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## Independent Accountants' Review Report

To the Management of Netflix, Inc.

We have reviewed Netflix, Inc.'s ("Netflix") Schedule of Greenhouse Gas Emissions included in Appendix A (the "Subject Matter") and as presented in the Netflix Environmental, Social & Governance Report 2020 (the "Report") for the year ended December 31, 2020 in accordance with the criteria also set forth in Appendix A (the "Criteria"). Netflix management is responsible for the Subject Matter in accordance with the Criteria. Our responsibility is to express a conclusion on the Subject Matter based on our review.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants ("AICPA") AT-C section 105, *Concepts Common to All Attestation Engagements*, and AT-C section 210, *Review Engagements*. Those standards require that we plan and perform our review to obtain limited assurance about whether any material modifications should be made to the Subject Matter in order for it to be in accordance with the Criteria. A review consists principally of applying analytical procedures, making inquiries of persons responsible for the Subject Matter, obtaining an understanding of the data management systems and processes used to generate, aggregate and report the Subject Matter and performing such other procedures as we considered necessary in the circumstances. A review is substantially less in scope than an examination, the objective of which is to obtain reasonable assurance about whether the Subject Matter is in accordance with the Criteria, in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion. A review also does not provide assurance that we became aware of all significant matters that would be disclosed in an examination. We believe that our review provides a reasonable basis for our conclusion.

In performing our review, we have also complied with the independence and other ethical requirements set forth in the Code of Professional Conduct and applied the Statements on Quality Control Standards established by the AICPA.

The information included in the Netflix Environmental, Social & Governance Report 2020, other than the Subject Matter, has not been subjected to the procedures applied in our review and, accordingly, we express no conclusion on it.

As described in Appendix A, the Subject Matter is subject to measurement uncertainties resulting from limitations inherent in the nature and the methods used for determining such data. The selection of different but acceptable measurement techniques can result in materially different measurements. The precision of different measurement techniques may also vary.

Based on our review, we are not aware of any material modifications that should be made to the accompanying Schedule of Greenhouse Gas Emissions for the year ended December 31, 2020 in order for it to be in accordance with the Criteria.

*Ernst & Young LLP*

July 21, 2021



**APPENDIX A**  
**Schedule of**  
**Greenhouse Gas Emissions**  
**For the year ended December 31, 2020**

Indicator name	Reported value <sup>1</sup>	Unit of measure	Criteria <sup>2</sup>
Greenhouse Gas (GHG) Emissions – Scope 1 <sup>3</sup>	30,883	Metric tonnes carbon dioxide equivalents (MT CO <sub>2</sub> e)	The World Resources Institute (WRI) and World Business Council for Sustainable Development (WBCSD) Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard
Adjusted GHG Emissions – Scope 1 <sup>4</sup>	0	MT CO <sub>2</sub> e	
GHG Emissions – Scope 2, Location-based method (LBM)	28,585	MT CO <sub>2</sub> e	WRI/WBCSD GHG Protocol Scope 2 Guidance: An Amendment to the GHG Protocol Corporate Standard
GHG Emissions – Scope 2, Market-based method (MBM) <sup>5</sup>	141	MT CO <sub>2</sub> e	
GHG Emissions – Scope 3, LBM <sup>6,7</sup>	1,067,778	MT CO <sub>2</sub> e	WRI/WBCSD The Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard, WRI/WBCSD’s The Greenhouse Gas Protocol Technical Guidance for Calculating Scope 3 Emissions
Adjusted GHG Emissions – Scope 3, LBM <sup>4</sup>	0	MT CO <sub>2</sub> e	
GHG Emissions – Scope 3, MBM <sup>6,8</sup>	1,020,541	MT CO <sub>2</sub> e	
Adjusted GHG Emissions – Scope 3, MBM <sup>4</sup>	0	MT CO <sub>2</sub> e	

**Reporting Boundary:**

Netflix has selected an organizational boundary for the Subject Matter based on the company’s operational control. All direct and indirect emissions from owned and leased corporate, billboard, DVD, studio, or production facilities related to self-managed Netflix-branded content are included in the emissions reported.

Indirect emissions associated with the Netflix value chain are also incorporated within the reporting boundary. These include emissions associated with purchased goods and services (including licensed and partner-managed content), capital expenditures, upstream energy losses, upstream and downstream transportation and distribution, upstream and downstream leased assets, business travel, employee commuting (and work from home emissions) and streaming.

<sup>1</sup> Where actual data to determine emissions is not available, Netflix models emissions using other available inputs, such as facility square footage and commercial building energy consumption survey (CBECS) intensity factors or spend data.

<sup>2</sup> Netflix applies the Criteria by multiplying activity-level data by the emissions factors indicated in the “Sources of Emissions Factors and Global Warming Potentials” table below.

<sup>3</sup> GHG Emissions – Scope 1 includes natural gas, jet fuel, gasoline, diesel, and fugitive emissions from refrigerant leakage.

<sup>4</sup> Netflix’s adjusted Scope 1 GHG Emissions are calculated by subtracting 30,883 Carbon Credits purchased from total Scope 1 GHG Emissions. Netflix’s adjusted Scope 3 GHG Emissions are calculated by subtracting 1,075,331 Carbon Credits purchased from total Scope 3 GHG Emissions. Carbon Credits are certified under the Climate Action Reserve (“CAR”) or Verified Carbon Standard (“VCS”) and are retired on a public registry at the amount equal to that purchased.

<sup>5</sup> Netflix procures a variety of energy attribute certificates (e.g., renewable energy certificates (RECs), international RECs (I-RECs), guarantees of origin (GOs)) through a third party, to reduce its reported Scope 2 market-based emissions.

<sup>6</sup> GHG Emissions - Scope 3 includes categories 1-4, 6-7, and 13, as defined by the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard.

<sup>7</sup> Scope 3 emissions are location-based except where individual suppliers provided supplier specific emissions that are market-based (e.g. AWS). Netflix works with individual suppliers, wherever possible, to determine that any renewable contractual instruments applied to their emissions are appropriately attributed.

<sup>8</sup> Netflix applied 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.

## Measurement Uncertainty GHG Emissions Reporting:

GHG emission reporting is subject to measurement uncertainties resulting from limitations inherent in the nature and the methods used for determining such data. The selection of different but acceptable measurement techniques can result in materially different measurements. The precision of different measurement techniques may also vary.

## Sources of Emissions Factors and Global Warming Potentials:

Indicator name	Emissions factors	Global warming potentials
GHG Emissions – Scope 1	<ul style="list-style-type: none"> <li>- Environment Canada National Inventory Report 1990-2018 (2020 submission) – Tables A6.1-1 &amp; A6.1-2; Table 6.1-13</li> <li>- 2020 Climate Registry Default Emission Factors (April 2020) – Tables 1.1, 1.10, 2.1, 2.7, 2.9</li> <li>- DEFRA/DECC Conversion factors for Company Reporting Version 1.0 (2020)</li> <li>- IPCC 2006 DEFAULT PER “Emissions Factor Database”</li> <li>- UNFCCC CRF Implied Emission Factor – Category: 1.A.4.a, Table1.A(a)s3</li> </ul>	
GHG Emissions – Scope 2 (location-based)	<ul style="list-style-type: none"> <li>- The Emissions &amp; Generation Resource Integrated Database (eGRID) 2018</li> <li>- IEA (2020): Emission Factors for International Electricity Usage (kWh) – 2020 (2018 Data Year)</li> <li>- Environment Canada, National Inventory Report, 1990-2018: Greenhouse Gas Sources and Sinks in Canada (April 2020) Annex 13: Emission Factors, Table A13-2 – A13-14.</li> <li>- DEFRA/DECC Conversion factors for Company Reporting Version 1.0 (2020)</li> </ul>	
GHG Emissions – Scope 2 (market-based)	<ul style="list-style-type: none"> <li>- The Emissions &amp; Generation Resource Integrated Database (eGRID) 2018</li> <li>- IEA (2020): Emission Factors for International Electricity Usage (kWh) – 2020 (2018 Data Year)</li> <li>- Environment Canada, National Inventory Report, 1990-2018: Greenhouse Gas Sources and Sinks in Canada (April 2020) Annex 13: Emission Factors, Table A13-2 – A13-14.</li> <li>- DEFRA/DECC Conversion factors for Company Reporting Version 1.0 (2020)</li> <li>- <a href="https://www.conedison.com/ehs/2019-sustainability-report/eei-esg-template/">https://www.conedison.com/ehs/2019-sustainability-report/eei-esg-template/</a></li> <li>- Electric Company Carbon Emissions and Electricity Mix Reporting Database for Corporate Customers (November 2020). Source: Edison Electric Institute</li> <li>- <a href="https://www.edfenergy.com/fuel-mix">https://www.edfenergy.com/fuel-mix</a></li> <li>- Utility direct contact, Los Angeles Department of Water and Power (LADWP)</li> <li>- 2019 Data Year RE-DISS Residual Mix Emissions Rates for Europe</li> <li>- <a href="https://www.svcleanenergy.org/faqs/#1520299453537-0c342348-4e27">https://www.svcleanenergy.org/faqs/#1520299453537-0c342348-4e27</a></li> </ul>	2014 IPCC Fifth Assessment Report

<p>GHG Emissions – Scope 3</p>	<ul style="list-style-type: none"> <li>- 2019 Data Year RE-DISS Residual Mix Emissions Rates for Europe</li> <li>- DEFRA/DECC Conversion factors for Company Reporting Version 1.0 (2020)</li> <li>- 2020 Climate Registry Default Emission Factors (April 2020) – Tables 1.1 &amp; 1.10</li> <li>- Characteristics of Low-Carbon Data Centers. Masanet et. al. 2013</li> <li>- Environment Canada, National Inventory Report, 1990-2018: Greenhouse Gas Sources and Sinks in Canada (April 2020) Annex 13: Emission Factors, Table A13-2 – A13-14.</li> <li>- EPA 2018: Supply Chain Greenhouse Gas Emission Factors for US Industries and Commodities</li> <li>- EPA CCCL Emission Factors for Greenhouse Gas Inventories (Mar 26, 2020)</li> <li>- IEA (2020): Emission Factors for International Electricity Usage (kWh) – 2020 (2018 Data Year)</li> <li>- IPCC 2006 DEFAULT PER “Emissions Factor Database”</li> <li>- U.S. DOT: Public Transportation’s Role in Responding to Climate Change (2010)</li> <li>- <a href="https://www.fueleconomy.gov/feg/download.shtml">https://www.fueleconomy.gov/feg/download.shtml</a></li> <li>- UNFCCC CRF Implied Emission Factor – Category: 1.A.4.a Commercial/Institutional   Classification: Gaseous Fuels, Inventory Year 2018</li> <li>- US EPA eGRID2018 Year 2018 (released 01/28/2020)</li> <li>- <a href="https://www.svcleanenergy.org/faqs/#1520299453537-0c342348-4e27">https://www.svcleanenergy.org/faqs/#1520299453537-0c342348-4e27</a></li> </ul>	<p>2014 IPCC Fifth Assessment Report</p>
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