

NETGEAR, INC  
Form DEF 14A  
April 19, 2019  
Table of Contents

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the  
Securities Exchange Act of 1934  
(Amendment No. \_\_\_ )

Filed by Registrant  Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material under § 240.14a-12

NETGEAR, INC.

(Name of registrant as specified in its charter)

(Name of person(s) filing proxy statement, if other than the registrant)

No fee required

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:



Table of Contents

NETGEAR, INC.

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NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

Thursday, May 30, 2019

10:00 a.m. Pacific Daylight Time

To Our Stockholders:

The 2019 Annual Meeting of Stockholders of NETGEAR, Inc. will be held on Thursday, May 30, 2019, at 10:00 a.m. Pacific Daylight Time at our executive offices at 350 East Plumeria Drive, San Jose, California 95134 for the following purposes:

1. To elect seven (7) directors to serve until the next Annual Meeting of Stockholders;
2. To ratify the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2019;
3. To approve the non-binding advisory proposal regarding executive compensation; and
4. To transact such other business as may properly come before the annual meeting, including any motion to adjourn to a later date to permit further solicitation of proxies, if necessary, or before any adjournment thereof.

The foregoing items of business are more fully described in the Proxy Statement accompanying this Notice.

Stockholders who owned shares of our stock at the close of business on Monday, April 1, 2019 are entitled to attend and vote at the meeting. A complete list of these stockholders will be available during normal business hours for 10 days prior to the meeting at our headquarters located at 350 East Plumeria Drive, San Jose, California 95134. A stockholder may examine the list for any legally valid purpose related to the meeting. The list also will be available during the annual meeting for inspection by any stockholder present at the meeting.

We are pleased to continue to take advantage of the Securities and Exchange Commission's rules that allow issuers to furnish proxy materials to their stockholders over the Internet. We believe these rules allow us to provide you with the information you need while lowering the costs of delivery and reducing the environmental impact of the annual meeting.

Whether or not you plan to attend the annual meeting, we hope you will vote as soon as possible. If you received or requested printed proxy materials, you may vote by mailing a proxy or voting instruction card. If you received a Notice Regarding the Availability of Proxy Materials (the "Notice"), you may vote over the Internet. Please review the instructions on each of your voting options described in the proxy materials, as well as the Notice if you received one.

For the Board of Directors of  
NETGEAR, INC.

Patrick C.S. Lo  
Chairman and Chief Executive Officer

San Jose, California  
April 19, 2019

YOUR VOTE IS IMPORTANT  
PLEASE VOTE AS PROMPTLY AS POSSIBLE.

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Table of Contents

TABLE OF CONTENTS

Insert Title Here

	Page
<u>GENERAL INFORMATION</u>	1
<u>Notice Regarding the Availability of Proxy Materials</u>	1
<u>Voting Procedures</u>	1
<u>Methods of Voting</u>	1
<u>Revoking Your Proxy</u>	2
<u>Quorum Requirement</u>	2
<u>Votes Required for Each Proposal</u>	2
<u>Abstentions</u>	3
<u>Broker Non-Votes</u>	3
<u>Proxy Solicitation Costs</u>	3
<u>Deadline for Receipt of Stockholder Proposals or Director Nominations for 2019 Annual Meeting</u>	3
<u>Stockholder Communications to Directors</u>	4
<u>PROPOSAL ONE - ELECTION OF DIRECTORS</u>	5
<u>Nominees</u>	5
<u>Information Concerning the Nominees</u>	5
<u>Vote Required and Board of Directors' Recommendation</u>	7
<u>Board and Committee Meetings</u>	7
<u>Audit Committee</u>	8
<u>Compensation Committee</u>	8
<u>Nominating and Corporate Governance Committee</u>	8
<u>Policy for Director Recommendations and Nominations</u>	9
<u>Corporate Governance Policies and Practices</u>	9
<u>Related Party Transactions</u>	10
<u>Stockholder Engagement</u>	11
<u>Board Leadership Structure</u>	11
<u>Lead Independent Director</u>	12
<u>Risk Management</u>	12
<u>Director Compensation</u>	12
<u>Fiscal Year 2018 Director Compensation</u>	13
<u>Director Stock Ownership Guidelines</u>	14
<u>Compensation Committee Interlocks and Insider Participation</u>	14
<u>PROPOSAL TWO - RATIFICATION OF APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM</u>	15
<u>Audit and Related Fees</u>	15
<u>Vote Required and Board of Directors' Recommendation</u>	16
<u>REPORT OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS</u>	17
<u>PROPOSAL THREE - ADVISORY VOTE ON EXECUTIVE COMPENSATION</u>	18
<u>Vote Required and Board of Directors' Recommendation</u>	18
<u>COMPENSATION DISCUSSION AND ANALYSIS</u>	19

Table of Contents

Insert Title Here

<u>COMPENSATION COMMITTEE REPORT</u>	<u>30</u>
<u>EXECUTIVE COMPENSATION TABLES</u>	<u>31</u>
<u>STOCK OWNERSHIP INFORMATION</u>	<u>41</u>
<u>Security Ownership of Certain Beneficial Owners and Management</u>	<u>41</u>
<u>Section 16(a) Beneficial Ownership Reporting Compliance</u>	<u>43</u>
<u>OTHER MATTERS</u>	<u>44</u>

ii

---

Table of Contents

NETGEAR, INC.

---

PROXY STATEMENT FOR THE  
2019 ANNUAL MEETING OF STOCKHOLDERS

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GENERAL INFORMATION

The enclosed Proxy is solicited on behalf of the Board of Directors of NETGEAR, Inc., a Delaware corporation, for use at the Annual Meeting of Stockholders. The Board of Directors has made these materials available to you on the Internet or in printed proxy materials in connection with the solicitation of proxies for use at its 2019 Annual Meeting of Stockholders, which will take place at 10:00 a.m. Pacific Daylight Time on Thursday, May 30, 2019 at its executive offices located at 350 East Plumeria Drive, San Jose, California 95134.

This proxy statement contains important information regarding our annual meeting. Specifically, it identifies the proposals on which you are being asked to vote, provides information you may find useful in determining how to vote and describes the voting procedures.

We use several abbreviations in this proxy statement. We may refer to our Company as “NETGEAR,” “we,” “us” or “our.” The term “proxy materials” includes this proxy statement and our Annual Report on Form 10-K for the year ended December 31, 2018, as well as the proxy or voter instruction card if you received or requested printed proxy materials. We are mailing the proxy materials on or about April 19, 2019 to all of our stockholders as of the record date, April 1, 2019. Stockholders who owned NETGEAR common stock at the close of business on April 1, 2019 are entitled to attend and vote at the annual meeting. On the record date, approximately 31,466,930 shares of our common stock were issued and outstanding and no shares of our preferred stock were issued and outstanding. We had 19 stockholders of record as of the record date and our common stock was held by approximately 21,334 beneficial owners.

You may also view this proxy statement, as well as our Annual Report on Form 10-K for the year ended December 31, 2018, online at the following address: <http://materials.proxyvote.com/64111Q>.

Notice Regarding the Availability of Proxy Materials

Pursuant to rules adopted by the Securities and Exchange Commission, we have elected to provide access to the proxy materials over the Internet. Accordingly, we are sending a Notice Regarding the Availability of Proxy Materials (the “Notice”) to some of our stockholders. All stockholders will have the ability to access the proxy materials on the website referred to in the proxy materials and on the website referred to in the Notice. Instructions on how to access the proxy materials over the Internet or to request a printed copy may be found in the Notice.

Voting Procedures

As a stockholder, you have the right to vote on certain business matters affecting us. The three (3) proposals that will be presented at the annual meeting, and upon which you are being asked to vote, are discussed in the sections entitled “Proposal One,” “Proposal Two” and “Proposal Three.” Each share of NETGEAR common stock you own entitles you to one vote.

Methods of Voting

Voting by Mail. If you received or requested printed proxy materials, then by signing and returning the proxy or voter instruction card according to the enclosed instructions, you are enabling our Chairman and Chief Executive Officer, Patrick C.S. Lo, and our Chief Financial Officer, Bryan D. Murray, who are named on the proxy as “proxies and attorneys-in-fact,” to vote your shares as proxy holders at the meeting in the manner you indicate. We encourage you to sign and return the proxy or voter instruction card even if you plan to attend the meeting. In this way, your shares will be voted even if you are unable to attend the meeting.

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Your shares will be voted in accordance with the instructions you indicate on the proxy or voter instruction card. If you submit the proxy or voter instruction card, but do not indicate your voting instructions, your shares will be voted as follows:

1

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FOR the election of the director nominees identified in Proposal One;  
FOR the ratification of the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2019; and  
FOR the non-binding advisory proposal regarding executive compensation.

Voting over the Internet. If you received the Notice (as described above), you can vote by proxy over the Internet by following the instructions provided on the Notice.

Voting in Person at the Meeting. If you plan to attend the annual meeting and vote in person, we will provide you with a ballot at the meeting. If your shares are registered directly in your name, you are considered the stockholder of record and you have the right to vote in person at the meeting. If your shares are held in the name of your broker or other nominee, you are considered the beneficial owner of shares held in your name, but if you wish to vote at the meeting, you will need to bring with you to the annual meeting a legal proxy from your broker or other nominee authorizing you to vote these shares.

To reduce the expenses of delivering duplicate voting materials to our stockholders who may have more than one NETGEAR stock account, we are delivering only one set of the voting materials to certain stockholders who share an address unless otherwise requested. For stockholders receiving printed proxy materials, a separate proxy card is included in the voting materials for each of these stockholders. If you share an address with another stockholder and have received only one set of voting materials, you may request a separate copy of these materials at no cost to you by writing our Corporate Secretary at NETGEAR, Inc., 350 East Plumeria Drive, San Jose, California 95134, or calling our Corporate Secretary at (408) 907-8000. For future annual meetings, you may request separate voting materials, or request that we send only one set of voting materials to you if you are receiving multiple copies, by writing or calling our Corporate Secretary. You may receive a copy of NETGEAR's Annual Report on Form 10-K for the year ended December 31, 2018 including the Consolidated Financial Statements, schedules and list of exhibits, and any particular exhibit specifically requested by sending a written request to NETGEAR, Inc., 350 East Plumeria Drive, San Jose, California 95134, Attn: Corporate Secretary.

#### Revoking Your Proxy

You may revoke your proxy at any time before it is voted at the annual meeting. In order to do this, you may do any of the following:

- sign and return another proxy bearing a later date;
- provide written notice of the revocation to the Company's Corporate Secretary, at NETGEAR, Inc., 350 East Plumeria Drive, San Jose, California 95134, prior to the time we take the vote at the annual meeting; or
- attend the meeting and vote in person.

#### Quorum Requirement

A quorum, which is a majority of our outstanding shares as of the record date, must be present in order to hold the meeting and to conduct business. Your shares will be counted as being present at the meeting if you appear in person at the meeting, if you vote over the Internet, or if you submit a properly executed proxy or voter instruction card.

#### Votes Required for Each Proposal

The vote required, and method of calculation for the proposals to be considered at the annual meeting, are as follows: Proposal One - Election of Directors. You may vote "for," "against" or "abstain" from voting for any or all of the seven (7) directors nominees. Pursuant to our Bylaws and our Corporate Governance Guidelines, any nominee for director in an uncontested election who receives a greater number of votes "against" his or her election than votes "for" such election shall submit his or her offer of resignation for consideration by our Nominating and Corporate Governance Committee and our Board of Directors. The election of directors pursuant to this proposal is an uncontested election, and therefore, this majority voting standard applies.

Proposal Two - Ratification of the Appointment of PricewaterhouseCoopers LLP as Our Independent Registered Public Accounting Firm for the Fiscal Year Ending December 31, 2019. Ratification of PricewaterhouseCoopers LLP as our independent registered public accounting firm will require the affirmative





## Table of Contents

vote of a majority of the shares present at the annual meeting and entitled to vote, in person or by proxy. You may vote “for,” “against,” or “abstain” from voting on this proposal.

Proposal Three - Approval of the Non-Binding Advisory Proposal Regarding Executive Compensation. Approval of the non-binding advisory proposal regarding executive compensation will require the affirmative vote of a majority of the shares present at the annual meeting and entitled to vote, in person or by proxy. You may vote “for,” “against,” or “abstain” from voting on this proposal.

### Abstentions

If you return a proxy or voter instruction card that indicates an abstention from voting on all matters, the shares represented will be counted as present for the purpose of determining a quorum, but they will not be voted on any matter at the annual meeting. Consequently, if you abstain from voting on Proposals Two or Three, your abstention will have the same effect as a vote against such Proposal(s).

### Broker Non-Votes

A “broker non-vote” occurs when a broker holding shares for a beneficial owner does not vote on a particular proposal because the broker does not have discretionary voting power with respect to that item and has not received instructions from the beneficial owner as to how to vote on that proposal. Broker non-votes are counted for the purpose of determining the presence or absence of a quorum but are not counted for determining the number of votes cast for or against a proposal.

If your shares are held in a stock brokerage account or by a bank or other nominee, you are considered the beneficial owner of shares held in “street name.” If you hold your shares in street name, it is critical that you cast your vote if you want it to count in the election of directors (Proposal One) and the approval of the advisory vote regarding our executive compensation (Proposal Three). If you hold your shares in street name and you do not instruct your bank, broker or other nominee how to vote for Proposal One or Proposal Three, no votes will be cast on your behalf for those Proposals.

Your bank, broker or other nominee will, however, continue to have discretion to vote any uninstructed shares on the ratification of the appointment of our independent registered public accounting firm (Proposal Two).

### Proxy Solicitation Costs

We will bear the entire cost of proxy solicitation, including the preparation, assembly, printing and mailing of proxy materials. We expect our Corporate Secretary, Andrew W. Kim, to tabulate the proxies and act as inspector of the election. We may reimburse brokerage firms, custodians, nominees, fiduciaries and other persons representing beneficial owners of Common Stock for their reasonable expenses in forwarding solicitation material to such beneficial owners. Our directors, officers and employees may also solicit proxies in person or by other means of communication. Such directors, officers and employees will not be additionally compensated but may be reimbursed for reasonable out-of-pocket expenses in connection with such solicitation.

### Deadline for Receipt of Stockholder Proposals or Director Nominations for 2020 Annual Meeting

As a stockholder, you may be entitled to present proposals for action at a forthcoming meeting if you comply with the requirements of the proxy rules established by the Securities and Exchange Commission. Proposals by our stockholders intended to be presented for consideration at our 2020 Annual Meeting must be received by us no later than December 21, 2019 (120 calendar days prior to the anniversary of the mailing date of this proxy statement), in order that they may be included in the proxy statement and form of proxy related to that meeting. The submission of the stockholder proposal does not guarantee that it will be included in our 2020 proxy statement.

The Securities and Exchange Commission rules establish a different deadline with respect to discretionary voting for stockholder proposals that are not intended to be included in a company's proxy statement. The proxy card grants the proxy holders discretionary authority to vote on any matter raised at the annual meeting. The discretionary vote deadline for our 2020 Annual Meeting is March 5, 2020, which is 45 calendar days prior to the anniversary of the mailing date of this proxy statement. If a stockholder gives notice of a proposal after the discretionary vote deadline,

our proxy holders will be allowed to use their discretionary voting authority to vote against the stockholder proposal when and if the proposal is raised at our 2020 Annual Meeting.

3

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In addition, our amended and restated bylaws establish an advance notice procedure with regard to specified matters, including stockholder proposals and director nominations, which are proposed to be properly brought before an annual meeting of stockholders. To be timely, a stockholder's notice shall be delivered no less than 120 days prior to the date of the annual meeting specified in the proxy statement provided to stockholders in connection with the preceding year's annual meeting, which is January 31, 2020 in connection with our 2020 Annual Meeting. In the event that no annual meeting was held in the previous year or the date of the annual meeting is changed by more than 30 days from the date contemplated at the time of the previous year's proxy statement, notice by the stockholder must be received not later than the 10th business day following the day notice of the date of the meeting was mailed or public disclosure was made, whichever occurs first.

In 2016, we amended our amended and restated bylaws to permit a stockholder, or group of up to 50 stockholders, owning continuously for at least three years shares of our common stock representing an aggregate of at least 3% of our outstanding shares, to nominate and include in our proxy statement director nominees constituting up to the greater of two directors or 20% of the total number of directors then serving on our Board of Directors, provided that the stockholder(s) and nominee(s) satisfy the requirements specified in our amended and restated bylaws. Notice of such "proxy access" director nominees for our 2020 Annual Meeting must be received no earlier than November 21, 2019 (150 calendar days prior to the anniversary of the filing date of this definitive proxy statement) and no later than December 21, 2019 (120 calendar days prior to the anniversary of the filing date of this definitive proxy statement). A stockholder's notice shall include the information required by our amended and restated bylaws. A copy of the full text of our amended and restated bylaws is available in the investor relations section of our website at [www.netgear.com](http://www.netgear.com). Proposals or nominations should be sent to our Corporate Secretary, c/o NETGEAR, Inc., 350 East Plumeria Drive, San Jose, California 95134.

#### Stockholder Communications to Directors

Stockholders may communicate directly with any of our directors by writing to them c/o NETGEAR, Inc., 350 East Plumeria Drive, San Jose, California 95134. Unless the communication is marked "confidential," our Corporate Secretary will monitor these communications and provide appropriate summaries of all received messages to the Chairperson of our Nominating and Corporate Governance Committee. Any stockholder communication marked "confidential" will be logged as "received" but will not be reviewed by the Corporate Secretary. Such confidential correspondence will be immediately forwarded to the Chairperson of the Nominating and Corporate Governance Committee for appropriate action. Where the nature of a communication concerns questionable accounting or auditing matters, such communication will be directed to the Audit Committee and our Corporate Secretary will log the date of receipt of the communication as well as (for non-confidential communications) the identity of the correspondent in the Company's records.

Table of ContentsPROPOSAL ONE  
ELECTION OF DIRECTORS

## Nominees

The seven (7) nominees for election at the Annual Meeting of Stockholders are Patrick C.S. Lo, Jef T. Graham, Bradley L. Maiorino, Janice M. Roberts, Gregory J. Rossmann, Barbara V. Scherer and Thomas H. Waechter. If elected, they will each serve as a director until the Annual Meeting of Stockholders in 2020, and until their respective successors are elected and qualified or until their earlier resignation or removal. In addition to the nominees listed above, Julie A. Shimer also currently serves as a member of the Board. During the Board's formal consideration of nominees in April 2019, Dr. Shimer indicated her intention not to stand for re-election at the 2019 Annual Meeting and to retire as a member of the Board at the end of her current term. Dr. Shimer will continue to serve on the Board until the 2019 Annual Meeting. We wholeheartedly thank Dr. Shimer for her years of service and her support of NETGEAR.

Unless otherwise instructed, the proxy holders will vote the proxies received by them for election of all of the director nominees, all of whom currently serve as directors. In the event the nominees are unable or decline to serve as a director at the time of the annual meeting, the proxies will be voted for any nominee who shall be designated by the present Board of Directors to fill the vacancy. We are not aware that any nominee will be unable or will decline to serve as a director. In the event that additional persons are nominated for election as directors, the proxy holders intend to vote all proxies received by them in such a manner as to assure the election of the nominees listed above.

## Information Concerning the Nominees

The names of the nominees and certain biographical information about them as of April 1, 2019 are set forth below:

Name	Age	Office	Director Since
Patrick C.S. Lo	62	Chairman and Chief Executive Officer/Nominee	2000
Jef T. Graham	63	Director/Nominee	2005
Bradley L. Maiorino	48	Director/Nominee	2018
Janice M. Roberts	63	Director/Nominee	2019
Gregory J. Rossmann	57	Director/Nominee	2002
Barbara V. Scherer	63	Director/Nominee	2011
Thomas H. Waechter	66	Director/Nominee	2014

Patrick C.S. Lo is our co-founder and has served as our Chairman and Chief Executive Officer since March 2002. Mr. Lo founded NETGEAR with Mark G. Merrill with the singular vision of providing the appliances to enable everyone in the world to connect to the high speed internet for information, communication, business transactions, education, and entertainment. From 1983 until 1995, Mr. Lo worked at Hewlett-Packard Company, where he served in various management positions in sales, technical support, product management, and marketing in the U.S. and Asia. Mr. Lo was named the Ernst & Young National Technology Entrepreneur of the Year in 2006. Mr. Lo received a B.S. degree in electrical engineering from Brown University. Mr. Lo's experience as a founder and Chief Executive Officer of the Company gives him unique insights into the Company's challenges, opportunities and operations.

Jef T. Graham has served as one of our directors since July 2005. Mr. Graham currently is a private investor. From September 2016 to November 2017, Mr. Graham served as Chairman and Chief Executive Officer of Console Connect Inc., a provider of global direct connect solutions. From February 2015 to August 2016, Mr. Graham was a private investor. From January 2006 to January 2015, Mr. Graham served as the Chairman and Chief Executive Officer of RGB Networks, Inc., a provider of video and bandwidth management products. From July 2005 until January 2006, Mr. Graham served as the Executive Vice President, Application Products Group, of Juniper Networks, Inc., a provider of IP networking and security products. From October 2001 to July 2005, Mr. Graham served as the President and Chief Executive Officer of Peribit Networks Inc., a provider of wide area network optimization appliances, which was acquired by Juniper Networks. Before Peribit, Mr. Graham served as the Senior Vice President

of the commercial and consumer business units for 3Com Corporation, where he managed networking and connectivity product offerings. From 1993 to 1995, he served as the Chief Executive Officer of Trident Systems, a document management systems integrator. Mr. Graham also worked for Hewlett-Packard Company for 15 years, including ten years in sales and marketing around the world and as general manager of both a hardware and a software division. Mr. Graham holds a

5

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Table of Contents

B.A. with Honors in Business Studies from Sheffield Hallam University in the United Kingdom. Mr. Graham has in-depth understanding of networking technology products as well as our markets and channels. He also has rich contacts and relationships in the Silicon Valley technology community, which assists the Company in cultivating business relationships and recruiting.

Bradley L. Maiorino has served as one of our directors since July 2018. Since April 2017, Mr. Maiorino has served as an Executive Vice President at Booz Allen Hamilton Inc., a management and technology consulting firm. From June 2014 to April 2017, he served as Senior Vice President and Chief Information Security Officer at Target Corporation, the second largest general merchandise retailer in the United States. From July 2012 to June 2014, Mr. Maiorino was the Chief Information Security and Technology Risk Officer at General Motors Company, an automotive manufacturing and financing services company. Prior to that, from April 2001 to July 2012, he held various leadership roles in the technology organization of General Electric Company, a global digital industrial company, ultimately serving as Chief Information Security Officer for the company. Mr. Maiorino holds a B.S. degree in professional computer studies from Pace University. Mr. Maiorino brings more than 25 years of experience, with diverse business experience and a track record of building and leading global teams within Fortune 50 firms. He has a deep understanding of technology, security and risk management, and also has significant contacts and relationships in the technology and security community.

Janice M. Roberts has served as one of our directors since February 2019. Ms. Roberts is an experienced global technology executive and venture capitalist based in Silicon Valley, where her board experience spans public, private, and nonprofit organizations. Since April 2014, she has been a partner at Benhamou Global Ventures, where she invests in early stage “cross-border” companies including SaaS, AI-powered platforms, collaboration and IoT solutions. Ms. Roberts currently serves on the boards of RealNetworks, Inc., Zebra Technologies, Inc. and Zynga Inc., and was most recently a director of ARM Holdings Plc until its acquisition by the SoftBank Group in 2016. From 2000 to 2013, Ms. Roberts served as Managing Director of Mayfield Fund, where she continued as a venture advisor until 2014, investing in wireless, mobile, enterprise and consumer technology companies. From 1992 to 2000, Ms. Roberts was employed by 3Com Corporation (later acquired by Hewlett Packard), where she held various executive positions, including Senior Vice President of Global Marketing and Business Development, President of 3Com Ventures and President of the Palm Computing Business Unit. She also serves on the advisory board of Illuminate Ventures and is Co-Chair of GBx Global.org, a curated network of British entrepreneurs and senior technology executives in the San Francisco Bay Area. Ms. Roberts holds a Bachelor of Commerce degree (honors) from the University of Birmingham in the U.K. Ms. Roberts provides our Board with a valuable perspective based on her extensive executive and board-level experience with technology companies in multiple product areas and sectors, including networking and communications products, software, microprocessor technology, gaming and applications, spanning consumer, business and service provider markets.

Gregory J. Rossmann has served as one of our directors since February 2002. Since April 2016, Mr. Rossmann has served as a General Partner at Oak Investment Management, a late stage growth and private equity investor. From February 2009 to March 2016, Mr. Rossmann was a private investor. From November 2007 to January 2009, Mr. Rossmann served as a Managing Director of The Carlyle Group, a private equity firm. From April 2000 to November 2007, Mr. Rossmann served as a Managing Director of Pequot Capital Management, Inc., a private equity firm. From April 1994 to April 2000, Mr. Rossmann served as Managing Director and partner at Broadview International, an investment banking firm. From June 1991 to April 1994, he worked at Dynatech Corporation, a technology holding company, where he served as manager of new business development. Prior to that, he held various Product Management and Engineering positions at Advanced Micro Devices. Mr. Rossmann is a director of several private companies. Mr. Rossmann received a B.S. degree in Electrical and Computer Engineering from the University of Cincinnati and an M.B.A. from Santa Clara University. Mr. Rossmann's extensive technology, private equity, and investment banking experience allows him to provide the Company with unique perspectives and advice on global markets, corporate development, and acquisition initiatives.

Barbara V. Scherer has served as one of our directors since August 2011. Ms. Scherer is the former Senior Vice President, finance and administration and chief financial officer of Plantronics, Inc. (now known as Poly), a global

leader in audio communication devices for businesses and consumers. She served in this position from 1998 to 2012 and was responsible for all aspects of the company's financial management, as well as information technology, legal and investor relations. She was Vice President, finance and administration and chief financial officer of Plantronics from 1997 to 1998. Prior to Plantronics, Ms. Scherer held various executive management positions spanning eleven years in the disk drive industry, was an associate with The Boston Consulting Group, and was a member of the corporate finance team at ARCO in Los Angeles. Ms. Scherer currently serves on the Board of Directors of ANSYS, Inc., a publicly traded engineering simulation software and services company, as well as the Board of Directors of Ultra Clean Holdings, Inc., a publicly traded developer and supplier of systems for the semiconductor capital equipment, flat panel, medical, energy and research industries. From 2004 through 2010, she served as a director of Keithley Instruments, Inc., a publicly traded test and measurement company, until its acquisition by Danaher Corporation. Ms. Scherer received B.A. degrees from the University of California at Santa Barbara and her M.B.A. from the School of Management at Yale University. With extensive hands-on experience in senior management roles with technology



Table of Contents

growth companies as well as public company board, committee and Audit Chair service, Ms. Scherer provides the Company with practical and strategic insight into complex financial reporting and management issues as well as significant operational expertise.

Thomas H. Waechter has served as one of our directors since December 2014. Mr. Waechter currently is a private investor. From January 2009 to August 2015, Mr. Waechter served as President, Chief Executive Officer and a member of the board of directors of JDS Uniphase Corporation (now Viavi Solutions Inc.), a leading provider of communications test and measurement solutions and optical products. He previously served as Executive Vice President and President of the Communications Test & Measurement Group of JDS Uniphase Corp. from 2007 until becoming Chief Executive Officer. Prior to that, Mr. Waechter held a wide variety of executive positions, including Chief Operating Officer at Harris Stratex Networks (now Aviat Networks, Inc.), President and Chief Executive Officer at Stratex Networks, President and Chief Executive Officer at REMEC Corporation and President and Chief Executive Officer of Spectrian Corporation. Additionally, he held a number of global executive-level positions during his 14-year career with Schlumberger Ltd. Mr. Waechter also serves as an Executive Advisor to Tensility Venture Partners and is a National Association of Corporate Directors (NACD) Board Leadership Fellow. He holds a Bachelor of Business Administration from The College of William and Mary. As a recent chief executive officer of a public company and as a prior senior executive in a variety of highly relevant technology companies and international industries, Mr. Waechter provides the Company with extensive operational, strategic and executive management experience.

Vote Required and Board of Directors' Recommendation

A nominee receiving a greater number of votes “for” his or her election than votes “against” such election will be elected as a director. Pursuant to our Bylaws and our Corporate Governance Guidelines, any nominee for director in an uncontested election who receives a greater number of votes “against” his or her election than votes “for” such election shall submit his or her offer of resignation for consideration by our Nominating and Corporate Governance Committee and our Board of Directors. The election of directors pursuant to this proposal is an uncontested election, and therefore, this majority voting standard applies. Our Board of Directors has unanimously approved each of the director nominees listed above and recommends that stockholders vote “FOR” the election of these nominees.

Board and Committee Meetings

Our Board of Directors held a total of twelve meetings during 2018. In addition, we strongly encourage the attendance of members of our Board of Directors at the annual meeting. At the 2018 Annual Meeting of Stockholders, all of our directors attended in person.

There are no family relationships between any director or executive officer. Our Board of Directors has standing Audit, Compensation, Cybersecurity, and Nominating and Corporate Governance Committees. Other than Mr. Lo, each member of our Board of Directors meets the applicable independence standards and rules of both the Nasdaq Stock Market and the Securities and Exchange Commission.

In 2018, all of our directors attended 100% of the meetings of our Board of Directors and any applicable committee on which they served while they were members of our Board of Directors or the applicable committee.

Table of Contents

Committee	Year of Inception	Members at the End of 2018	Committee Functions	Meetings Held in 2018
Audit	2000	Barbara V. Scherer (Chair) Bradley L. Maiorino Julie A. Shimer	<ul style="list-style-type: none"> <li>1Reviews internal accounting procedures</li> <li>1Appoints independent registered public accounting firm</li> <li>1Reviews annual audit plan of the independent auditor, the results of the independent audit, and the report and recommendations of the independent auditor</li> <li>1Evaluates the adequacy of our internal financial and accounting processes and controls</li> <li>1Determines investment policy and oversees its implementation</li> </ul>	12
Compensation	2000	Thomas H. Waechter (Chair) Jef T. Graham Barbara V. Scherer	<ul style="list-style-type: none"> <li>1Administers our equity plans</li> <li>1Reviews and approves compensation of directors and officers, and makes recommendations to the Board with respect thereto</li> <li>1Reviews and recommends general policies relating to compensation and benefits</li> </ul>	7
Nominating and Corporate Governance	2004	Julie A. Shimer (Chair) Gregory J. Rossmann Thomas H. Waechter	<ul style="list-style-type: none"> <li>1Recommends nomination of Board members</li> <li>1Assists with succession planning for executive management positions</li> <li>1Oversees and evaluates Board performance</li> <li>1Evaluates composition, organization and governance of the Board and its committees</li> </ul>	5
Cybersecurity Committee	2017	Bradley L. Maiorino (Chair) Jef T. Graham Gregory J. Rossmann	<ul style="list-style-type: none"> <li>1Oversees IT systems policies and procedures, including enterprise cybersecurity and privacy</li> <li>1Oversees incident response policies and procedures</li> <li>1Reviews disaster recovery capabilities</li> <li>1Oversees IT budgetary priorities</li> </ul>	4

**Audit Committee**

Our Board of Directors first adopted a written charter for the Audit Committee in August 2000. A copy of our current amended and restated Audit Committee charter is available in the investor relations section of our website at [www.netgear.com](http://www.netgear.com). Our Board of Directors has determined that at least one member of the Audit Committee is an “audit committee financial expert,” as defined in the rules of the Securities and Exchange Commission. None of the members of the Audit Committee is an employee of NETGEAR. Ms. Scherer currently serves as Chair of our Audit Committee.

**Compensation Committee**

Our Board of Directors first adopted a written charter for the Compensation Committee in August 2000. A copy of our current amended and restated Compensation Committee charter is available in the investor relations section of our website at [www.netgear.com](http://www.netgear.com). Our Board of Directors has determined that all members of the Compensation Committee meet the non-employee director definition of Rule 16b-3 promulgated under Section 16 of the 1934 Act and the independence standards of the applicable Nasdaq Marketplace Rules. The Compensation Committee may form and delegate authority to subcommittees (consisting solely of Compensation Committee members) when appropriate. Mr. Waechter currently serves as Chair of our Compensation Committee.

#### Nominating and Corporate Governance Committee

Our Board of Directors formed a Nominating and Corporate Governance Committee and adopted its written charter in April 2004. A copy of our current amended and restated Nominating and Corporate Governance Committee charter is available in the investor relations section of our website at [www.netgear.com](http://www.netgear.com). None of the members of the Nominating and Corporate Governance Committee is an employee of NETGEAR. Dr. Shimer currently serves as Chair of our Nominating and Corporate Governance Committee.

## Table of Contents

### Cybersecurity Committee

Our Board of Directors formed a Cybersecurity Committee in June 2017 and adopted its written charter in August 2017. A copy of our current Cybersecurity Committee charter is available in the investor relations section of our website at [www.netgear.com](http://www.netgear.com). None of the members of the Cybersecurity Committee is an employee of NETGEAR. Mr. Maiorino currently serves as Chair of our Cybersecurity Committee.

### Policy for Director Recommendations and Nominations

The Nominating and Corporate Governance Committee considers candidates for Board membership suggested by members of our Board of Directors, management and stockholders. It is the policy of the Nominating and Corporate Governance Committee to consider recommendations for candidates to our Board of Directors from stockholders who have provided the following written information: the candidate's name; home and business contact information; detailed biographical data and qualifications; information regarding any relationships between the candidate and NETGEAR within the last three years; and evidence of the nominating person's ownership or beneficial ownership of NETGEAR stock and amount of stock holdings. The Nominating and Corporate Governance Committee will consider persons recommended by our stockholders in the same manner as a nominee recommended by our Board of Directors, individual Board members or management.

In addition, a stockholder may nominate a person directly for election to our Board of Directors at an annual meeting of our stockholders provided they meet the requirements set forth in our amended and restated bylaws and the rules and regulations of the Securities and Exchange Commission related to stockholder proposals. The process for properly submitting a stockholder proposal, including a proposal to nominate a person for election to our Board of Directors at an annual meeting (either for inclusion in our proxy statement via "proxy access" or not for inclusion in our proxy statement), is described above in the section entitled "General Information - Deadline for Receipt of Stockholder Proposals or Director Nominations for 2020 Annual Meeting."

Where the Nominating and Corporate Governance Committee has either identified a prospective nominee or determines that an additional or replacement director is required, the Nominating and Corporate Governance Committee may take such measures that it considers appropriate in connection with its evaluation of a director candidate, including candidate interviews, inquiry of the person or persons making the recommendation or nomination, engagement of an outside search firm to gather additional information, or reliance on the knowledge of the members of the committee, the Board or management. In its evaluation of director candidates, including the members of our Board of Directors eligible for re-election, the Nominating and Corporate Governance Committee considers, among other factors:

- the current size and composition of the Board of Directors and the needs of the Board of Directors and the respective committees of the Board; and

- such factors as judgment, independence, character and integrity, area of expertise, diversity of experience, length of service, and actual or potential conflicts of interest.

With respect to diversity, the Nominating and Corporate Governance Committee also focuses on various factors such as diversity of gender, race and national origin, education, professional experience and differences in viewpoints and skills. The Nominating and Corporate Governance Committee does not have a formal policy with respect to diversity; however, the Board and the Nominating and Corporate Governance Committee believe that it is essential that the Board members represent diverse viewpoints.

In connection with its evaluation, the Nominating and Corporate Governance Committee determines whether it will interview potential nominees. After completing the evaluation and review, the Nominating and Corporate Governance Committee may nominate the nominee(s) for election to our Board of Directors.

### Corporate Governance Policies and Practices

We maintain a corporate governance page in the investor relations section of our website at [www.netgear.com](http://www.netgear.com). This website includes, among other items, profiles of all of our directors and officers, charters of each committee of the Board, our corporate governance guidelines, our code of ethics, the information regarding our whistleblower policy, and our director and officer stock ownership guidelines.

Our policies and practices reflect corporate governance initiatives that are compliant with the listing requirements of the Nasdaq Stock Market and the corporate governance requirements of the Sarbanes-Oxley Act of 2002, including:

9

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## Table of Contents

A majority of the members of the Board are independent directors, as defined by the Nasdaq Marketplace rules.

¶ Independent directors do not receive consulting, legal or other fees from us other than standard Board and Committee compensation.

¶ Mr. Waechter serves as the lead independent outside director.

¶ The independent directors of the Board meet regularly without the presence of management.

The Board has adopted a code of ethics that is applicable to all of our employees, officers and directors. This code is intended to deter wrongdoing and promote ethical conduct. Directors, officers and employees are required to complete annual surveys relating to their knowledge of any violation of legal requirements or the code of ethics, including any violations of our anti-corruption compliance policy. We will post any amendments to, or waivers from, our code of ethics on our website.

Directors stand for re-election every year. Pursuant to our Bylaws and our Corporate Governance Guidelines, any nominee for director in an uncontested election who receives a greater number of votes “against” his or her election than votes “for” such election shall submit his or her offer of resignation for consideration by our Nominating and Corporate Governance Committee and our Board of Directors.

¶ The Audit, Compensation, and Nominating and Corporate Governance Committees each consist entirely of independent directors.

¶ The charters of the Board committees clearly establish their respective roles and responsibilities.

¶ At least annually, the Board reviews our business initiatives, capital projects and budget matters.

¶ The Audit Committee reviews and approves all related party transactions.

¶ The Board has implemented a process of periodic self-evaluation of the Board and its Committees.

As part of our Whistleblower Policy, we have made a “whistleblower” hotline available to anyone, including all employees, for anonymous reporting of financial or other concerns. The Audit Committee receives directly, without management participation, all hotline activity reports, including complaints on accounting, internal controls or auditing matters.

¶ Directors are encouraged to attend our annual meeting. While their attendance was not required, all of our directors attended the 2018 Annual Meeting of Stockholders in person.

¶ Directors and officers are encouraged to hold and own common stock of the Company to further align their interests and actions with the interest of our stockholders, pursuant to our director and officer stock ownership guidelines.

¶ Under our insider trading policy, directors and employees, including our executive officers, are prohibited from hedging or pledging of the Company's securities and from investing in derivatives of the Company's securities.

## Related Party Transactions

Review, approval or ratification of transactions with related parties

We, or one of our subsidiaries, may occasionally enter into transactions with certain “related parties.” Related parties include our executive officers, directors, nominees for directors, or 5% or more beneficial owners of our common stock and immediate family members of these persons. We refer to transactions in which the related party has a direct or indirect material interest as “related party transactions.” Each related party transaction must be reviewed and approved by the Audit Committee of the Board of Directors prior to the entering into of such transaction.

The Audit Committee considers all relevant factors when determining whether to approve a related party transaction including, without limitation, the following:

¶ the extent of the related party's interest in the related party transaction;

¶ the aggregate value of the related party transaction;

¶ the benefit to the Company; and

whether the transaction involves the provision of goods or services to the Company that are available from unaffiliated third parties and whether the transaction is on terms and made under circumstances that are at least as favorable to the Company as would be available in comparable transactions with or involving unaffiliated third parties.



## Table of Contents

### 2018 Related Party Transactions

We have determined that there were no related party transactions to disclose in 2018.

### Stockholder Engagement

We believe that effective corporate governance should include regular, constructive conversations with our stockholders. We value our stockholders' continued interest and feedback, and we are committed to maintaining an active dialogue to ensure that we understand our stockholders' priorities and concerns, particularly with respect to our executive compensation practices and corporate governance policies. We endeavor to be accessible to our stockholders to address questions and concerns as they arise, as well as to pro-actively conduct outreach efforts. In 2018, we were particularly active in our stockholder outreach efforts in connection with our Board's decision, announced in February 2018, to pursue a separation of the Arlo business from NETGEAR. The separation was effected through the contribution of the business, assets and liabilities constituting our Arlo business to a newly formed subsidiary, Arlo Technologies, Inc. ("Arlo"). An initial public offering of newly issued shares of the common stock of Arlo followed in August 2018 (the "Arlo IPO"), and on December 31, 2018, NETGEAR completed a distribution of the shares of Arlo common stock then held by NETGEAR to NETGEAR's stockholders in a manner generally intended to qualify as tax-free to NETGEAR's stockholders for U.S. federal income tax purposes (the "Arlo Spin-Off"). At key stages in this process, the Company engaged in substantial communications and numerous meetings with many of its significant stockholders to discuss the rationale for this transaction.

Additional examples of recent outcomes from these stockholder engagement efforts include:

our Board's decision to pro-actively adopt amendments to our Bylaws and our corporate governance guidelines in 2018 to implement a more robust majority voting policy for uncontested director elections;

our Board's decision to pro-actively propose amendments to our Certificate of Incorporation and Bylaws at our 2017 Annual Meeting to allow stockholders to request special stockholder meetings in certain circumstances;

the final design of our 2016 Equity Incentive Plan, on which we sought specific input from many of our largest institutional stockholders in advance of our 2016 Annual Meeting, where stockholders approved this new equity plan by a significant margin;

our Board's decision to pro-actively adopt amendments to our Bylaws in 2016 to implement proxy access, following input from a number of our large institutional stockholders; and

our Board's decision to pro-actively propose amendments to our Certificate of Incorporation and Bylaws at our 2015 Annual Meeting to eliminate supermajority stockholder vote requirements and replace them with majority vote requirements.

In addition, as described further under Compensation Discussion and Analysis below, the results of our annual say-on-pay advisory votes have demonstrated consistent and significant support for our approach to executive compensation. We also consistently receive positive feedback from institutional stockholders regarding our corporate governance policies and practices.

### Board Leadership Structure

The Board believes that the Company's Chief Executive Officer is best situated to serve as Chairman because he is the director most familiar with the Company's business and industry, and most capable of effectively identifying strategic priorities and leading any discussion about the Company's business. Given Mr. Lo's history as a co-founder of the Company, the Board believes this rationale is particularly strong. The Board and management have different perspectives and roles in strategy development. The Company's independent directors bring experience, oversight and expertise from outside the Company and from industry, while the Chief Executive Officer brings company-specific experience and expertise. The Board believes that the combined role of Chairman and Chief Executive Officer promotes strategy development and execution, and facilitates information flow between management and the Board, which are essential to effective governance.

One of the key responsibilities of the Board is to develop strategic direction and hold management accountable for the execution of strategy once it is developed. The Board believes the combined role of Chairman and Chief Executive Officer, together with a lead independent director having the duties described below, is in the best interest of



stockholders because it provides the appropriate balance between strategy development and independent oversight of management.

## Table of Contents

### Lead Independent Director

Mr. Waechter has served as the lead independent director since January 2019. As the lead independent director, Mr. Waechter has the responsibility of presiding at all executive sessions of the Board, consulting with the Chairman and Chief Executive Officer on Board and committee meeting agendas, presiding over any portions of Board meetings at which the evaluation or compensation of the Chief Executive Officer is presented or discussed, presiding over any portions of Board meetings at which the performance of the Board is presented or discussed, acting as a liaison between management and the non-management directors, including maintaining frequent contact with the Chairman and Chief Executive Officer and advising him or her on the efficiency of the Board meetings, and facilitating teamwork and communication between the non-management directors and management.

### Risk Management

The Board has an active role, as a whole and also at the committee level, in overseeing management of the Company's risks. The Board regularly reviews information regarding the Company's credit, liquidity and operations, as well as the risks related thereto. The Company's Compensation Committee is generally responsible for overseeing the management of risks relating to the Company's executive compensation plans and arrangements. The Audit Committee oversees management of financial risks. The Nominating and Corporate Governance Committee manages risks associated with the independence of the Board of Directors and potential conflicts of interest. The Cybersecurity Committee oversees the Company's management of risks associated with enterprise cybersecurity and related matters. While each committee is responsible for evaluating certain risks and overseeing the management of such risks, the entire Board of Directors is regularly informed through committee reports about such risks. In addition, the Company has a Risk Committee that reports to the Board at least annually regarding its findings on enterprise risk and the Company's management of this risk. The Risk Committee is led by the Company's internal audit team and is composed of department heads and leaders across the Company. The Risk Committee meets on a regular basis and reviews enterprise risk across the Company's various functional groups.

### Director Compensation

#### Annual Cash Retainers

Each non-employee member of the Board receives a \$35,000 annual retainer. The lead independent director of the Board and members and chairpersons of each Board committee receive the additional annual retainers described below:

• **Lead Independent Director.** The lead independent director receives an additional annual retainer of \$25,000.

• **Audit Committee.** Each member (including the chairperson) of the Audit Committee receives an annual retainer of \$12,500, and the chairperson receives an additional annual retainer of \$20,000.

• **Compensation Committee.** Each member (including the chairperson) of the Compensation Committee receives an annual retainer of \$7,500, and the chairperson receives an additional annual retainer of \$10,000.

• **Cybersecurity Committee.** Each member (including the chairperson) of the Cybersecurity Committee receives an annual retainer of \$10,000, and the chairperson receives an additional annual retainer of \$15,000.

• **Nominating and Corporate Governance Committee.** Each member (including the chairperson) of the Nominating and Corporate Governance Committee receives an annual retainer of \$5,000, and the chairperson receives an additional annual retainer of \$6,000.

All retainers are paid on a quarterly basis following the end of each quarter and are pro-rated, as needed, for partial service during such period.

### Equity Compensation

Annual RSU Grant. On an annual basis, each non-employee director is eligible to receive an annual grant of a number of restricted common stock units equal to \$200,000 divided by the Nasdaq Stock Market closing price of the Company's common stock on the date of the annual stockholder meeting (rounded down to the nearest whole share), which will become fully vested on the date of the following year's annual stockholder meeting.

Table of Contents

**Initial RSU Grant.** Upon joining the Board, each non-employee director is eligible to receive an initial grant of restricted common stock units, in an amount equal to the value of the annual \$200,000 grant pro-rated based on the length of services provided from appointment/election to the Board until the following annual stockholder meeting. The restricted stock units will become fully vested on the date of the following year's annual stockholder meeting.

**Continuing Education**

In order to encourage continuing director education, the Company also has established a budget for external director education of \$7,000 over a two-year period for each director. Directors serving on multiple boards are encouraged to obtain pro-rata reimbursement of their director education expenses from each corporation that they serve. Biennially, the Company arranges a specific continuing education session for the Board, as a whole, to attend in connection with one of its regularly scheduled meetings.

**Travel Expenses**

The Company's non-employee directors are entitled to reimbursement for travel (first-class domestic and business-class international airfare) and other related expenses incurred in connection with their attendance at meetings of the Board and Board committees.

**Fiscal Year 2018 Director Compensation**

The following Director Compensation Table sets forth certain information regarding the compensation of our non-employee directors for the 2018 fiscal year.

Name	Fees Earned In Cash (\$)	Stock Awards (\$ (1))	Option Awards (\$ (2))	Total (\$)
Jocelyn E. Carter-Miller (3)(4)	32,083	199,969	—	232,052
Ralph E. Faison (3)(4)	29,167	199,969	—	229,136
Jef T. Graham (3)	52,500	199,969	—	252,469
Bradley L. Maiorino (5)	28,750	183,307	—	212,057
Janice M. Roberts (6)	—	—	—	—
Gregory J. Rossmann (3)	50,000	199,969	—	249,969
Barbara V. Scherer (3)	75,000	199,969	—	274,969
Julie A. Shimer (3)	74,125	199,969	—	274,094
Grady K. Summers (3)(4)	42,292	199,969	—	242,261
Thomas H. Waechter (3)	57,500	199,969	—	257,469

The amounts included in the "Stock Awards" column represent the full grant date value of non-option stock awards (restricted stock units) granted in 2018 calculated utilizing the provisions of the authoritative guidance for stock compensation without regard to vesting. For a discussion of the valuation assumptions, see Note 12 to our consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2018. As of December 31, 2018, each Director had the following number of restricted stock units outstanding: Ms. (1) Carter-Miller, 0 NETGEAR and 25,148 Arlo units; Mr. Faison, 0 NETGEAR and 25,148 Arlo units; Mr. Graham, 3,308 NETGEAR and 6,551 Arlo units; Mr. Maiorino, 2,831 NETGEAR and 5,606 Arlo units; Ms. Roberts, 0 NETGEAR and 0 Arlo units; Mr. Rossmann, 3,308 NETGEAR and 6,551 Arlo units; Ms. Scherer, 3,308 NETGEAR and 6,551 Arlo units; Dr. Shimer, 3,308 NETGEAR and 6,551 Arlo units; Mr. Summers, 2,667 NETGEAR and 30,429 Arlo units; and Mr. Waechter, 3,308 NETGEAR and 6,551 Arlo units.

As of December 31, 2018, each Director had the following number of options outstanding: Ms. Carter-Miller, 0 NETGEAR and 0 Arlo options; Mr. Faison, 0 NETGEAR and 0 Arlo options; Mr. Graham, 0 NETGEAR and 0 Arlo options; Mr. (2) Maiorino, 0 NETGEAR and 0 Arlo options; Ms. Roberts, 0 NETGEAR and 0 Arlo options; Mr. Rossmann, 1,787 NETGEAR and 3,599 Arlo options; Ms. Scherer, 0 NETGEAR and 0 Arlo options; Dr. Shimer, 0 NETGEAR and 0 Arlo options; Mr. Summers, 0 NETGEAR and 0 Arlo options; and Mr. Waechter, 0 NETGEAR and 0 Arlo options.

On May 31, 2018, each of the then-serving directors was issued 3,308 restricted stock units, which vest entirely on (3) the date of the 2019 Annual Meeting of Stockholders. Each grant of these restricted stock units had a grant date fair value of \$199,969. There were no stock option awards made to the directors in 2018.

Ms. Carter-Miller and Messrs. Faison and Summers subsequently forfeited the NETGEAR award for 3,308 (4) restricted stock units on August 7, 2018, in connection with their resignation from the NETGEAR Board in order to transition to the Arlo Board of Directors. Arlo subsequently issued each of these individuals 25,148 Arlo restricted stock units with a grant date value of \$359,997.

Table of Contents

On July 2, 2018, Mr. Maiorino was issued 2,831 restricted stock units in connection with his appointment to the (5)Board, which vest entirely on the date of the 2019 Annual Meeting of Stockholders. The grant of these restricted stock units had a grant date fair value of \$183,307.

(6)Ms. Roberts joined our Board in February 2019.

**Director Stock Ownership Guidelines**

Our Board of Directors has adopted stock ownership guidelines for our directors and executive officers. The guidelines require our directors to own a minimum of 5,000 shares of NETGEAR common stock, including restricted stock, restricted stock units and similar instruments. New directors have a five-year period in which to achieve the required compliance level. Shares owned directly by a director and unvested restricted stock units are counted toward the guidelines. All of our directors were in compliance with the guidelines as of December 31, 2018.

**Compensation Committee Interlocks and Insider Participation**

Our Compensation Committee is responsible for recommending to our Board of Directors salaries, incentives and other forms of compensation for officers and other employees. None of the members of the Compensation Committee is currently or has been at any time an officer or employee of NETGEAR or a subsidiary of NETGEAR. There were no interlocks or insider participation between any member of the Board of Directors or Compensation Committee and any member of the Board of Directors or Compensation Committee of another company.

Table of Contents

## PROPOSAL TWO

## RATIFICATION OF APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

In accordance with its charter, the Audit Committee has selected PricewaterhouseCoopers LLP, independent registered public accounting firm, to audit our financial statements for the fiscal year ending December 31, 2019 and, with the endorsement of our Board of Directors, recommends to stockholders that they ratify that appointment. PricewaterhouseCoopers LLP served in this capacity for the year ended December 31, 2018. A representative of PricewaterhouseCoopers LLP will be present at the annual meeting and will have the opportunity to make a statement if he or she desires to do so and be available to answer any appropriate questions.

## Audit and Related Fees

The following table is a summary of the fees billed to us by PricewaterhouseCoopers LLP for professional services for the years ended December 31, 2018 and December 31, 2017:

Fee Category	2018 Fees	2017 Fees
Audit Fees	\$3,099,344	\$2,339,739
Audit-Related Fees	4,317,000	—
Tax Fees	2,160,801	678,593
All Other Fees	4,500	3,600
Total Fees	\$9,581,645	\$3,021,932

**Audit Fees.** Consists of fees billed for professional services rendered for the audit of our consolidated financial statements and internal control over financial reporting and review of our quarterly interim consolidated financial statements, as well as services that are normally provided by PricewaterhouseCoopers LLP in connection with statutory and regulatory filings or engagements. In 2018, these fees also included services relating to the audit of our discontinued operations associated with the Arlo Spin-Off, implementation of ASC 606 revenue recognition, and pre-implementation review of ASC 842 Leases adoption.

**Audit-Related Fees.** Consists of fees billed for services that are reasonably related to the performance of the audit or review of the Company's financial statements and are not reported above under the caption "Audit Fees." In 2018, these fees included services relating to the review of Arlo's registration statement on Form S-1 and amendments thereto, comfort letter procedures and othe