

Risk Factors Comparison 2025-02-26 to 2024-02-21 Form: 10-K

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The following risk factors should be considered in addition to the other information in this Annual Report on Form 10-K. The following risks could harm our business, financial condition, results of operations or reputation, which could cause our stock price to decline. Additional risks, trends and uncertainties not presently known to us or that we currently believe are immaterial may also harm our business, financial condition, results of operations or reputation. Risk Factors Summary Risks Related to Our Industry and Markets • Failure to meet the evolving needs of our industry **and markets** may adversely impact our financial results. • Competition could adversely impact our market share and financial results. Risks Related to Demand, Supply, and Manufacturing • **Long manufacturing lead times and uncertain supply and component availability, combined with a Failure-failure** to estimate customer demand accurately has led and could lead to mismatches between supply and demand. • Dependency on third-party suppliers and their technology to manufacture, assemble, test, or package our products reduces our control over product quantity and quality, manufacturing yields, and product delivery schedules and could harm our business. • Defects in our products have caused and could cause us to incur significant expenses to remediate and could damage our business. Risks Related to Our Global Operating Business • Adverse economic conditions may harm our business. • International sales and operations are a significant part of our business, which exposes us to risks that could harm our business. • Product, system security and data breaches and cyber-attacks could disrupt our operations and adversely affect our financial condition, stock price and reputation. • Business disruptions could harm our operations and financial results. • Climate change may have a long-term impact on our business. • We may not be able to realize the potential benefits of business investments or acquisitions, nor successfully integrate acquisition targets. • A significant amount of our revenue stems from a limited number of partners and distributors and we have a concentration of sales to ~~end~~ customers, and our revenue could be adversely affected if we lose or are prevented from selling to any of these end customers. • We may be unable to attract, retain, and motivate our executives and key employees. • Modification or interruption of our business processes and information systems may disrupt our business, and internal controls. • Our operating results have in the past fluctuated and may in the future fluctuate, and if our operating results are below the expectations of securities analysts or investors, our stock price could decline. Risks Related to Regulatory, Legal, Our Stock, and Other Matters • We are subject to complex laws, rules and regulations, and political and other actions, **including restrictions on the export of our products**, which may adversely impact our business. • Increased scrutiny ~~from shareholders, regulators, and others~~ regarding our corporate sustainability practices could result in financial, reputational, or operational harm and liability. • Issues relating to the responsible use of our technologies, including AI, may result in reputational or financial harm and liability. • Adequately protecting our IP rights could be costly, and our ability to compete could be harmed if we are unsuccessful or if we are prohibited from making or selling our products. • We are subject to stringent and changing data privacy and security laws, rules, regulations, and other obligations. These areas could damage our reputation, deter customers, affect product design, or result in legal or regulatory proceedings and liability. • Our operating results may be adversely impacted by additional tax liabilities, higher than expected tax rates, changes in tax laws, and other tax-related factors. • Our business is exposed to the **burden and** risks associated with litigation, investigations, and regulatory proceedings. ~~Our indebtedness could adversely affect our financial position and cash flows from operations and prevent us from implementing our strategy or fulfilling our contractual obligations.~~ • Delaware law, provisions in our governing documents and our agreement with Microsoft could delay or prevent a change in control. ~~Failure to meet the evolving needs of our industry and markets may adversely impact our financial results.~~ Our accelerated computing platforms experience rapid changes in technology, customer requirements, competitive products, and industry standards. Our success depends on our ability to: • timely identify industry changes, adapt our strategies, and develop new or enhance and maintain existing products and technologies that meet the evolving needs of ~~these~~ **our** markets, including **addressing** due to unexpected ~~changes~~ **shifts** in industry standards or disruptive technological ~~innovation~~ **innovations** that could render our products incompatible with ~~products~~ **those** developed by other companies; • develop or acquire new products and technologies through investments in research and development; • launch new offerings with new business models including software, services, and cloud solutions, as well as software-, infrastructure-, or platform- as- a- service solutions; • expand the ecosystem for our products and technologies; • meet evolving and prevailing customer and industry safety, security, reliability expectations, and compliance standards; • manage product and software lifecycles to maintain customer and end-user satisfaction; • develop, acquire, maintain, and secure access to the internal and external infrastructure needed to scale our business, including sufficient energy for powering data centers using our products, acquisition integrations, customer support, e-commerce, IP licensing capabilities, and cloud service capacity; and • complete technical, financial, operational, compliance, sales and marketing investments for the above activities. We have invested in research and development in markets where we have a limited operating history, which may not produce meaningful revenue for several years, if at all. If we fail to develop or monetize new products and technologies, or if they do not become widely adopted, our financial results could be adversely affected. Obtaining design wins may involve a lengthy process and depends on our ability to anticipate and provide features and functionality that customers will demand. They also do not guarantee revenue. Failure to obtain a design win may prevent us from obtaining future design wins in subsequent generations. We cannot ensure that ~~the~~ **our** products and technologies ~~we bring to market~~ will provide value to our customers and partners. If we fail any of these key success criteria, our financial results may be harmed. We ~~have begun offering~~ **offer** enterprise customers NVIDIA DGX Cloud services ~~directly and through our network of partners~~, which include cloud-based infrastructure, software and services for training and deploying AI models, and NVIDIA AI Foundations for customizable

~~pretrained~~ AI models. We have partnered with CSPs to host such software and services in their data centers, and we entered and may continue to enter into multi-year cloud service agreements to support these offerings and our research and development activities. The timing and availability of these cloud services ~~has have~~ changed and may continue to ~~change shift~~, impacting our revenue, expenses, and development timelines. NVIDIA DGX Cloud services may not be successful and will take time, resources, and investment. We also offer or plan to offer standalone software solutions, including NVIDIA AI Enterprise, NVIDIA Omniverse, NVIDIA DRIVE, and ~~several~~ other software ~~solutions~~ **products**. These new business models or strategies may not be successful, and we may fail to sell any meaningful standalone software or services. We may incur significant costs and may not achieve any significant revenue from these offerings. Our target markets remain competitive, and competition may intensify with expanding and changing product and service offerings, industry standards, customer **and market** needs, new entrants and consolidations. Our competitors' products, services and technologies, including those mentioned above in this Annual Report on Form 10-K, may be cheaper or provide better functionality or features than ours, which has resulted and may in the future result in lower- than- expected selling prices **or demand** for our products. Some of our competitors operate their own fabrication facilities, and have longer operating histories, larger customer bases, more comprehensive IP portfolios and patent protections, more design wins, and greater financial, sales, marketing and distribution resources than we do. These competitors may be able to acquire market share and / or prevent us from doing so, more effectively identify and capitalize upon opportunities in new markets and end- user trends, more quickly transition their products, and impinge on our ability to procure sufficient foundry capacity and scarce input materials during a supply- constrained environment, which could harm our business. Some of our customers have in- house expertise and internal development capabilities similar to some of ours and can use or develop their own solutions to replace those we are providing. For example, others may offer cloud- based services that compete with our AI cloud service offerings, and we may not be able to establish market share sufficient to achieve the scale necessary to meet our business objectives. If we are unable to successfully compete in this environment, demand for our products, services and technologies could decrease and we may not establish meaningful revenue. **Long manufacturing lead times and uncertain supply and component availability, combined with a failure to estimate customer demand accurately, has led and could lead to mismatches between supply and demand.** We use third parties to manufacture and assemble our products, and we have long manufacturing lead times ~~– We are not provided guaranteed wafer, component and capacity supply, and our supply deliveries and production may be non- linear within a quarter or year.~~ If our estimates of customer demand are inaccurate, as we have experienced in the past, there could be a significant mismatch between supply and demand. This mismatch has resulted in both product shortages and excess inventory, has varied across our market platforms, and has significantly harmed our financial results. We build finished products and maintain inventory in advance of anticipated demand. **While In periods of shortages impacting the semiconductor industry and / or limited supply or capacity in our supply chain, the lead times for certain supply may be extended. We have previously experienced and may continue to experience extended lead times of more than 12 months. To secure future supply and capacity, we have in the past paid premiums, provided deposits, and** entered and may in the future enter into long- term supply **agreements** and capacity commitments, ~~we~~ **which have increased our product costs and this** may not continue. We may still be able ~~unable~~ to secure sufficient commitments for capacity to address our business needs. **If we inaccurately estimate**, ~~or our long- term demand expectations may~~, **or our customers change orders**, ~~– These risks may increase as we shorten- have experienced in the past, we may not be able to reduce our supply commitments in time, at the same rate, our- or at all. Significant mismatches between supply and demand have varied across our market platforms, resulted in both~~ product development cycles **shortages and excess inventory**, significantly harmed ~~enter new lines of business, or our integrate new suppliers~~ **financial results and could reoccur. If we underestimate demand, and or our components into- foundry partners and contract manufacturers are unable to increase production our- or provide sufficient supply chain- , creating we may not be able to meet increased customer demand in a timely manner, or at all. Our reputation and customer relationships could be damaged and we could lose revenue and market share. **Additionally**, since some of our products are part of a complex data center buildout, ~~supply chain complexity constraints or availability issues with respect to any one component have had and may have a broader revenue impact~~. **Additionally For example**, our ability to sell certain products has been and could be impeded if components necessary for the finished products are not available from third parties. **This risk If we overestimate demand, or if customers cancel or defer orders or choose to purchase from our competitors, we may not be able to utilize on- hand inventory or reduce purchase commitments accordingly. We have had to reduce average selling prices, including due to our channel pricing programs, increase prices for certain of our products as a result of our suppliers' increase in prices, write down platform strategy. In periods of shortages impacting the semiconductor industry and / or our limited supply inventory, incur cancellation penalties, and record impairments, and may have to do so in the future. These impacts would be amplified by or our capacity non- cancellable and non- returnable purchase orders placed in advance of our historical supply chain, the lead times and could on our orders may be extended- exacerbated if we need to make changes to the design of future products. **We The risk of these impacts has increased and may continue to increase as our purchase obligations and prepaids have grown** previously experienced and **may are expected to continue to grow** experience extended lead times of more than 12 months. We have paid premiums and provided deposits to secure future **become a greater portion of our total** supply and capacity, which have increased our product costs and may continue to do so. **All** If our existing suppliers are unable to scale their capabilities to meet our supply needs, we may require additional sources of capacity, which may require additional deposits. We may not have the ~~these~~ ability to reduce our supply commitments at the same rate or at all if our revenue declines. Many additional factors **may negatively impact our gross margins and financial results. Factors that** have caused and / or could in the future cause us to either underestimate or overestimate our customers' future demand for our products, or otherwise cause a mismatch between supply and demand for our products and impact the timing and volume of our revenue, **including include**: • changes in product development cycles and****

time to market; • competing technologies and competitor product releases and announcements or other actions; • changes in business and economic conditions resulting in decreased end demand; • sudden or sustained government lockdowns or public actions to control ease spread of global or local health issues; • rapidly changing technology or customer requirements; • the availability of sufficient data center capacity and/or energy for customers to procure; • new product introductions and transitions resulting in less demand for existing products; • new or unexpected end-use cases; • increase in demand for competitive products, including competitive actions; • business changes in end-user demand; • purchasing decisions made, and inventory levels held by, distributors, ODMs, OEMs, system integrators, other channel partners and other third parties; • the ability of developers, end customers and other third parties to build, enhance, and maintain accelerated computing applications that leverage our platforms; • the availability of third-party content on our platforms, such as GeForce NOW; • the demand for accelerated or computing, AI-related cloud services, including our or large language models own software and NVIDIA DGX Cloud services; • changes that impact the ecosystem for the architectures underlying our products and technologies; • the demand for our products; or • government actions or changes in governmental policies, such as export controls or, increased restrictions on gaming usage, or tariffs; and • our customers' ability to invest in AI infrastructure.

Challenges in estimating Demand demand could become more pronounced for or volatile in the future on both a global and regional basis. Extended lead times may occur if data-center systems and products surged in fiscal year 2024. Entering fiscal year 2025, we experience other supply constraints caused by natural disasters, pandemics or other events. In addition, geopolitical tensions, such as those involving Taiwan and China, which comprise a significant portion of our revenue and where we have suppliers, contract manufacturers, and assembly partners who are gathering customer demand indications across several product transitions critical to our supply continuity, could have a material adverse impact on us. We continue to have demand visibility for our new data-center products ramping later in fiscal year 2025. We have increased increase our supply and capacity purchases with existing and new suppliers, added new vendors to support our demand projections and increasing complexity of our data center products. With these additions, we have also entered and may continue to enter into prepaid manufacturing and capacity agreements to supply both current and future products. These The increased purchase volumes and integration, the number of new suppliers, and contract manufacturers the integration of new vendors into our supply chain may create creates more complexity and in managing multiple suppliers with variations in production planning, execution risk and logistics. Our expanding product portfolio and varying component compatibility and quality may lead to increased inventory levels. We have incurred may continue to enter into new supplier and capacity arrangements. Our purchase commitments and obligations for inventory and manufacturing capacity at the end of fiscal year 2024 were impacted by shortening lead times for certain components. Supply of Hopper architecture products is improving, and demand remains very strong. We expect our next-generation products to be supply-constrained based upon demand indications. We may in the future incur inventory provisions or impairments if our inventory or supply or capacity commitments exceed demand for our products or demand declines. Our customer orders and longer-term demand estimates may change or may not be correct, as we have experienced in the past. Product transitions are complex and can impact our revenue as we often ship both new and prior architecture products simultaneously as and we and our channel partners prepare to ship and support new products. We Due to our product introduction cycles, we are generally almost always in various stages of transitioning the architecture architectures of our Data Center, Gaming, Professional Visualization, and Gaming Automotive products. We will have The computing industry is experiencing a broader and faster Data Center product launch cadence of accelerated computing platforms to meet a growing and diverse set of AI opportunities. We have introduced a new product and architecture cadence of our Data Center solutions where we seek to complete new computing solutions each year and provide a greater variety of Data Center offerings. The increased frequency of these transitions and the larger number of products and product configurations may magnify the challenges associated with managing our supply and demand due to long manufacturing lead times which may further create volatility in our revenue. Qualification time for new products, customers anticipating product transitions, and channel partners reducing channel inventory of prior architectures ahead of new product introductions can reduce, or create reductions or volatility in, our revenue. We have experienced and may in the future experience reduced demand for current generation architectures when customers anticipate transitions, and we may be unable to sell multiple product architectures at the same time for current and future architecture transitions. If Our financial results have been and may in the future be negatively impacted if we are unable to execute our architectural transitions as planned for any reason, our financial results may be negatively impacted. The increasing increased frequency and complexity of newly introduced products may could result in unanticipated quality or production issues that could increase the magnitude of inventory provisions, warranty, or other costs or result in product delays.

Deployment For example, our gross margins in the second quarter of fiscal year 2025 were negatively impacted by inventory provisions for low-yielding Blackwell material. We incur significant engineering development resources for new products, and to customers creates additional challenges changes due to the complexity of our product roadmap technologies, which has impacted and may in the future impact our ability to develop other products or adequately manage our supply chain cost. Customers may delay purchasing existing products as we increase the frequency of new products or may not be able to adopt our new products as fast as forecasted, both impacting the timing of customer purchases or our otherwise impact our demand revenue and supply chain cost. While we have managed prior product transitions and have previously sold multiple product architectures at the same time, these transitions are difficult, may impair our ability to predict demand and impact our supply mix, and we may cause us to incur additional costs. Many end customers often do not purchase directly from us but instead purchase indirectly through multiple OEMs, ODMs, system integrators, distributors, and other channel partners. As a result, the decisions made by our multiple OEMs, ODMs, system integrators, distributors, and other channel partners, and in response to changing market conditions and changes in end-user demand Demand for our products, have impacted and could in the future continue to impact our ability to properly forecast demand, particularly as they are based

on estimates provided by various downstream parties. If we underestimate our customers' future demand for our products, our foundry partners may not have adequate lead time or capacity to increase production and we may not be able to obtain sufficient inventory to fill orders on a timely basis. Even if we are able to increase supply to meet customer demand, we may not be able to do so in a timely manner, or our contract manufacturers may experience supply constraints. If we cannot procure sufficient supply to meet demand or otherwise fail to fulfill our customers' orders on a timely basis, or at all, our customer relationships could be damaged, we could lose revenue and market share and our reputation could be harmed. Additionally, since some of our products are part of a complex data center buildout, supply constraints or availability issues with respect to any one component have had and may have a broader revenue impact. If we overestimate our customers' future demand for our products, or if customers cancel or defer orders or choose to purchase from our competitors, we may not be able to reduce our inventory or other contractual purchase commitments. In the past, we have experienced a reduction in average selling prices, including due to channel pricing programs that we have implemented and may continue to implement, as a result of our overestimation of future demand, and we may need to continue these reductions. We have had to increase prices for certain of our products as a result of our suppliers' increase in prices, and we may need to continue to do so for other products in the future. We have also written down our inventory, incurred cancellation penalties, and recorded impairments and may have to do so in the future. These impacts were amplified by our placement of non-cancellable and non-returnable purchasing terms well in advance of our historical lead times and could be exacerbated if we need to make changes to the design of future products. The risk of these impacts has increased and may continue to increase as our purchase obligations and prepaids have grown and are expected to continue to grow and become a greater portion of our total supply. All of these factors may negatively impact our gross margins and financial results. We build technology and introduce products for new and innovative use cases and applications, such as NVIDIA DGX Cloud services, NVIDIA AI Foundations, Omniverse platform, LLMs, and generative AI models. Our demand estimates for our products new use cases, applications, and services can be incorrect and, which may create volatility in our revenue or supply levels. We, and we may not be able to generate significant revenue from these use cases, applications, and services. Recent technologies, such as generative AI models, have emerged, and while they have driven increased demand for Data Center, the them long-term trajectory is unknown. Because our products may be used in multiple use cases and applications, it is difficult for us to estimate with any reasonable degree of precision the impact of generative AI models on our reported revenue or forecasted demand. Additionally, we started shipping our CPU product offerings, the Grace CPU and Grace Hopper Superchips, in the third quarter of fiscal year 2024. Our ability to adequately predict our CPU demand may create volatility in our revenue or supply levels. Challenges in estimating demand could become more pronounced or volatile in the future on both a global and regional basis. Extended lead times may occur if we experience other supply constraints caused by natural disasters, pandemics or other events. In addition, geopolitical tensions, such as those involving Taiwan and China, which comprise a significant portion of our revenue and where we have suppliers, contract manufacturers, and assembly partners who are critical to our supply continuity, could have a material adverse impact on us. The use of our GPUs other than that for which they were designed and marketed, including new and unexpected use cases, mercurial, or trendy applications, has impacted and can impact in the future impact demand for our products, including by leading to inconsistent spikes and drops in demand. For example, several years ago, our Gaming GPUs began to be used for mining digital currencies, such as Ethereum. It is difficult for us to estimate with any reasonable degree of precision the past or current impact of cryptocurrency mining, or forecast the future impact of cryptocurrency mining, on demand for our products. Volatility in the cryptocurrency market, including new compute technologies, price changes in cryptocurrencies, government cryptocurrency policies and regulations, new cryptocurrency standards and changes in the method of verifying blockchain transactions, has impacted and can in the future impact cryptocurrency mining and demand for our products and can further impact our ability to estimate demand for our products. Changes to cryptocurrency standards and processes including, but not limited to, the Ethereum 2.0 merge in 2022, have reduced and may in the future decrease the usage of GPUs for Ethereum mining. This has created and may in the future create increased aftermarket sales of our GPUs, which could negatively impact retail prices for our GPUs and reduce demand for our new GPUs. In general, our new products or previously sold products may be resold online or on the unauthorized "gray market," which also makes demand forecasting difficult. Gray market products and reseller marketplaces compete with our new products and distribution channels. Our inability Additionally, we depend on developers, customers and other third parties to accurately predict our demand build, enhance, and maintain accelerated computing applications that leverage our platforms. We also rely on third-party content providers and publishers to make their content available on our platforms, such as GeForce NOW. Failure by developers, customers, and other third parties to build, enhance, and maintain applications that leverage our platforms, or failure by third-party content providers or publishers to make their content available on reasonable terms or at all for use by our customers cases may create volatility in or our revenue end users on our platforms, could adversely affect customer demand. We depend on foundries to manufacture our semiconductor wafers using their fabrication equipment and techniques. We do not assemble, test, or package our products, but instead contract with independent subcontractors. These subcontractors assist with procuring components used in our systems, boards, and products. We face several risks which have adversely affected or could adversely affect our ability to meet customer demand and scale our supply chain, negatively impact longer-term demand for our products and services, and adversely affect our business operations, gross margin, revenue and / or financial results, including: • lack of guaranteed supply of wafer, component and capacity or; • decommitment and by our suppliers; • potential higher wafer and component prices, resulting from incorrectly estimating demand and failing to place orders with our suppliers with sufficient quantities or in a timely manner; • failure by our foundries or contract manufacturers to procure raw materials or provide adequate levels of manufacturing or test capacity for our products; • failure by our foundries to develop, obtain, or successfully implement high quality process technologies, including transitions to smaller geometry process technologies such as advanced process node technologies and memory designs needed to manufacture our products; • failure by our suppliers to comply with our policies and expectations and

emerging regulatory requirements; • limited number and geographic concentration of global suppliers, foundries, contract manufacturers, assembly and test providers and memory manufacturers; • loss of a supplier and additional expense and / or production delays as a result of qualifying a new foundry or subcontractor and commencing volume production or testing in the event of a loss, addition or change of a supplier; • lack of direct control over product quantity, quality, and delivery schedules; • **integration of new suppliers and contract manufacturers creating more complexity in managing multiple suppliers with variations in production planning, execution, and logistics;** • suppliers or their suppliers failing to supply provide high quality products and / or making changes to their products without our qualification; • delays in product shipments, shortages, a decrease in product quality and / or higher expenses in the event our subcontractors or foundries prioritize our competitors' or other customers' orders over ours; • requirements to place orders that are not cancellable upon changes in demand or requirements to prepay for supply in advance; • low manufacturing yields resulting from **issues a failure** in our product design or a foundry's proprietary process technology; • **suppliers extending lead times and / or increasing costs during shortages;** and • disruptions in manufacturing, assembly and other processes due to closures related to heat waves, earthquakes, fires, or other natural disasters and, electricity conservation efforts, **pandemics, and cybersecurity incidents**. Defects in our products have caused and could cause us to incur significant expenses to remediate, which can damage our reputation and cause us to lose market share. Our hardware and software product and service offerings are complex. They have in the past and may in the future contain defects or, security vulnerabilities or, experience failures, or unsatisfactory performance due to **any number of** issues in design, fabrication, packaging, materials, bugs and / or use within a system. These risks may, **also** increase **as when** our products are introduced into new devices, markets, technologies and applications, or **as** new versions are released, **and**. ~~These risks further increase~~ when we rely on partners to supply and manufacture components that are used in our products, as these arrangements reduce our direct control over production. AI software products **that** we or our partners offer rely on training data that may originate from third parties and new training methods, and the resulting products may contain unknown or undetected defects and errors, or reflect unintended bias. Although arrangements with component providers may contain provisions for product defect expense reimbursement, we generally remain responsible to the customer for warranty product defects that may occur from time to time. Some failures in our products or services have been in the past and may in the future be only discovered after a product or service has been shipped or used. Undiscovered vulnerabilities in our products or services could result in loss of data or intangible property, or expose our customers to unscrupulous third parties who develop and deploy malicious software programs that could attack our products or services. Defects or failure of our offerings to perform to specifications could lead to substantial damage to the products in which our offerings have been integrated by OEMs, ODMs, ~~AIBs~~ **AIB and manufacturers**, automotive manufacturers, and tier 1 automotive suppliers, and to the user of such end product. Any such defect may cause us to incur significant warranty, support, and repair or replacement costs as part of a product recall or otherwise, write-off the value of related inventory, and divert the attention of our engineering and management personnel from our product development efforts to find and correct the issue. Our efforts to remedy these issues may not be timely or satisfactory to our customers. An error or defect in new products, releases or related software drivers after commencement of commercial shipments could result in failure to achieve market acceptance, loss of design wins, temporary or permanent withdrawal from a product or market and harm to our relationships with existing and prospective customers and partners and consumers' perceptions of our brand, which would in turn negatively impact our business operations, gross margin, revenue and / or financial results. We may be required to reimburse our customers, partners or consumers, including for costs to repair or replace products in the field or in connection with indemnification obligations, or pay fines imposed by regulatory agencies. For example, in fiscal year 2023, a defect was identified in a third-party component embedded in certain Data Center products. This defect has had, and other defects may in the future have, an adverse effect on our cost and supply of components and finished goods. These costs could be significant in future periods. We recorded a net warranty liability during fiscal year 2023 primarily in connection with this defect. While we believe we have accurately recorded for warranty obligations, we may need to record additional amounts in the future if our estimate proves to be incorrect. In general, if a product liability claim regarding any of our products is brought against us, even if the alleged damage is due to the actions or inactions of a third party, such as within our supply chain, the cost of defending the claim could be significant and would divert the efforts of our technical and management personnel and harm our business. Further, our business liability insurance may be inadequate or future coverage may be unavailable on acceptable terms, which could adversely impact our financial results. Economic and industry uncertainty or changes, including recession or slowing growth, inflation, changes or uncertainty in fiscal, monetary, or trade policy, disruptions to capital markets and the banking system, currency fluctuations, higher interest rates, tighter credit, lower capital expenditures by businesses, including on IT infrastructure, increases in unemployment, labor shortages, and lower consumer confidence and spending, global supply chain constraints, and global economic and geopolitical developments, **including the implementation of tariffs by the USG or other governments**, have in the past and / or could in the future have adverse, wide-ranging effects on our business and financial results, including: • increased costs for wafers, components, logistics, and other supply chain expenses, which have negatively impacted our gross margin in the past and may do so in the future; • increased supply, employee, facilities and infrastructure costs and volatility in the financial markets, which have reduced and may in the future reduce our margins; • decrease in demand for our products, services and technologies and those of our customers, partners or licensees; • the inability of our suppliers to deliver on their supply commitments to us and our customers' or our licensees' inability to supply products to customers and / or end users; • limits on our ability to forecast operating results and make business decisions; • the insolvency of key suppliers, distributors, customers, **CSPs** ~~cloud service providers~~, data center providers, licensing parties or other third parties we rely on; • reduced profitability of customers, which may cause them to scale back operations, exit businesses, file for bankruptcy protection and potentially cease operations, or lead to mergers, consolidations or strategic alliances among other companies, which could adversely affect our ability to compete effectively; and • increased credit and collectability risks, higher borrowing costs or reduced availability of capital markets, reduced liquidity,

adverse impacts on our customers and suppliers, failures of counterparties, including financial institutions and insurers, asset impairments, and declines in the value of our financial instruments. Adverse developments affecting financial institutions, such as bank failures or instability, or concerns or speculation about similar events or risks, could lead to market-wide liquidity problems and other disruptions, which could impact our customers' ability to fulfill their payment obligations to us, our vendors' ability to fulfill their contractual obligations to us, or our ability to fulfill our own obligations. Additionally, we maintain an investment portfolio of various holdings, types, and maturities. These investments are subject to general credit, liquidity, market and interest rate risks, which may be exacerbated by market downturns or events that affect global financial markets, as described above. A majority of our investment portfolio comprises USG securities. A decline in global financial markets for long periods or a downgrade of the USG credit rating due to an actual or threatened default on government debt could result in higher interest rates, a decline in the value of the U. S. dollar, reduced market liquidity or other adverse conditions. These factors could cause an unrealized or realized loss position in our investments or require us to record impairment charges. We sell our products internationally, and we also have operations and conduct business internationally. Our semiconductor wafers are manufactured, assembled, tested and packaged by third parties located outside of the United States, and we generated 56-53% of our revenue in fiscal year 2024-2025 from sales outside of the United States. Our sales to **The market in China decreased as a percentage of total Data Center revenue from 19% in fiscal year 2023 to 14% in fiscal year 2024. Although we have not received licenses from the USG to ship restricted products to China, where we have started to ship alternatives to the China market in small volumes. China represented a mid-single digit percentage of our offerings are limited by export controls, is highly competitive Data Center revenue in the fourth quarter of fiscal year 2024 due to USG licensing requirements and we expect China to remain competitive going forward** be in a similar range in the first quarter of fiscal year 2025. The global nature of our business subjects us to a number of risks and uncertainties, which have had in the past and could in the future have a material adverse effect on our business, financial condition and results of operations. These include domestic and international economic and political conditions in countries in which we and our suppliers and manufacturers do business, government lockdowns to control case spread of global or local health issues, differing legal standards with respect to protection of IP and employment practices, different domestic and international business and cultural practices, disruptions to capital markets, counter-inflation policies, currency fluctuations, natural disasters, acts of war or other military actions, terrorism, public health issues, **restrictions on international trade, such as tariffs, sanctions, and other controls on imports or exports, and catastrophic events. Product, system security, and data protection incidents or breaches, as well as cyber-attacks, could disrupt our operations, reduce our expected revenue, increase our expenses, and significantly harm our business and reputation. Security breaches, computer malware, social-engineering attacks, denial-of-service attacks, software bugs, server malfunctions, software or hardware failures, loss of data or other information technology assets, and other cyber-attacks are becoming increasingly sophisticated, making it more difficult to successfully detect, defend against them or implement adequate preventative measures. Cyber-attacks, including ransomware attacks by organized criminal threat actors, nation-states, and nation-state-supported actors, may become more prevalent and severe. Our ability to recover from ransomware attacks may be limited if our backups have been affected by the attack, or if restoring-restore from backups is delayed or not feasible. Individuals, groups of hackers and sophisticated organizations, including nation-states and nation-state-supported actors, and other threat actors have engaged and are expected to continue to engage in cyber-attacks. Additionally, some actors are using AI technology to launch more automated, targeted and coordinated attacks. Due to geopolitical conflicts and during times of war or other major conflicts, we and the third parties we rely upon may be vulnerable-subject to a heightened risk of cyber-attacks that could materially disrupt our ability to provide services and products. We may also face cybersecurity threats due to error or intentional misconduct by employees, contractors or other third-party service providers. Certain aspects of effective cybersecurity are dependent upon our employees, contractors and / or other third-party service providers safeguarding our sensitive information and adhering to our security policies and access control mechanisms. We have in the past experienced, and may in the future experience, security incidents arising from a failure to properly handle sensitive information or adhere to our security policies and access control mechanisms, including, for example, employees posting company data on third-party websites without permission, and, although no such events have had a material adverse effect on our business, there can be no assurance that an insider threat or error will not result in an incident that is material to us or lead to negative publicity.** Furthermore, we rely on products and services provided by third-party suppliers to operate certain critical business systems, including without limitation, cloud-based infrastructure, encryption and authentication technology, employee email and other functions, which exposes us to supply-chain attacks or other business disruptions. We cannot guarantee that third parties and infrastructure in our supply chain or our partners' supply chains have not been compromised or that they do not contain exploitable vulnerabilities, defects or bugs that could result in a breach of or disruption to our information technology systems, including our products and services, or the third-party information technology systems that support our services. We **have may also incorporate incorporated third-party data into some of our AI algorithms or models and use used open-source datasets to train our algorithms models and may continue to do so**. These datasets may be flawed, insufficient, or contain certain biased information, and may otherwise be vulnerable-decrease resilience to security incidents **that may compromise the integrity of our AI outputs, leading to potential reputational damage, regulatory scrutiny, or adverse impacts on the performance and reliability of our products, which could, in turn, affect our partners' operations, customer trust, and our revenue**. We may have limited insight into the data privacy or security practices of third-party suppliers, including for our AI algorithms. Our ability to monitor these third parties' information security practices is limited, and they may not have adequate information security measures in place. In addition, if one of our third-party suppliers suffers a security incident (which has happened in the past and may happen in the future), our response may be limited or more difficult because we may not have direct access to their systems, logs and other information related to the security incident. Additionally, we are incorporated into the supply chain of a large number of entities worldwide and, as a result, if our products or services are compromised, a significant number of our

customers and their data could be affected, which could result in potential liability and harm our business. To defend against security incidents, we must continuously engineer more secure products and enhance security and reliability features, which is expected to result in increased expenses. We must also continue to develop our security measures, including training programs and security awareness initiatives, designed to ensure our suppliers have appropriate security measures in place, and continue to meet the evolving security requirements of our customers, applicable industry standards, and government regulations. While we invest in training programs and security awareness initiatives and take steps to detect and remediate certain vulnerabilities that we have identified, we may not always be able to prevent threats or detect and mitigate all vulnerabilities in our security controls, systems or software, including third- party software we have installed, as such threats and techniques change frequently and may not be detected until after a security incident has occurred. Further, we may experience delays in developing and deploying remedial measures designed to address identified vulnerabilities. These vulnerabilities could result in reputational and financial harm, and if exploited, these vulnerabilities could result in a security incident. We hold confidential, sensitive, personal and proprietary information, including information from partners and customers. Breaches of our security measures, along with reported or perceived vulnerabilities or unapproved dissemination of proprietary information or sensitive or confidential data about us or third parties, could expose us and the parties affected to a risk of loss, or misuse of this information, potentially resulting in litigation and subsequent liability, regulatory inquiries or actions, damage to our brand and reputation or other harm, including financial, to our business. For example, we hold proprietary game source code from third- party partners in our GFN service. Breaches of our GFN security measures, which have happened in the past, could expose our partners to **the** risk of loss or misuse of this source code, damage both us and our partners, and expose NVIDIA to potential litigation and liability. If we or a third party we rely on experience a security incident, which has occurred in the past, or are perceived to have experienced a security incident, we may experience adverse consequences, including government enforcement actions, additional reporting requirements and / or oversight, restrictions on processing data, litigation, indemnification obligations, reputational harm, diversion of funds, diversion of management attention, financial loss, loss of data, material disruptions in our systems and operations, supply chain, and ability to produce, sell and distribute our goods and services, and other similar harms. Inability to fulfill orders, delayed sales, lower margins or lost customers as a result of these disruptions could adversely affect our financial results, stock price and reputation. **Applicable We are required by certain** data privacy and security obligations **may require us** to notify relevant stakeholders, including affected individuals, customers, regulators and investors, of security incidents, and mandatory disclosure of such incidents could lead to negative publicity. In addition to experiencing a security incident, third parties may gather, collect or infer sensitive information about us from public sources, data brokers or other means that reveals competitively sensitive details about our organization and could be used to harm our business. Business disruptions could harm our operations, lead to a decline in revenue and increase our costs. **Our Factors that have caused and / or could in the future cause disruptions to our** worldwide operations **include:** ~~could be disrupted by~~ natural disasters and, extreme weather conditions, power or water shortages, **critical infrastructure failures,** telecommunications failures, supplier disruptions, terrorist attacks, acts of violence, political and / or civil unrest, acts of war or other military actions, epidemics or pandemics, abrupt regulatory ~~deterioration~~ **changes**, and other natural or man- made disasters and catastrophic events. Our corporate headquarters, a large portion of our current data center capacity, and a portion of our research and development activities are located in California, and other critical business operations, finished goods inventory and some of our suppliers are located in Asia, making our operations vulnerable to natural disasters such as earthquakes, wildfires or other business disruptions occurring in these geographical areas. Catastrophic events can also have an impact on third- party vendors who provide us critical infrastructure services for IT and research and development systems and personnel. ~~Our business continuity and disaster recovery planning may not be sufficient for all eventualities.~~ Geopolitical and domestic political developments and other events beyond our control ~~can~~ increase economic volatility globally. Political instability, changes in government or adverse political developments in or around any of the major countries in which we do business may harm our business, financial condition and results of operations. Worldwide geopolitical tensions and conflicts, including but not limited to China, Hong Kong, Israel, Korea and Taiwan where the manufacture of our product components and final assembly of our products are concentrated may result in changing regulatory requirements, and other disruptions that could impact our operations and operating strategies, product demand, access to global markets, hiring, and profitability. For example, other countries have restricted and may continue in the future to restrict business with the State of Israel, where we have engineering, sales support operations and manufacturing, and companies with Israeli operations, including by economic boycotts. Our operations could be harmed and our costs could increase if manufacturing, logistics, ~~or~~ other operations are disrupted for any reason, including natural disasters, high heat events ~~or~~ water shortages, power shortages, information technology system failures or cyber- attacks, military actions or economic, ~~and~~ business, labor, environmental, public health, or political issues. The ultimate impact on us, our third- party foundries and other suppliers of being located and consolidated in certain geographical areas is unknown. In the event a disaster, war, ~~or~~ catastrophic event affects us, the third- party systems on which we rely, or our customers, our business could be harmed as a result of declines in revenue, increases in expenses, and substantial expenditures and time spent to fully resume operations. **Our business continuity and disaster recovery planning may not be sufficient for all eventualities.** All of these risks and conditions could materially adversely affect our future sales and operating results. We are monitoring the impact of the geopolitical conflict in and around Israel on our operations, including the health and safety of our approximately ~~3-4~~ 700 employees in the region who primarily support the research and development, operations, and sales and marketing of our networking products. **Some** Our operating expenses in fiscal year 2024 include expenses for financial support to impacted employees and charitable activity. We believe our global supply chain for our networking products has not experienced any significant impact. Further, in connection with the conflict, a substantial number of our employees in the region have been ~~on~~ called up for active military duty in Israel. Accordingly, some of our employees in Israel have been absent for an extended period and ~~they or others~~ may continue to be absent, which may cause disruption to our product development or operations. We

~~did have~~ not ~~experience~~ ~~experienced~~ any significant impact or expense to our business; however, if the conflict is further extended **or expanded**, it could impact future product development, operations, and revenue or create other uncertainty for our business. Additionally, interruptions or delays in services from CSPs, data center co- location partners, and other third parties on which we rely, including due to the events described above or other events such as the insolvency of these parties, could impair our ability to provide our products and services and harm our business. As we increase our reliance on these third- party systems and services, our exposure to damage from service interruptions, defects, disruptions, outages, shortages and other performance and quality problems may increase. Data centers depend on access to clean water and predictable energy. Power or water shortages, **land or permitting constraints**, or regulations that limit energy ~~or~~, water, **or land** availability, could impair the ability of our customers to expand their data center capacity and consume our products and services, **which may in turn negatively impact our business**. Climate change may have an increasingly adverse impact on our business and on our customers, partners and vendors. Water and energy availability and reliability in the regions where we conduct business is critical, and certain of our facilities may be vulnerable to the impacts of extreme weather events. Extreme heat and wind coupled with dry conditions in Northern California may lead to power safety shut offs due to wildfire risk, which can have adverse implications for our Santa Clara, California headquarter offices and data centers, including impairing the ability of our employees to work effectively. Climate change, its impact on our supply chain and critical infrastructure worldwide and its potential to increase political instability in regions where we, our customers, partners and our vendors do business, may disrupt our business and cause us to experience higher attrition, losses and costs to maintain or resume operations. Although we maintain insurance coverage for a variety of property, casualty, and other risks, the types and amounts of insurance we obtain vary depending on availability and cost. Some of our policies have large deductibles and broad exclusions, and our insurance providers may be unable or unwilling to pay a claim. Losses not covered by insurance may be large, which could harm our results of operations and financial condition. Our business and those of our suppliers and customers may also be subject to climate- related laws, regulations and lawsuits. New or proposed regulations relating to carbon taxes, fuel or energy taxes, pollution limits, sustainability- related disclosure and governance and supply chain governance could result in greater direct costs, including costs associated with changes to manufacturing processes or the procurement of raw materials used in manufacturing processes, increased capital expenditures to improve facilities and equipment, ~~and~~ higher compliance and energy costs to reduce emissions, other compliance costs, **and as well as** greater indirect costs resulting from our customers and / or suppliers incurring additional compliance costs that are passed on to us. These costs and restrictions could harm our business and results of operations by increasing our expenses or requiring us to alter our operations and product design activities. Stakeholder groups may find us insufficiently responsive to the implications of climate change, and therefore we may face legal action or reputational harm. We may not achieve our stated sustainability- related goals, which could harm our reputation, or we may incur additional, unexpected costs to achieve such goals. We may also experience contractual disputes due to supply chain delays arising from climate change- related disruptions, which could result in increased litigation and costs. We also face risks related to business trends that may be influenced by climate change concerns. Our business could be negatively impacted by concerns around the high absolute energy requirements of our GPUs, despite their much more energy efficient design and operation relative to alternative computing platforms. We may not be able to realize the potential benefits of business investments or acquisitions, and we may not be able to successfully integrate acquired companies, which could ~~hurt~~ our ability to grow our business, develop new products or sell our products. We ~~have acquired~~ **acquire** and ~~invested~~ **invest and may continue to do so** in businesses that offer products, services and technologies that we believe will help expand or enhance our strategic objectives. Acquisitions or investments involve significant challenges and risks and could impair our ability to grow our business, develop new products or sell our products and ultimately could have a negative impact on our financial results. If we pursue a particular transaction, we may limit our ability to enter into other transactions that could help us achieve our other strategic objectives. If we are unable to timely complete acquisitions, including due to delays and challenges in obtaining regulatory approvals, we may be unable to pursue other transactions, we may not be able to retain critical talent from the target company, technology may evolve and make the acquisition less attractive, and other changes can take place, which could reduce the anticipated benefits of the transaction and negatively impact our business. Regulators could also impose conditions that reduce the ultimate value of our acquisitions. In addition, to the extent that our perceived ability to consummate acquisitions has been harmed, future acquisitions may be more difficult, complex or expensive. Further, our investments in publicly traded companies could create volatility in our results and may generate losses up to the value of the investment. In addition, we have invested and may continue to invest in private companies to further our strategic objectives and to support certain key business initiatives. These companies can include early- stage companies still defining their strategic direction. Many of the instruments in which we invest are non- marketable and illiquid at the time of our initial investment, and we are not always able to achieve a return. To the extent any of the companies in which we invest are not successful, we could recognize an impairment and / or lose all or part of our investment. Our investment portfolio contains industry sector concentration risks, and a decline in any one or multiple industry sectors could increase our impairment losses. We face additional risks related to acquisitions and strategic investments, including the diversion of capital and other resources, including management' s attention; difficulty in realizing a satisfactory return and uncertainties to realize the benefits of an acquisition or strategic investment, if at all; difficulty or inability in obtaining governmental, regulatory approval or restrictions or other consents and approvals or financing; legal proceedings initiated as a result of an acquisition or investment; and potential failure of our due diligence processes to identify significant issues with the assets or company in which we are investing or are acquiring. Additional risks related to acquisitions include, but are not limited to: • difficulty in integrating the technology, systems, products, policies, processes, or operations and integrating and retaining the employees, including key personnel, of the acquired business; • assumption of liabilities and incurring amortization expenses, impairment charges to goodwill or write- downs of acquired assets; • integrating accounting, forecasting and controls, procedures and reporting cycles; • coordinating and integrating operations, particularly in countries in

which we do not currently operate; • stock price impact, fines, fees or reputation harm if we are unable to obtain regulatory approval for an acquisition or are otherwise unable to close an acquisition; • potential issuances of debt to finance our acquisitions, resulting in increased debt, increased interest expense, and compliance with debt covenants or other restrictions; • the potential for our acquisitions to result in dilutive issuances of our equity securities; • the potential variability of the amount and form of any performance- based consideration; • negative changes in general economic conditions in the regions or the industries in which we or our target operate; • exposure to additional cybersecurity risks and vulnerabilities; and • impairment of relationships with, or loss of our or our target' s employees, vendors and customers. For example, when integrating acquisition target systems into our own, we have experienced and may continue to experience challenges including lengthy and costly systems integration, delays in purchasing and shipping products, difficulties with system integration via electronic data interchange and other processes with our key suppliers and customers, and training and change management needs of integration personnel. These challenges have impacted our results of operations and may continue to do so in the future. We receive a significant amount of our revenue from a limited number of partners and distributors and we have a concentration of sales to customers who purchase directly or indirectly from us, and our revenue could be adversely affected if we lose or are prevented from selling to any of these customers. We **have experienced periods where we** receive a significant amount of our revenue from a limited number of customers, **within our distribution and partner network this trend may continue**. Sales to **direct one customer, Customer A, B and C** represented **13-12 %, 11 % and 11 %** of total revenue, **respectively**, for fiscal year **2024-2025**, **all of** which **was were primarily** attributable to the Compute & Networking segment. With several of these **channel** partners, we are selling multiple products and systems in our portfolio through their channels. Our operating results depend on sales **within to** our partner network, as well as the ability of these partners to sell products that incorporate our **processors technologies. We have a small number of partners that are involved in system integration with our key customers. As our system design becomes increasingly complex, system integrators may be unable to meet specifications of our key customers. Changes in our partners' or customers' business models or their ownership can reduce the number of partners available to us and harm our ability to sell our advanced data center systems to customers.** In the future, these partners may decide to purchase fewer products, not to incorporate our products into their ecosystem, or to alter their purchasing patterns in some other way. Because most of our sales are made on a purchase order basis, our customers can generally cancel, change, or delay product purchase commitments with little notice to us and without penalty. Our partners or customers may develop their own solutions; our customers may purchase products from our competitors; and our partners may discontinue sales or lose market share in the markets for which they purchase our products, all of which may alter partners' or customers' purchasing patterns. Many of our **indirect** customers often do not purchase directly from us but **purchase** through multiple OEMs, ODMs, system integrators, distributors, and other channel partners. **One** **For fiscal year 2025, an** indirect customer which primarily purchases our products through system integrators and distributors, including through **Customer A-B**, is estimated to **have represented** **represent 10** approximately **19% or more** of total revenue **for fiscal year 2024**, attributable to the Compute & Networking segment. If end demand increases or our finished goods supply availability is concentrated near a quarter end, the system integrators, distributors, and channel partners may have limited ability to increase their credit, which could impact the timing and amount of our revenue. The loss of any of our large customers, a significant reduction in purchases by them, our inability to sell to a customer due to U. S. or other countries' trade restrictions, or any difficulties in collecting accounts receivable would likely harm our financial condition and results of operations. If we are unable to attract, retain and motivate our executives and key employees, our business may be harmed. To **be remain** competitive and **successfully** execute our business strategy **successfully**, we must attract, retain, and motivate our executives and key employees **and, as well as** recruit and develop **capable exceptional** and diverse talent. **However, Labor labor** is subject to external factors that are beyond our control, including our industry' s highly competitive market for skilled workers and leaders, **cost inflation** and workforce participation rates. Changes in immigration and work permit regulations, or in their administration or interpretation, could impair our ability to attract and retain qualified employees. Competition for **talent drives up** personnel results in increased costs in the form of cash and stock- based compensation. **In, and in** times of stock price volatility, as we have experienced in the past and may experience in the future, the retentive value of our stock- based compensation may decrease. Additionally, we are highly dependent on the services of our longstanding executive team. Failure to ensure effective succession planning, transfer of knowledge, and smooth transitions involving executives and key employees could hinder our strategic planning **and, execution**, and long- term success. Our business is dependent upon the proper functioning of our business processes and information systems and modification or interruption of such systems may disrupt our business, and internal controls. We rely upon internal processes and information systems to support key business functions, including our assessment of internal controls over financial reporting as required by Section 404 of the Sarbanes- Oxley Act. The efficient operation and scalability of these processes and systems is critical to support our growth. We continue to design and implement updated accounting functionality related to a new enterprise resource planning, or ERP, system. Any ERP system implementation may introduce problems, such as quality issues or programming errors, that could have an impact on our continued ability to successfully operate our business or to timely and accurately report our financial results. These changes may be costly and disruptive to our operations and could impose substantial demands on management time. Failure to implement new or updated controls, or difficulties encountered in their implementation, could harm our operating results or cause us to fail to meet our reporting obligations. Identification of material weaknesses in our internal controls, even if quickly remediated once disclosed, may cause investors to lose confidence in our financial statements and our stock price may decline. Remediation of any material weakness could require us to incur significant expenses, and if we fail to remediate any material weakness, our financial statements may be inaccurate, we may be required to restate our financial statements, our ability to report our financial results on a timely and accurate basis may be adversely affected, our access to the capital markets may be restricted, our stock price may decline, and we may be subject to sanctions or investigation by regulatory authorities. Our operating results have in the past fluctuated and may continue to

fluctuate due to numerous a number of these risk factors. Therefore, investors should not rely on our past results of operations as an indication of our future performance. Additional factors Factors that could affect our results of operations include, but are not limited to: • our ability to adjust spending due to the multi-year development cycle for some of our products and services; • our ability to comply with our contractual obligations to customers; • our extended payment term arrangements with certain customers, the inability of some customers to make required payments, our ability to obtain credit insurance for customers with extended payment terms, and customer bad debt write-offs; • our vendors' payment requirements; • unanticipated costs associated with environmental liabilities; and • changes in financial accounting standards or interpretations of existing standards. Any of the these factors discussed above could prevent us from achieving our anticipated financial results. For example, we have granted and may continue to grant extended payment terms to some customers, particularly during macroeconomic downturns, which could impact our ability to collect payment. Our vendors have requested and may continue to ask for shorter payment terms, which may impact our cash flow generation. These arrangements reduce the cash we have available for general business operations. In addition, the pace of growth in our operating expenses and investments may lag our revenue growth, creating volatility or periods where profitability levels may not be sustainable. Failure to meet our expectations or the expectations of our investors or security analysts is likely to cause our stock price to decline, as it has in the past, or experience substantial price volatility. Risks Related to Regulatory, Legal, Our Stock operations could be affected by the complex laws, rules and regulations to which our business is subject, and political and other Other Matters actions may adversely impact our business. We are subject to laws and regulations domestically and worldwide, affecting our operations in areas including, but not limited to, IP ownership and infringement; taxes; import and export requirements and tariffs; anti-corruption, including the Foreign Corrupt Practices Act; business acquisitions; foreign exchange controls and cash repatriation restrictions; foreign ownership and investment; data privacy requirements; competition and antitrust; advertising; employment; product regulations; cybersecurity; environmental, health, and safety requirements; the responsible use of AI; sustainability; cryptocurrency; and consumer laws. Compliance with such requirements can be onerous and expensive, could impact our competitive position, and may negatively impact our business operations and ability to manufacture and ship our products. There can be no assurance that our employees, contractors, suppliers, customers or agents will not violate applicable laws or the policies, controls, and procedures that we have designed to help ensure compliance with such laws, and violations could result in fines, criminal sanctions against us, our officers, or our employees, prohibitions on the conduct of our business, and damage to our reputation. Changes to the laws, rules and regulations to which we are subject, or changes to their interpretation and enforcement, could lead to materially greater compliance and other costs, and / or further restrictions on our ability to manufacture and supply our products and operate our business. For example, we may face increased compliance costs as a result of changes or increases in antitrust legislation, regulation, administrative rule making, increased focus from regulators on cybersecurity vulnerabilities and risks. Our position in markets relating to AI has led to increased interest in our business from regulators worldwide, including the European Union, the United States, the United Kingdom, South Korea and China. For example, the French Competition Authority collected information from us regarding our business and competition in the graphics card and cloud service provider market as part of an ongoing inquiry into competition in those markets. We have also received, and continue to receive, broad requests for information from competition regulators in the European Union, the United States, the United Kingdom, and China, and South Korea regarding our sales of GPUs and other NVIDIA products, our efforts to allocate supply, foundation models and our investments, partnerships and other agreements with companies developing foundation models, and the markets in which we compete and our competition, our strategies, roadmaps, and efforts to develop, market, and sell hardware, software, and system solutions, and our agreements with customers, suppliers, and partners. We expect to receive additional requests for information in the future. Such requests may be expensive and burdensome and could negatively impact our business and our relationships with customers, suppliers, and partners. Governments and regulators are also considering imposing, and in certain cases, have imposed restrictions on the hardware, software, and systems used to develop frontier foundation models and generative AI. For example, the EU AI Act became effective on August 1, 2024 and will be fully applicable after a two-year transitional period. The EU AI Act may impact our ability to train, deploy, or release AI models in the EU. Several states are considering enacting or have already enacted regulations concerning AI technologies, which may impact our ability to train, deploy, or release AI models, and increase our compliance costs. Restrictions under these and any other regulations, if implemented, such restrictions could increase the costs and burdens to us and our customers, delay or halt deployment of new systems using our products, and reduce the number of new entrants and customers, negatively impacting our business and financial results. Revisions to laws or regulations or their interpretation and enforcement could also result in increased taxation, trade sanctions, the imposition of or increase to import duties or tariffs, restrictions and controls on imports or exports, or other retaliatory actions, which could have an adverse effect on our business plans or impact the timing of our shipments. Additionally, changes in the public perception of governments in the regions where we operate or plan to operate could negatively impact our business and results of operations. Government actions, including trade protection and national and economic security policies of U. S. and foreign government bodies, such as tariffs, import or export regulations, including deemed export restrictions and restrictions on the activities of U. S. persons, trade and economic sanctions, decrees, quotas or other trade barriers and restrictions could affect our ability to ship products, provide services to our customers and employees, do business without an export license with entities on the U. S. Department of Commerce's U. S. Entity List or other USG restricted parties lists (which is expected to change from time to time), and generally fulfill our contractual obligations and have a material adverse effect on our business. If we were ever found to have violated export control laws or sanctions of the U. S. or similar applicable non-U. S. laws, even if the violation occurred without our knowledge, we may be subject to various penalties available under the laws, any of which could have a material and adverse impact on our business, operating results and financial condition. For example, in response to the war in Ukraine, the United States and other jurisdictions imposed economic sanctions and export control

measures which blocked the passage of our products, services and support into Russia, Belarus, and certain regions of Ukraine. In fiscal year 2023, we stopped direct sales to Russia and closed business operations in Russia. Concurrently, the war in Ukraine has impacted sales in EMEA and may continue to do so in the future. The increasing focus on the risks and strategic importance of AI technologies has resulted in regulatory restrictions that target products and services capable of enabling or facilitating AI and may in the future result in additional restrictions impacting some or all of our product and service offerings. Concerns regarding third-party use of AI for purposes contrary to local governmental interests, including concerns relating to the misuse of AI applications, models, and solutions, has resulted in and could in the future result in unilateral or multilateral restrictions on products that can be used for training, modifying, tuning, and deploying LLMs **and other AI applications**. Such restrictions have limited and could in the future limit the ability of downstream customers and users worldwide to acquire, deploy and use systems that include our products, software, and services, and negatively impact our business and financial results. Such restrictions could include additional unilateral or multilateral export controls on certain products or technology, including but not limited to AI technologies. As geopolitical tensions have increased, semiconductors associated with AI, including GPUs and associated ~~related~~ **related** products, are increasingly the focus of export control restrictions proposed by stakeholders in the U. S. and its allies. The United States has imposed unilateral **worldwide** controls restricting GPUs and associated products, and it is likely that additional unilateral or multilateral controls will be adopted. Such controls have been and may again be very broad in scope and application, prohibit us from exporting our products to any or all customers in one or more markets, including but not limited to China **and over 150 countries designated “ Tier 2 ” by the January 2025 AI Diffusion IFR**, and could negatively impact our manufacturing, testing and warehousing locations and options, or could impose other conditions that limit our ability to serve demand abroad and could negatively and materially impact our business, revenue and financial results. Export controls targeting GPUs and semiconductors associated with AI, which have been imposed and are increasingly likely to be further tightened, would further restrict our ability to export our technology, products, or services even though competitors may not be subject to similar restrictions, creating a competitive disadvantage for us and negatively impacting our business and financial results. Export controls targeting GPUs and semiconductors associated with AI have subjected and may in the future subject downstream users of our products to additional restrictions on the use, resale, repair, or transfer of our products, negatively impacting our business and financial results. Controls could negatively impact our cost and / or ability to provide services such as NVIDIA AI cloud services and could impact the cost and / or ability for our ~~CSPs cloud service providers~~ **CSPs cloud service providers** and customers to provide services to their end customers, even outside China. Export controls could disrupt our supply chain and distribution channels, negatively impacting our ability to serve demand, including in markets outside China and for our gaming products. The possibility of additional export controls has negatively impacted and may in the future negatively impact demand for our products, benefiting competitors that offer alternatives less likely to be restricted by further controls. Repeated changes in the export control rules are likely to impose compliance burdens on our business and our customers, negatively and materially impacting our business. Increasing use of economic sanctions and export controls has impacted and may in the future impact demand for our products or services, negatively impacting our business and financial results. Reduced demand due to export controls could also lead to excess inventory or cause us to incur related supply charges. Additional unilateral or multilateral controls are also likely to include deemed export control limitations that negatively impact the ability of our research and development teams to execute our roadmap or other objectives in a timely manner. Additional export restrictions may not only impact our ability to serve overseas markets, but also provoke responses from foreign governments, including China, that negatively impact our supply chain or our ability to provide our products and services to customers in all markets worldwide, which could also substantially reduce our revenue. Regulators in China have inquired about our sales and efforts to supply the China market and our fulfillment of the commitments we entered at the close of our Mellanox acquisition. **For example, regulators in China are investigating whether complying with applicable U. S. export controls discriminates unfairly against customers in the China market.** If the regulators conclude that we have failed to fulfill such commitments or we have violated any applicable law in China, we could be subject to ~~various financial~~ **various financial** penalties ~~or,~~ **restrictions on our ability to conduct our business , restrictions regarding our networking products and services, or otherwise impact our operations in China**, any of which could have a material and adverse impact on our business, operating results and financial condition **. Over the past three years, we have been subject to a series of shifting and expanding export control restrictions, impacting our ability to serve customers outside the United States**. During the third quarter of fiscal year 2023, the USG announced export restrictions and export licensing requirements targeting China’ s semiconductor and supercomputing industries. These restrictions impact exports of certain chips, as well as software, hardware, equipment and technology used to develop, produce and manufacture certain chips to China (including Hong Kong and Macau) and Russia, and specifically impact our A100 and H100 integrated circuits, DGX or any other systems or boards which incorporate A100 or H100 integrated circuits. The licensing requirements also apply to any future NVIDIA integrated circuit achieving certain peak performance and chip- to- chip I / O performance thresholds, as well as any system or board that includes those circuits. There are also now licensing requirements to export a wide array of products, including networking products, destined for certain end users and for certain end uses in China. During the second quarter of fiscal year 2024, the USG also informed us of an additional licensing requirement for a subset of A100 and H100 products destined to certain customers and other regions, including some countries in the Middle East. In October 2023, the USG announced new and updated licensing requirements that became effective in our fourth quarter of fiscal year 2024 for exports to China and Country Groups D1, D4, and D5 (including but not limited to, Saudi Arabia, the United Arab Emirates, and Vietnam, but excluding Israel) of our products exceeding certain performance thresholds, including **, but not limited to, the** A100, A800, H100, H800, L4, L40, L40S and RTX 4090. The licensing requirements also apply to the export of products exceeding certain performance thresholds to a party headquartered in, or with an ultimate parent headquartered in, Country Group D5, including China. On October 23, 2023, the USG informed us that the licensing requirements were effective immediately for shipments of our A100, A800, H100, H800, and L40S products **(removing the**

grace period granted by the official rule). We Blackwell systems, such as GB200 NVL 72 and NVL 36 as well as B200 are also subject to these requirements and therefore require a license for any shipment to certain entities and to China and Country Groups D1, D4, and D5, excluding Israel. To date, we have not received licenses to ship these restricted products to China. On January 15, 2025, the USG published the “ AI Diffusion ” IFR in the Federal Register. After a 120- day delayed compliance period, the IFR will, unless modified, impose a worldwide licensing requirement on all products classified under Export Control Classification Numbers, or ECCNs, 3A090. a, 4A090. a, or corresponding. z ECCNs, including all related software and technology. Any system that incorporates one or more of the covered integrated circuits, or ICs, (including but not limited to NVIDIA DGX, HGX, and MGX systems) will be covered by the new licensing requirement. The licensing requirement will include future NVIDIA ICs, boards, or systems classified with ECCN 3A090. a or 4A090. a, or corresponding. z ECCNs, achieving certain total processing performance and / or performance density. Unless a license exception is available, the worldwide licensing requirements will apply to the following NVIDIA products, and any others we develop that meet the characteristics of 3A090. a or 4A090. a, including but not limited to: A100, A800, H100, H200, H800, B100, B200, GB200, L4, L40S, and RTX 6000 Ada. The AI Diffusion IFR would divide the world into three tiers, relegating most countries to “ Tier 2 ” status. The AI Diffusion IFR would confer special benefits on select “ Universal Verified End Users ”, or UVEU, and lesser benefits on “ National Verified End Users ”, or NVEU. The AI Diffusion IFR would have numerous effects that may negatively impact our long- term financial results and competitive position, including but not limited to the following. The AI Diffusion IFR would reduce the market for U. S.- designed and manufactured computing products and services, by expressly limiting exports, reexports, and transfers of covered products to Tier 2 countries and companies in Tier 1 countries that are either headquartered in Tier 2, or have an ultimate parent headquartered in a Tier 2 country. These restrictions would apply to all covered products, including products sold years ago. The AI Diffusion IFR would limit access to the market for IT services and computing infrastructure, by favoring a select number of government- approved firms that achieve UVEU status. UVEUs may choose to favor their own accelerators, platforms, and systems, rather than selecting products based on merit. The AI Diffusion IFR would encourage our customers to invest in alternatives that are not affected by USG regulations, including foreign competition. The AI Diffusion IFR would increase our and our customers’ costs of doing business, creating compliance challenges and risks, and impact our supply and distribution chains, which will be subject to new compliance burdens and related extraterritorial regulatory obligations. The AI Diffusion IFR would expose U. S. providers and the U. S. industry to an enhanced risk of retaliation from other countries, in the form of tariffs, import / export controls, or other regulatory actions. The AI Diffusion IFR’ s licensing requirement could impact our ability to complete development of products in a timely manner, support existing customers using covered products, or supply customers with covered products outside the impacted regions, and may require us to transition certain operations out of one or more of the identified countries. Following these 2022 export controls, we transitioned some operations, including certain testing, validation, and supply and distribution operations out of China and Hong Kong. Any future transitions could be costly and time consuming, and adversely affect our research and development and supply and distribution operations, as well as our revenue, during any such transition period. We are working to expand expanded our Data Center product portfolio to offer new solutions, including those for which the USG does not require a license or advance notice before each shipment. To the extent that a customer requires products covered by the licensing requirements, we may seek a license for the customer. However, the licensing process is time- consuming. We have no assurance that the USG will grant such a license or that the USG will act on the license application in a timely manner or at all. Even if a license is offered approved , it may impose burdensome conditions that we or our customer or end users cannot or decide not to accept. The USG evaluates is evaluating license requests in a closed process that does not have clear standards or an opportunity for review. For example, the Notified Advanced Computing, or “ NAC, ” process has not resulted in approvals for exports of products to customers in China. The license process for exports to D1 and D4 countries has been time- consuming and resulted in license conditions that are onerous, even for countries outside China small- sized systems that are not able to train frontier AI models . The requirements have a disproportionate impact on NVIDIA and already have disadvantaged and may in the future disadvantage NVIDIA against certain of our competitors who sell products that are not subject to the new restrictions or may be able to acquire licenses for their products. Management of these new licenses and other requirements is complicated and time consuming. Our competitive position has been harmed by the existing export controls , and our competitive position and future results may be further harmed, over the long -term, if there are further changes in the USG’ s export controls, including further expansion of the geographic, customer, or product scope of the controls, if customers purchase product from competitors, if customers develop their own internal solution, if we are unable to provide contractual warranty or other extended service obligations, if the USG does not grant licenses in a timely manner or denies licenses to significant customers or if we incur significant transition costs. Even if the USG grants any requested licenses, the licenses may be temporary or impose burdensome conditions that we or our customers or end users cannot or choose not to fulfill. The licensing requirements may benefit certain of our competitors, as the licensing process will make our pre- sale and post- sale technical support efforts more cumbersome and less certain and encourage customers in China to pursue alternatives to our products, including semiconductor suppliers based in China, Europe, and Israel. Given the increasing strategic importance of AI and rising geopolitical tensions, the USG has changed and may again change the export control rules at any time and further subject a wider range of our products to export restrictions and licensing requirements, negatively impacting our business and financial results. In the event of such change, we may be unable to sell our inventory of such products and may be unable to develop replacement products not subject to the licensing requirements, effectively excluding us from all or part of the China market, as well as other impacted markets, including the Middle East and countries designated “ Tier 2 ” by the AI Diffusion IFR . For example, the USG has already imposed conditions to limit the ability of foreign firms to create and offer as a service large- scale GPU clusters, for example by

imposing license conditions on the use of products to be exported to certain countries, ~~or by~~ **and may impose additional conditions such as** requiring chip tracking and throttling mechanisms that ~~would could~~ disable or impair GPUs if certain **events, including unauthorized system or configuration, use conditions, or location,** are detected. The USG has already imposed export controls restricting certain gaming GPUs, and if the USG expands such controls to restrict additional gaming products, it may disrupt a significant portion of our supply and distribution chain and negatively impact sales of such products to markets outside China, including the U. S. and Europe. **In addition, as the performance of the gaming GPUs increases over time, export controls may have a greater impact on our ability to compete in markets subject to those controls.** Export controls may disrupt our supply and distribution chain for a substantial portion of our products, which are warehoused in and distributed from Hong Kong. Export controls restricting our ability to sell ~~data datacenter~~ **center** GPUs may also negatively impact demand for our networking products used in servers containing our GPUs. The USG may also impose export controls on our networking products, such as high- speed network interconnects, to limit the ability of downstream parties to create large clusters for frontier model training. Any new control that impacts a wider range of our products would likely have a disproportionate impact on NVIDIA and may disadvantage us against certain of our competitors that sell chips that are outside the scope of such control. Excessive or shifting export controls have already and may in the future encourage customers outside China and other impacted regions to “design- out” certain U. S. semiconductors from their products to reduce the compliance burden and risk, and to ensure that they are able to serve markets worldwide. Excessive or shifting export controls have already encouraged and may in the future encourage overseas governments to request that our customers purchase from our competitors rather than NVIDIA or other U. S. firms, harming our business, market position, and financial results. As a result, excessive or shifting export controls may negatively impact demand for our products and services not only in China, but also in other markets, such as Europe, Latin America, and Southeast Asia. Excessive or shifting export controls increase the risk of investing in U. S. advanced semiconductor products, because by the time a new product is ready for market, it may be subject to new unilateral export controls restricting its sale. At the same time, such controls may increase investment in foreign competitors, which would be less likely to be restricted by U. S. controls. **If additional products are subject to worldwide licensing requirements, we may incur significant inventory provisions and excess purchase obligation charges. In addition to export controls, the USG may impose restrictions on the import and sale of products that incorporate technologies developed or manufactured in whole or in part in China. For example, the USG is considering restrictions on the import and sale of certain automotive products in the United States, which if adopted and interpreted broadly, could impact our ability to develop and supply solutions for our automotive customers.** Additionally, restrictions imposed by the Chinese government on the duration of gaming activities and access to games may adversely affect our Gaming revenue, and increased oversight of digital platform companies may adversely affect our Data Center revenue. The Chinese government may **also encourage customers to purchase from our China- based competitors, or** impose restrictions on the sale to certain customers of our products, or any products containing components made by our partners and suppliers. For example, the Chinese government announced restrictions relating to certain sales of products containing certain products made by Micron, a supplier of ours. **As another example, an agency of the Chinese government announced an Action Plan that endorses new standards regarding the compute performance per watt and per memory bandwidth of accelerators used in new and renovated data centers in China. If the Chinese government modifies or implements the Action Plan in a way that effectively prevents us from being able to design products to meet the new standard, this may restrict the ability of customers to use some of our data center products and may have a material and adverse impact on our business, operating results and financial condition.** Further restrictions on our products or the products of our suppliers could negatively impact our business and financial results. Finally, our business depends on our ability to receive consistent and reliable supply from our overseas partners, especially in Taiwan **and South Korea**. Any new restrictions that negatively impact our ability to receive supply of components, parts, or services from Taiwan **and South Korea**, would negatively impact our business and financial results. Increased scrutiny from shareholders, regulators and others regarding our corporate sustainability practices could result in additional costs or risks and adversely impact our reputation and willingness of customers and suppliers to do business with us. ~~Certain Shareholder~~ **shareholder** advocacy groups, ~~certain~~ investment funds, **shareholders and** other market participants ~~, shareholders,~~ customers and government regulators have focused ~~increasingly~~ on corporate sustainability practices and disclosures, including those associated with climate change and human rights. Stakeholders may not be satisfied with our corporate sustainability practices and goals or the speed of their adoption. Further, there ~~are~~ **is an increasing number of** state- level initiatives in the U. S. that may ~~conflict with~~ **differ from** other regulatory requirements or our various stakeholders’ expectations. Additionally, our corporate sustainability practices, oversight of our practices or disclosure controls may not meet evolving shareholder, regulator or other industry stakeholder expectations, or we may fail to meet corporate sustainability disclosure or reporting standards **or legal requirements**. We could also incur additional costs and require additional resources to monitor, report, and comply with various corporate sustainability practices **and legal requirements**, choose not to conduct business with potential customers **and suppliers**, or discontinue or not expand business with existing customers **and suppliers** due to our policies. These factors **and increased disclosure** may negatively harm our brand, reputation and business activities or expose us to liability. Issues relating to the responsible use of our technologies, including AI in our offerings, may result in reputational or financial harm and liability. Concerns relating to the responsible use of new and evolving technologies, such as AI, in our products and services may result in reputational or financial harm and liability and may cause us to incur costs to resolve such issues. We are increasingly building AI capabilities and protections into many of our products and services, and we also offer stand- alone AI applications. AI poses emerging legal, social, and ethical issues and presents risks and challenges that could affect its adoption, and therefore our business. If we enable or offer solutions that draw controversy due to their perceived or actual impact on society, such as AI solutions that have unintended consequences, infringe copyright or rights of publicity, or are controversial because of their impact on human rights, privacy, employment or other social, economic or political issues, or

if we are unable to develop effective internal policies and frameworks relating to the responsible development and use of AI models and systems offered through our sales channels, we may experience brand or reputational harm, competitive harm or legal liability. **Leveraging AI capabilities to potentially improve our internal functions and operations may present further risks, costs, and challenges.** Complying with multiple regulations from different jurisdictions related to AI **could may further** increase our cost of doing business, may change the way that we operate in certain jurisdictions, **or-and** may impede our ability to offer certain products and services in certain jurisdictions if we are unable to comply with regulations. Compliance with existing and proposed government regulation of AI, including in jurisdictions such as the European Union **as well as under any U. S. regulation adopted in response to the Biden administration's Executive Order on AI**, may also **further** increase the cost of related research and development, and create additional reporting and / or transparency requirements. For example, regulation adopted in response to the **Executive Order on AI European Union Code of Practice for General Purpose Artificial Intelligence** could require us to notify the **USG European Commission regarding details of certain safety test results and other information some of our Trustworthy AI processes related to our risk framework**. Furthermore, changes in AI- related regulation could disproportionately impact and disadvantage us and require us to change our business practices, which may negatively impact our financial results. Our failure to adequately address concerns and regulations relating to the responsible use of AI by us or others could undermine public confidence in AI and slow adoption of AI in our products and services or cause reputational or financial harm. Actions to adequately protect our IP rights could result in substantial costs to us and our ability to compete could be harmed if we are unsuccessful or if we are prohibited from making or selling our products. From time to time, we are involved in lawsuits or other legal proceedings alleging patent infringement or other IP rights violations by us, our employees or parties that we have agreed to indemnify. An unfavorable ruling could include significant damages, invalidation of one or more patents, indemnification of third parties, payment of lost profits, or injunctive relief. Claims that our products or processes infringe the IP rights of others, regardless of their merit, could cause us to incur significant costs to respond to, defend, and resolve such claims, and they may also divert the efforts and attention of management and technical personnel. We may commence legal proceedings to protect our IP rights, which may increase our operating expenses. We could be subject to countersuits as a result. If infringement claims are made against us or our products are found to infringe a third party' s IP, we or one of our indemnitees may have to seek a license to the third party' s IP rights. If we or one of our indemnitees is unable to obtain such a license on acceptable terms or at all, we could be subject to substantial liabilities or have to suspend or discontinue the manufacture and sale of one or more of our products. We may also have to make royalty or other payments or cross license our technology. If these arrangements are not concluded on commercially reasonable terms, our business could be negatively impacted. Furthermore, the indemnification of a customer or other indemnitee may increase our operating expenses and negatively impact our operating results. We rely on patents, trademarks, trade secrets, employee and third- party nondisclosure agreements, licensing arrangements and the laws of the countries in which we operate to protect our IP. Foreign laws may not protect our products or IP rights to the same extent as United States law. This makes the possibility of piracy of our technology and products more likely. The theft or unauthorized use or publication of our trade secrets and other confidential information could harm our competitive position and reduce acceptance of our products; as a result, the value of our investment in research and development, product development and marketing could be reduced. We also may face risks to our IP if our employees are hired by competitors. We continuously assess whether and where to seek formal protection for existing and new innovations and technologies but cannot be certain whether our applications for such protections will be approved, and, if approved, whether they will be enforceable. We are subject to stringent and changing data privacy and security laws, rules, regulations and other obligations. These areas could damage our reputation, deter current and potential customers, affect our product design, or result in legal or regulatory proceedings and liability. We process sensitive, confidential or personal data or information that is subject to privacy and security laws, regulations, industry standards, external and internal policies, contracts and other obligations that govern the processing of such data by us and on our behalf. Concerns about our practices or the ultimate use of our products and services with regard to the collection, use, retention, security or disclosure of personal information or other privacy- related matters, including for use in AI, even if unfounded, could damage our reputation and adversely affect our operating results. The theft, loss or misuse of personal data in our possession or by one of our partners could result in damage to our reputation, regulatory proceedings, disruption of our business activities or increased security **or remediation** costs and costs related to defending legal claims. In the United States, federal, state and local authorities have enacted numerous data privacy and security laws, including for data breach notification, personal data privacy and consumer protection. **In the past few years, numerous Numerous** U. S. states have enacted comprehensive privacy laws that impose certain obligations on covered businesses, including providing specific disclosures in privacy notices and affording residents with certain rights concerning their personal data. As applicable, such rights may include the right to access, correct, or delete certain personal data, and to opt- out of certain data processing activities, such as targeted advertising, profiling and automated decision- making. The exercise of these rights may impact our business and ability to provide our products and services. Certain states also impose stricter requirements for processing certain personal data, including sensitive information, such as conducting data privacy impact assessments. These state laws allow for statutory fines for noncompliance. For example, the California Consumer Privacy Act of 2018, as amended by the California Privacy Rights Act of 2020, or CPRA, or collectively the CCPA, gives California residents the right to access, delete and opt- out of certain sharing of their personal information, and to receive detailed information about how it is used and shared. The CCPA provides for **substantial** fines **for of up to \$ 7, 500 per** intentional violation and the law created a private right of action for certain data breaches. Similar laws are being considered in several other states, as well as at the federal and local levels. Additionally, several states and localities have enacted measures related to the use of **AI artificial intelligence** and machine learning in products and services. If we become subject to additional data privacy laws, the risk of enforcement action against us could increase. Worldwide regulatory authorities are also considering and have approved various legislative proposals concerning data protection. The European Union adopted the

General Data Protection Regulation, or GDPR, and the United Kingdom similarly adopted the U. K. GDPR, governing the strict handling of personal data of persons within the European Economic Area, or EEA, and the United Kingdom, respectively, including its use and protection and the ability of persons whose data is stored to access, correct, and delete such data about themselves. If we are found not to comply, we could be subject to penalties of up to € 20 million or 4 % of worldwide revenue, whichever is greater, and classes of individuals or consumer protection organizations may initiate litigation related to our processing of their personal data. Furthermore, the EU AI Act **and similar legislation** could impose onerous obligations that may disproportionately impact and disadvantage us and require us to change our business practices. **Additionally, Europe's Network and Information Security Directive, or NIS2, regulates resilience and incident response capabilities of entities operating in a number of sectors, including the digital infrastructure sector. Non-compliance with NIS2 may lead to administrative fines of a maximum of 10 million Euros or up to 2 % of the total worldwide revenue of the preceding fiscal year.** In the ordinary course of business, we may transfer personal data from Europe, China, and other jurisdictions to the United States or other countries. Certain jurisdictions have enacted data localization laws and cross-border personal data transfer laws. For example, the GDPR **governs** generally restricts the transfer of personal data to countries outside of the EEA. The European Commission released a set of "Standard Contractual Clauses" designed for entities to validly transfer personal data out of the EEA to jurisdictions that the European Commission has not found to provide an adequate level of protection, including the United States. Additionally, the U. K.'s International Data Transfer Agreement / Addendum, as well as the EU-U. S. Data Privacy Framework and the U. K. extension thereto (which allows for transfers to relevant U. S.- based organizations who self-certify compliance and participate in the Framework) are mechanisms that may be used to transfer personal data from the EEA and U. K. to the United States. However, these mechanisms are subject to legal challenges, and there is no assurance that we can satisfy or rely on these measures to lawfully transfer personal data to the United States. Other jurisdictions have enacted or are considering similar cross-border personal data transfer laws and local personal data residency laws, any of which would increase the cost and complexity of doing business and could result in fines from regulators. For example, China's law imposes various requirements relating to data processing and data localization. Data broadly defined as important under China's law, including personal data, may not be transferable outside of China without prior assessment and approval by the Cyberspace Administration of China, or CAC. Compliance with these requirements, including CAC assessments and any deemed failures of such assessments, could cause us to incur liability, prevent us from using data collected in China or impact our ability to transfer data outside of China. The inability to import personal data to the United States could significantly and negatively impact our business operations, limit our ability to collaborate with parties that are subject to European, China and other data privacy and security laws, or require us to increase our personal data processing capabilities in Europe and / or elsewhere at significant expense. Some European regulators have prevented companies from transferring personal data out of Europe for allegedly violating the GDPR's cross-border data transfer limitations, which could negatively impact our business. We **may are** also be bound by **certain** contractual obligations related to data privacy and security, and our efforts to comply with such obligations may not be successful or may be claimed to be non-compliant. For example, certain privacy laws, such as the GDPR and the CCPA, require our customers to impose specific contractual restrictions on their service providers. We sometimes host personal data in collaboration with our customers, and if a breach exposed or altered that personal data, it could harm those customer relationships and subject us to litigation, regulatory action, or fines. We publish privacy policies, marketing materials and other statements, such as compliance with certain certifications or self-regulatory principles, regarding data privacy and security. **If Regulators in the U. S. are increasingly scrutinizing these statements, and if** these policies, materials or statements are found to be deficient, lacking in transparency, deceptive, unfair or misrepresentative of our practices, we may be subject to investigation, enforcement actions by regulators or other adverse consequences. Data protection laws around the world are quickly changing and may be interpreted and applied in an increasingly stringent fashion and in a manner that is inconsistent with our data practices. These obligations may affect our product design and necessitate changes to our information technologies, systems and practices and to those of any third parties that process personal data on our behalf. Despite our efforts, we or third parties we rely upon may fail to comply with such obligations. If we fail, or are perceived to have failed, to address or comply with data privacy and security obligations, we could face significant consequences, including but not limited to, government enforcement actions, litigation, additional reporting requirements and / or oversight, bans on processing personal data, and orders to destroy or not use personal data. Any of these events could have a material adverse effect on our reputation, business, or financial condition. We may have exposure to additional tax liabilities and our operating results may be adversely impacted by changes in tax laws, higher than expected tax rates and other tax-related factors. We are subject to complex income tax laws and regulations, as well as non-income-based taxes, in various jurisdictions. Significant judgment is required in determining our worldwide provision for income taxes and other tax liabilities. We are regularly under audit by tax authorities in different jurisdictions. Although we believe our tax estimates are reasonable, any adverse outcome could increase our worldwide effective tax rate, increase the amount of non-income taxes imposed on our business, and harm our financial position, results of operations, net income, and cash flows. Further, changes in tax laws or their interpretation by tax authorities in the U. S. or foreign jurisdictions could increase our future tax liability or cause other adverse tax impacts, which may materially impact our results of operations, or the way we conduct our business. Most of our income is taxable in the **United States U. S.**, with a significant portion qualifying for preferential treatment as foreign-derived intangible income, or FDII. If U. S. tax rates increase or the FDII deduction is reduced, our provision for income taxes, results of operations, net income, and cash flows would be adversely affected. In addition, **our changes in the tax laws of foreign obligations and effective tax rate in the jurisdictions in which we conduct business could arise increase** as a result of **global international tax developments, including the implementation of the Two-Inclusive Framework on Base Erosion and Profit Shifting and Pillar framework led Two Model Rules announced by The the Organization for Economic Cooperation and Development, or OECD. These and, which involves other -- the changes reallocation of taxing rights in respect of certain multinational enterprises above a**

fixed profit margin to the jurisdictions in which they carry on business (referred to as Pillar One), and imposes a minimum effective corporate tax rate (referred to as Pillar Two). A number of countries in which we conduct business have enacted, or are in the process of enacting, elements of the Pillar Two rules. Any such tax laws, as adopted by countries, or changes in any such tax laws may increase tax uncertainty and compliance costs and adversely affect our provision for income taxes, cash tax payments, results of operations, and financial condition. Our future effective tax rate may also be affected by a variety of factors, including changes in our business or statutory rates, the mix of earnings in countries with differing statutory tax rates, available tax incentives, credits and deductions, the expiration of statutes of limitations, changes in accounting principles, adjustments to income taxes upon finalization of tax returns, increases in expenses not deductible for tax purposes, the estimates of our deferred tax assets and liabilities and deferred tax asset valuation allowances, changing interpretation of existing laws or regulations, the impact of accounting for business combinations, as well as changes in the domestic or international organization of our business and structure. Furthermore, the tax effects of accounting for stock-based compensation and volatility in our stock price may significantly impact our effective tax rate in the period in which they occur. A decline in our stock price may result in reduced future tax benefits from stock-based compensation, increase our effective tax rate, and adversely affect our financial results. Our business is exposed to the burden and risks associated with litigation, investigations and regulatory proceedings. We currently and will likely continue to face legal, administrative and regulatory proceedings, claims, demands and / or investigations involving shareholder, consumer, competition and / or other issues relating to our business. For example, we are defending a securities class action lawsuit from multiple shareholders asserting claims that we and certain of our officers made false and / or misleading statements related to channel inventory and the impact of cryptocurrency mining on GPU demand in 2017 and 2018. Litigation and regulatory proceedings are inherently uncertain, and adverse rulings could occur, including monetary damages or fines, or an injunction stopping us from manufacturing or selling certain products, engaging in certain business practices, or requiring other remedies, such as compulsory licensing of patents. An unfavorable outcome or settlement may result in a material adverse impact. Regardless of the outcome, litigation can be costly, time-consuming, and disruptive to our operations. Our indebtedness could adversely affect our financial position and cash flows from operations, and prevent us from implementing our strategy or fulfilling our contractual obligations. As of January 28, 2024, we had net outstanding a total of \$ 9.7 billion in notes due by 2060. As each series of senior notes matures, unless redeemed or repurchased, we must repay or refinance the notes. If we decide to refinance, we may receive less favorable terms, or we may be unable to refinance at all, which may adversely affect our financial condition. We also have a \$ 575 million commercial paper program. Maintenance of our current and future indebtedness and contractual restrictions could cause us to dedicate a substantial portion of our cash flows from operations towards debt service obligations and principal repayments; increase our vulnerability to adverse changes in general economic, industry and competitive conditions; limit our flexibility regarding changes in our business and our industry; impair our ability to obtain future financing; and restrict our ability to grant liens on property, enter into certain mergers, dispose of our assets, or materially change our business. Our ability to comply with the covenants in our indenture may be affected by events beyond our control. If we breach any of the covenants without a waiver from the note holders or lenders, then any outstanding indebtedness may be declared immediately due and payable. Changes to our credit rating may negatively impact the value and liquidity of our securities, restrict our ability to obtain future financing and affect the terms of any such financing. Delaware law and our certificate of incorporation, bylaws and agreement with Microsoft could delay or prevent a change in control. The anti-takeover provisions of the Delaware General Corporation Law may discourage, delay, or prevent a change in control. Provisions in our certificate of incorporation and bylaws could make it more difficult for a third party to acquire a majority of our outstanding stock. These provisions include the ability of our Board of Directors to create and issue preferred stock, change the number of directors, and to make, amend or repeal our bylaws without prior shareholder approval; the inability of our shareholders to act by written consent or call special meetings; advance notice requirements for director nominations and shareholder proposals; and a super-majority voting requirement to amend some provisions in our certificate of incorporation and bylaws. Under our agreement with Microsoft for the Xbox, if someone makes an offer to purchase at least 30 % of our outstanding common stock, Microsoft may have first and last rights of refusal to purchase the stock. These provisions could delay or prevent a change in control of NVIDIA, discourage proxy contests, and make it more difficult for shareholders to elect directors of their choosing and to cause us to take other corporate actions they desire.