corruption Laws. Failure to do so may, by itself, subject an individual to disciplinary action up to and including termination.

Consequences: The consequences for failing to comply with this Policy are extremely serious for NETGEAR and its employees. Violation of the Applicable Anti-Corruption Laws can result in millions of dollars in fines against NETGEAR and can subject NETGEAR Personnel to prosecution, criminal fines and imprisonment, as well as disciplinary action for employees up to and including termination of employment. *NETGEAR is prohibited by law from paying fines assessed*

against any officer, director or employee for an FCPA violation and may face similar restrictions under other Applicable Anti-Corruption Laws.

Guidelines

All NETGEAR Personnel are required to comply with the following guidelines:

- **Prohibition on Gifts or Valuable Benefits to Government Officials and Business Affiliates.** Except as expressly provided elsewhere in this Policy, it is a violation of this Policy to make or authorize a gift, promise, offer, payment, or provision of a Thing of Value to any Government Official or Business Affiliate directly or indirectly through third parties in connection with the activities of NETGEAR.
- **Permitted Payments.**
 - **Pre-Approved Nominal Gifts.** It is permissible for NETGEAR to offer or provide nominal gifts to a Government Official or Business Affiliate if: (1) the gift is offered or given under circumstances in which gift-giving is widely accepted and customarily practiced; (2) the total value of each gift is nominal; and (3) the gift is not offered or provided in exchange for any official act or omission, financial or business advantage or other corrupt purpose. You must obtain appropriate supervisor approval prior to giving any such gifts and comply with the applicable record-keeping requirements.
 - **Certain reasonable expenses.** Certain reasonable and *bona fide* promotional and government relations expenses involving the provision of meals, travel, lodging, and similar benefits to Government Officials and Business Affiliates are permitted. Such expenditures must be approved *in advance* by the NETGEAR Legal Department *unless* each of the following conditions are met:
 - The expense must relate directly to the promotion, demonstration, or explanation of the Company and its products and services.
 - The expense must not involve the provision of cash or cash equivalents (such as pre-loaded debit cards or gift cards) or cash reimbursements.
 - The expense must be reasonable. Premium travel or accommodations and extravagant meals or entertainment, or “adult” entertainment are inappropriate.
 - The expense must not exceed \$100 USD per person or the applicable country-specific limit determined by the NETGEAR Legal Department.
 - No individual Government Official or Business Affiliate may receive gifts or entertainment from NETGEAR more than once in any three-month period.

- The expense must not have the *purpose* or *appearance* of inducing a Government Official or Business Affiliate to misuse his or her authority, to deviate from his or her responsibilities, or otherwise act improperly.
- No gifts or entertainment may be provided to a Government Official with authority over a pending regulatory decision (such as the granting of a license or permit) without written authorization from the NETGEAR Legal Department.

If any of these conditions are not clearly satisfied, consult the NETGEAR Legal Department before *proposing* or making the expenditure.

As indicated above, you must obtain appropriate supervisor approval prior to paying any such expenses and comply with the applicable record-keeping requirements.

- **Extortion.** Extortion is when a person is faced with a threat of personal injury or detention unless he or she makes a payment. A mere request for a payment without a credible threat of physical harm is unlikely to satisfy legal standards for extortion. It is important to understand that extortion is not recognized as a complete defense to paying, offering to pay, or promising to pay a bribe in most jurisdictions outside the United States. NETGEAR aims to protect the health and safety of all NETGEARians in such circumstances. If possible, contact NETGEAR for pre-approval before making any payment under these conditions. If the circumstances do not permit you to obtain pre-approval, report the matter to the Senior Vice President of Human Resources, the General Counsel, the Vice President of Internal Audit, or the Chairman of the Audit Committee immediately following such an incident. In addition, the payment should be recorded accurately in NETGEAR's books and records.

For example, if a NETGEAR employee was going through customs at an airport in a high risk country and was requested to pay a certain amount of money to avoid imprisonment, NETGEAR would allow such a payment. In this example, the NETGEAR employee should try to resist the payment through steps such as asking to speak to a more senior official and asking for some documentation (such as a receipt) to try to make the payment by a traceable means. If the payment has to be made to avoid imprisonment, report the incident as soon as possible to the Senior Vice President of Human Resources, the General Counsel, the Vice President of Internal Audit, or the Chairman of the Audit Committee.

- **Doing Business with Third Parties.** NETGEAR is responsible under the Applicable Anti-Corruption Laws for any corrupt actions by affiliated third parties, such as joint venture partners or agents retained to represent NETGEAR or otherwise perform services on its behalf. Relationships with third parties are a common source of anti-corruption law violations for US companies. Every NETGEAR employee, officer or director retaining third parties acting in Non-US jurisdictions on behalf of NETGEAR is therefore responsible for screening and overseeing such third parties pursuant to NETGEAR's Third Party Provider Policy to ensure that they do not intend or are otherwise unlikely to engage in improper practices. In determining whether to engage a particular

third party, one should consider factors such as the third party's reputation and qualifications, the manner and reasonableness of compensation, the relationship, if any, between the owners and employees of the third party and a Government Official or government entity, the presence or absence of any secret partners, the willingness of the third party to disclose its relationship fully with us and the legality of the relationship under local law. Any agreement to retain a third party on NETGEAR's behalf must be reviewed by the NETGEAR Legal Department to ensure appropriate contractual and legal protections against potential liability, including express representations and warranties that such party will fully comply with the Applicable Anti-Corruption Laws.

- **Government-Owned and Controlled Businesses.** While it is not prohibited to have legitimate business relationships with business enterprises owned or controlled by a foreign government, NETGEAR prohibits any such relationships that have the intent or effect of influencing any government act or decision.
- **Charitable Contributions.** While contributions to local charitable organizations are permitted and encouraged in conjunction with community relations building, every NETGEAR employee, officer or director whether through a third party or directly with third parties acting on behalf of NETGEAR making such contributions is responsible for ensuring that such contributions are duly authorized and made to reputable charitable organizations and not misdirected to Government Officials.
- **Facilitating Payments.** Facilitating or expediting payments to Government Officials in order to secure or expedite the performance of certain non-discretionary, routine governmental actions ("Facilitating Payments") are prohibited. If you are asked for a Facilitating Payment, please contact the Legal Department immediately for guidance.
- **Political Contributions.** Unless explicitly authorized by the Legal Department, making contributions on behalf of NETGEAR to political parties or officials is prohibited.

Warning Signs

All NETGEAR employees, officers and directors should be alert to possible violations. Some common warning signs include:

- The country in which you are doing business has been designated as high-risk, either through NETGEAR's experience doing business in that country or through scoring "5" or below on Transparency International's Corruption Perceptions Index, a copy of which can be found here: http://www.transparency.org/policy_research/surveys_indices/cpi/2010.
- A third party you are seeking to retain exhibits warning signs, such as:
 - a history of or reputation for corrupt or unethical practices;
 - being related to, closely tied to, or recommended by a Government Official;
 - requesting payment in cash or some other unusual manner;
 - not being able to provide a legitimate invoice or receipt;

- objecting to contractual terms related to compliance with anti-corruption laws or other laws; or
 - requesting an unusually high fee or exhibiting limited substantive experience or expertise relative the requested fee.
- Unusual or undocumented payments involving entertainment or hospitality with respect to Government Officials.
- Payments or dealings with “intermediaries” of unknown or unspecified function or expertise.