



## Netgem To Cut Carbon Emissions By 20% Over Next Two Years

### Introduction

Netgem ([www.netgem.com](http://www.netgem.com)) a leading provider of IPTV technology and services to Telecom operators worldwide has committed to cut the Greenhouse Gas (GHG) emissions of each Set Top Box (STB) by 20% by 2012.

The reduction in emissions will primarily come from changes within the manufacturing process of Netgem's STBs and from the introduction of 'low power' functions within the devices. A reduction is also being achieved with changes to how the Company transports freight.

"Netgem is committed to being corporately sustainable and to reducing our carbon emissions. We are taking into account the impact we have on the environment and society today through the implementation of proven and practical methodology," said Christophe Aulnette, Managing Director of Netgem.

### The Bilan Carbone® Method developed by ADEME

Netgem chose to implement the Bilan Carbone® method that enables companies of any nature, to use readily available data, to accurately calculate its direct and indirect greenhouse gas (GHG) emissions.

The Bilan Carbone® method<sup>1</sup> was developed by the French Environment and Energy Management Agency<sup>2</sup> (ADEME), which is committed to encouraging, supervising, coordinating, facilitating and undertaking operations that protect the environment.

### The Bilan Carbone® study at Netgem

In early 2009, Netgem started the Bilan Carbone study, working closely with customers and partner companies that manufacture, assemble, distribute and dismantle its STBs to measure the GHG emissions levels at all stages, including:

1. Manufacture
  - a. Tier 1 – working directly with Netgem
  - b. Tier 2 – working indirectly with Netgem
2. Packaging
3. Freight
4. In-home use (power consumption)
5. Dismantling and recycling

Other factors were also included in the study include:

1. Waste created during the production
2. Energy consumption of Netgem, the company
3. The movement of Netgem employees and visitors
4. Depreciation of Netgem's building, tools, cars etc.

---

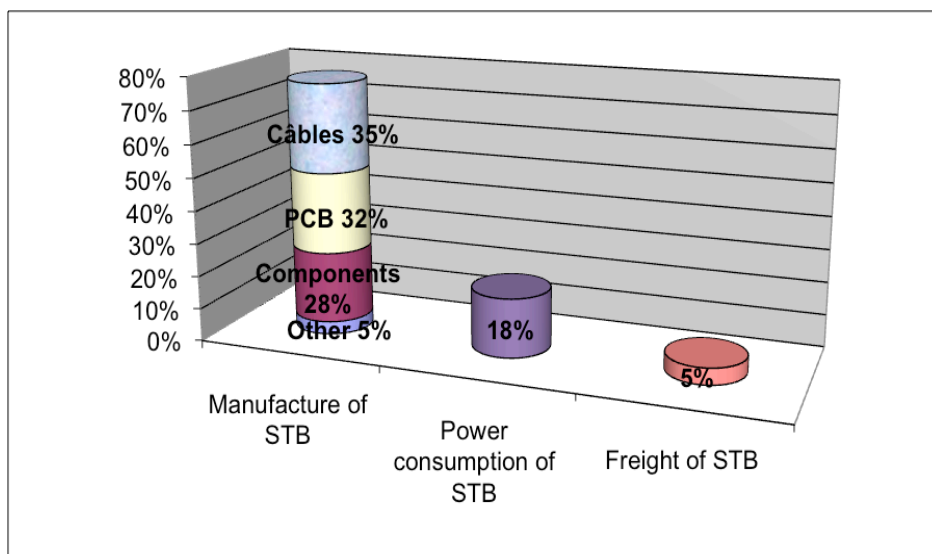
<sup>1</sup> This method, which has been developed by ADEME\*, is compatible with standard ISO 14064, the GHG Protocol initiative and the terms of the "permit" Directive No. 2003/87/CE relating to the CO2 quota trading system.

<sup>2</sup> The ADEME is an industrial and commercial public agency, under the joint supervision of French Ministries for Ecology, Sustainable Development and Spatial Planning (MEDAD) and for Higher Education and Research.

## Netgem's Primary Source of GHG Emissions

The results of Netgem's Bilan Carbone® study proved that by far the majority (77%) of GHG emissions are created during the manufacture of the Company's STBs. Within the process, virtually all emissions came from the production of the electronic elements and circuit board.

The power consumption of Netgem's STB's then accounted for 18% of emissions with the transportation of freight accounting for 5%. All other factors accounted for less that 1% of total emissions.



## Netgem's Steps To Cut GHG Emissions By 20% By 2012

Netgem has begun implementing a series of changes to how its STBs are manufactured, operated and transported to reduce the GHG emissions of each STB by 20% over the next two years:

1. Manufacturing – Reduce size of printed circuit board on STB & remote control = 4%
2. Power consumption – Include “low power” functionality across all devices = 14%
3. Freight – mainly ship freight rather than transport by air = 2%