



# Sending a Strong Signal

Stepping up, reaching out and making  
responsibility quintessentially Qualcomm.

[Full Report](#)



## Our Company

# Building responsibility into everything we do

Full Section

## Our Company

Building responsibility into everything we do



You might say a "responsibility chip" has been embedded in our Company from day one. Just as our technology is essential to connecting people worldwide, responsibility is essential to who we are. It's reflected in our corporate governance, our code of ethics and our ongoing efforts to make products that are more socially and environmentally responsible. At Qualcomm, innovation has made us successful. Acting responsibly will ensure we stay that way.

### Section Highlights

#### [A Message from Our Chairman and CEO](#)

[Dr. Paul E. Jacobs talks about social responsibility at Qualcomm.](#)



[Read the letter.](#)

#### [New QSR Governance Structure](#)

[Integrating social responsibility into our corporate structure.](#)



[Read how.](#)

#### [25-Year QSR Timeline](#)

[More than 25 years of turning value into action.](#)



[View the timeline.](#)

#### [The Qualcomm Way](#)

[How we navigate the ethical and legal landscape of our complex business.](#)



[Read more.](#)

## Product Responsibility

We are continuously monitoring ways to improve our products.



[Read how.](#)

## Supply Chain Management

Strong relationships are key to how we provide responsible products.



[Read more.](#)

## Our Company

Building responsibility into everything we do



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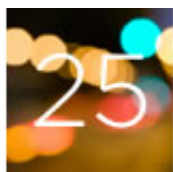
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## A Message from Our Chairman and CEO

### Sending a strong signal since 1985

At Qualcomm, we've built our success upon our ability to innovate, develop strong industry partnerships and execute on our strategies. But underlying everything we do is our unwavering commitment to integrity. For twenty-five years, our ideas have been transforming the lives of people across the world. And as we've expanded our reach and impact, we've always remained mindful of our responsibilities—to our many stakeholders, to the communities where we do business and to our environment.

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**We want the world to know that social responsibility is as integral to Qualcomm as our technology is to revolutionizing the wireless industry.**

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In 2010, through actions large and small, we continued to send a clear signal that we are a company that takes its responsibilities seriously—one built on time-tested values that are the foundation of Qualcomm. We recognize that our success will always be dependent on doing the right thing in every facet of our business. As such, we continue to demonstrate each year that our values are more than just words; they are an inseparable part of who we are.

Perhaps our most far-reaching social responsibility achievement in 2010 was the implementation of our Qualcomm Social Responsibility (QSR) [organizational structure](#). This new structure, embedded within our greater corporate structure, enables us to better inform, assess and guide our social responsibility efforts. Composed of people from across Qualcomm—including members of our executive leadership—our QSR structure provides for greater accountability and transparency and for ongoing improvement of our social responsibility efforts. It integrates responsibility considerations even more deeply in every part of our Company and ensures that our intention to be an engaged and exemplary corporate citizen is factored into every decision we make. Heading this new structure is our QSR Leadership Committee, which guides us on key global citizenship issues and reports annually to the Governance Committee of our Board of Directors. Their leadership and access to our Board ensures social responsibility issues will be weighed at the highest levels of our Company and treated as an essential component of our business strategy.



In 2010, we also worked with a respected ethics consultant to complete a top-to-bottom evaluation and revision of [\*The Qualcomm Way: Our Code of Business Conduct\*](#). I am proud of the result. Our enhanced Code is a clear, comprehensive and unequivocal statement of the regulatory and ethical compliance expected of every Qualcomm employee, executive and director. It serves as a compass to guide us in our daily work and a symbol of our commitment to doing the right thing.

I'm proud of Qualcomm for many reasons—and seeing our employees make a real, meaningful difference year after year is high among them. Our employees volunteer in the communities where we do business. They find innovative ways to make our products more sustainable. They recycle, promote inclusion and comply with regulations—in short, they do all the things that make responsibility a defining part of our culture. Our goal is for 100 percent of our employees around the world to make a contribution to our record of responsibility and citizenship.

Overall, our accomplishments in 2010 continued to send a clear message about our commitment to social responsibility. We want the world to know that social responsibility is as integral to Qualcomm as our technology is to revolutionizing the wireless industry. This report is one way we send that signal loud and clear. Thank you for reading it.

A handwritten signature in black ink, appearing to read 'P. E. Jacobs', with a stylized, sweeping flourish at the end.

**Dr. Paul E. Jacobs**

Chairman of the Board and Chief Executive Officer



## 25-Year QSR Timeline

# Making a difference through the decades

For more than twenty-five years, we've wanted to make a difference—through our innovative products and through our conduct as a company. We've maintained a safe, rewarding work culture that attracts the best and brightest. We've sought to be transparent and fully accountable in our governance. We've given our time, money and know-how to help improve communities. And we've worked to minimize our impact on the environment. We see responsibility as a never-ending journey, and we are proud of our progress to date. Here are some of the milestones we've passed along the way.

Choose a decade:

- **1980** • 1990 • 2000 • 2010

1980

**1985**

Our founders plant the seeds of an exceptional workplace.

It happened when seven people rented their first space in an unassuming office park in La Jolla, California. Today, we employ more than 17,500 employees in over 139 locations worldwide. And we still maintain a fair, progressive and rewarding culture that has won numerous accolades and drawn outstanding people from around the world.

[Read about our workplace today.](#)



San Diego



1990

**1991**

Qualcomm goes public. And our governance goes transparent.

With our initial public offering, 4 million shares were made available for sale on the NASDAQ Stock Market, and we formulated what would become our current governance policies.

[Learn more about our corporate governance today.](#)



**1991**

Our risk-management program crosses the (state) line.

Ironically, we chose to mitigate risk by opening an office in Las Vegas—our first office outside California. It was our way of protecting against disaster at our San Diego facilities. Our disaster-planning efforts have grown more sophisticated ever since.

[Read more in our Global Emergency Management section.](#)



Las Vegas

**1994**

## We begin installing dark fiber.

It's not a health food—it's a way of shrinking energy consumption by reducing the number of circuits in our IT infrastructure. Since then, we've expanded our green IT initiatives by employing energy-efficient data centers, enhancing server virtualization and more.

[See our latest Green IT initiatives.](#)



**1996**

## We win San Diego's Waste Reduction and Recycling Award.

We've since won this recognition from the city eight more times. Our Company is growing, and our effort to minimize waste is growing right along with it.

[Read how we are reducing waste today.](#)

**1997**

## Employees sound off in our first Corporate Climate Survey.

We wanted to know what our employees thought about working at Qualcomm. So we asked them. And we've asked on a regular basis since. Engaging with employees and other stakeholders is a hallmark of our culture.

[See how we are connecting with our stakeholders.](#)





**1998**

## QCares begins.

Our employee volunteer program grew out of our inherent commitment to community involvement. To date, employees—including 100 percent of our current leadership team—have given thousands of off-the-clock hours to help improve the communities where we live and work.

[Read more in Our Community section.](#)

**1999**

*FORTUNE* names us one of its “100 Best Companies to Work For in America.”



And we’ve made the list every year since.

[See a list of our current memberships and awards.](#)

2000

**2002**

California names us a Climate Action Leader.

As a charter member of the California Climate Action Registry, we earned the distinction of “Climate Action Leader” for our early voluntary reporting of greenhouse gas emissions. We’ve received the honor every year since.



[View our commitment to cleaner air.](#)



**2003**

We introduce lead-free chip-scale package products.

We were driven to this innovation by the simple belief that less lead in the soil, water and air is a good thing. In 2010, we overcame significant technical challenges to introduce several lead-free flip-chip integrated circuit products.

Learn more about our efforts toward socially and environmentally responsible innovation.

**2004**

Our charitable giving surpasses \$50 million.

Sometimes donating money to a worthy charitable organization is the most effective way to make an impact. As of the end of 2010, we've contributed more than \$165 million through our corporate giving and employee engagement programs.

Read more in Our Community section.

**\$165M+**  
to date



**2005**

We install our first solar panel.

Capacity? 100,000 watts. Today, solar provides our facilities with over 830,000 kilowatt-hours of electricity and is just one part of our overall renewable energy strategy.

See how we are cutting our energy use as we cut costs.

**2006**

## We reach out with Wireless Reach™.

By teaming with other organizations to bring the benefits of wireless to people around the world, we're helping to bridge the digital divide. Today, we're working with more than 200 organizations on 66 projects in 29 countries.



[Learn more about our Wireless Reach program.](#)



**2007**

## We build our first LEED-certified project.

The building on our W Campus in San Diego was certified LEED Gold. In 2010, we took LEED global.

[See how we are designing and operating our facilities today.](#)

**2007**

## We launch Snapdragon, extending battery life and saving energy.

Our game-changing mobile processing platform broke the gigahertz barrier. It delivered an unprecedented combination of mobile data processing, multimedia performance and 3G wireless capabilities. And it offered the lowest levels of power consumption for all-day battery life. In fact, it still does.



[Read more about our efforts toward socially and environmentally responsible innovation.](#)



**2009**

Our employee cafeterias are certified as Green Restaurants™.

We call them cafés. The Green Restaurant Association calls them sustainable. We earned that distinction by completing a rigorous 18-step certification process requiring us to install energy-efficient cooking equipment, buy local and organic and much more.

[Read more about our sustainable kitchen practices.](#)

**2010**

**2010**

We embed social responsibility in our Company structure.



Responsibility has always been part of our DNA. Now it's officially part of our organization. Our new **QSR structure** ensures accountability and makes responsibility part of the strategic thinking at the highest levels of our Company.

[See the new structure.](#)

## Governance

### Setting the tone at the top

Responsibility begins with our leadership. Our Board of Directors, executive team and management make transparency and accountability their paramount concern as they oversee and guide our Company. And while social responsibility considerations have always influenced our business strategies, we've implemented a new internal structure for planning, executing and reporting social responsibility initiatives that will help our leadership factor responsibility considerations into daily decision-making.

#### How we're governed

As a publicly held company, we are governed by a 13-member [Board of Directors](#), which sets high standards for our [executive leadership](#) and all of our employees as it acts in the best interests of our stockholders. Our directors serve as a prudent fiduciary and oversee our Company's management. Board members are expected at all times to act in accordance with [our Code of Ethics](#).

Eleven of our 13 directors are independent, meaning they are not employees, have not been employees within the last three years and do not have any business or consulting arrangements with Qualcomm. The Board includes a presiding director who is independent. The presiding director presides at all meetings of the Board at which the chair is not present, including executive sessions of the independent directors.

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**Our ultimate aim is to integrate social responsibility into our corporate structure even more thoroughly than it is integrated today.**

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The Board has four standing committees: Audit, Compensation, Finance and Governance. Members of all committees except Finance are composed of independent directors. The presiding director serves as chair of one of the three independent committees.

The positions of chairman of the board and chief executive officer are combined and are currently held by Dr. Paul E. Jacobs, who has served as chairman of the board since 2009 and as chief executive officer since 2005. The Board elects the chairman of the board and chief executive officer based on the criteria that it deems appropriate and in the best interests of the Company at the time of election.

Detailed information about our governance structure and policies is available [on our corporate website](#).

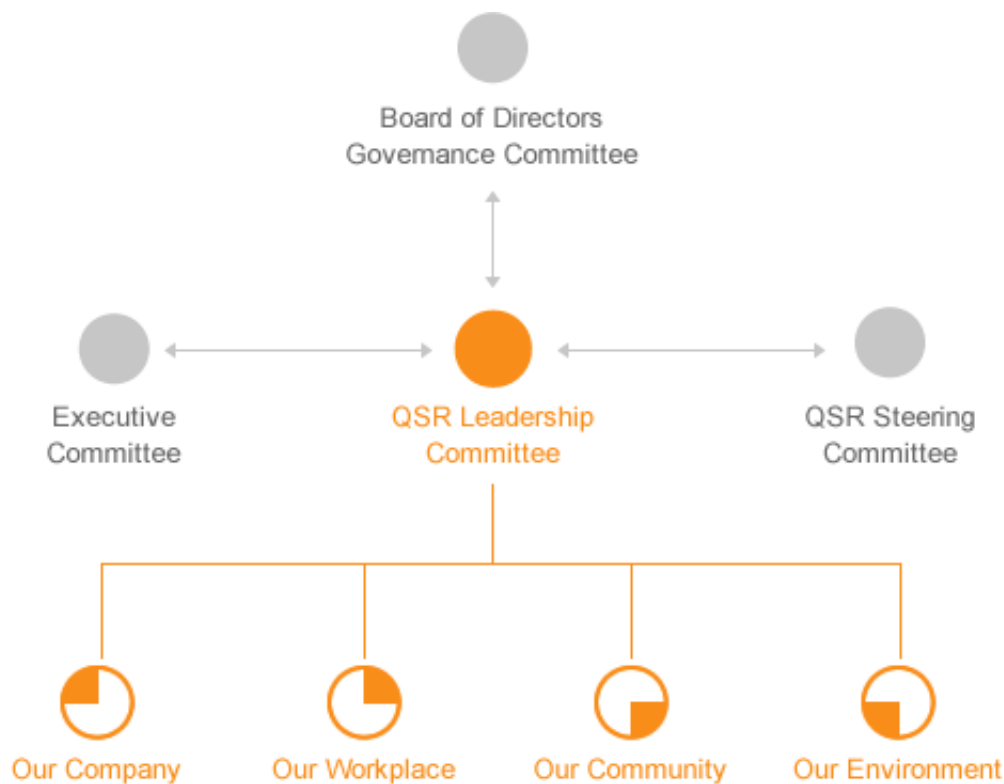
#### New QSR governance structure

In 2010, we took our commitment to social responsibility to a new level by creating a Qualcomm Social Responsibility (QSR) governance structure dedicated to advancing and reporting our responsibility initiatives. Heading the new structure is the QSR Leadership Committee, which provides guidance on key global citizenship issues and reports annually to the Governance Committee of our Board of Directors. Four QSR committees—Company, Workplace, Community, and Environment—include experts from across our Company who have front-line knowledge of how we integrate social responsibility initiatives in our daily operations. These representatives are tasked with implementing the QSR Leadership Committee's directives as companywide practices broadly shared with our stakeholders through various communication channels and annual reporting efforts.

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**A new organizational structure dedicated to responsibility**





Our new QSR structure increases Qualcomm's accountability on social responsibility issues by making senior management responsible for key initiatives. It increases transparency by providing a framework for more thorough and accurate reporting. And by providing a system for generating ideas and assessing current initiatives, it will enable continuous improvement of our social responsibility efforts.

Our ultimate aim is to integrate social responsibility into our corporate structure even more thoroughly than it is integrated today. It is our intention that, eventually, all Qualcomm employees will be engaged in our social responsibility efforts in some way. Whether it means volunteering in the community, biking to work, improving product safety, reducing the adverse environmental effects of our products, conserving resources or helping safeguard the integrity of our Company, we want to make responsibility part of everyone's job description.

### Protecting against risk by acting responsibly

As the number of people using mobile technology has grown, so has our Company. With growth comes not only reward but also risk, opportunity and impact, both positive and potentially negative, on our stakeholders. Our Board, executives and management work daily to minimize risk, capitalize on strategic opportunities and remain mindful of the various impacts of our work. Our social responsibility initiatives are a key part of that effort. Here are just a few examples.

### Global economic conditions could decline, affecting demand for our products and reducing our revenues.

By investing in the places where we do business through our community involvement programs, we're helping to bolster communities against the effects of economic downturns. By hiring locally, we're providing jobs and stimulating local economies. Meanwhile, by acting as a prudent fiduciary for our Company and our stockholders, our Board of Directors seeks to protect the Company from adverse economic effects.

**Intense competition and the rapid evolution of technology in our industry could leave us at a disadvantage.** By recruiting the best minds in the industry and building a workforce characterized by a diversity of perspectives; by promoting a workplace culture that has been recognized as being among the best in the world; and by treating employees fairly and rewarding them well, we help ensure access to the innovators who will define and lead our industry in coming years. Further, by making our products ever more sustainable and safe, we continue to achieve an imperative for any company that hopes to set the agenda for the industry.

**Our business could suffer in the event of a disaster or systems failure.** Our Global Emergency Management team works daily to mitigate the potential effects of a wide range of natural and human-made catastrophes. We currently have plans in place for business continuity in response to an emergency or catastrophe, which are updated on a consistent basis.

**In the United States and abroad, we are subject to an array of government regulations pertaining to our environmental impact, safety, corporate governance, employees and more.** Through our clear, comprehensive corporate code of conduct as well as ongoing employee training, we make ethical and regulatory requirements clear and reduce the risk of noncompliance, corruption or ethical breaches. Similarly, our Qualcomm CDMA Technologies (QCT) business unit's *Supplier Code of Conduct* helps ensure regulatory compliance and ethical behavior among our integrated circuit manufacturing suppliers. Also, our ongoing efforts to make our products increasingly safe and sustainable reduce the likelihood that we will violate environmental and safety regulations.

For additional discussion of risks related to our businesses, please refer to [our most recently filed 10-Q and 10-K](#) with the [U.S. Securities and Exchange Commission](#) under the heading "Risk Factors."

## Ethics and Integrity

### Drawing a clear line between right and wrong

The global wireless industry is fast-paced, complex and ever-shifting. But one thing never changes: our expectation that every one of our employees, executives and directors will meet nothing less than the highest ethical standards. From a new code of business conduct to our ongoing anticorruption efforts, here's how we put our commitment into action in 2010.

#### Implementing a new code of business conduct

We completed a comprehensive, 12-month process of assessing and updating our code of conduct. The result? A fully revised, comprehensive corporate code of conduct we call [\*The Qualcomm Way: Our Code of Business Conduct\*](#).

By unequivocally describing obligations under the law as well as our responsibilities to our Company, our stockholders and our communities, *The Qualcomm Way: Our Code of Business Conduct* helps all of us navigate the ethical and legal landscape of our business. It makes our values and ethical boundaries clear and provides reporting instructions for employees, suppliers and any Qualcomm stakeholders who have concerns about ethical matters within our Company. All employees are required to acknowledge *Our Code of Business Conduct* online, through a compelling presentation designed to help them better understand the content. We also encourage employees to refer regularly to *The Qualcomm Way: Our Code of Business Conduct* as a tool to help them do their jobs day to day.

#### Preserving our anti-corruption record

Every year, our internal audit department evaluates 100 percent of our business units for risks related to corruption. We also assess additional areas on a case-by-case basis. All employees in positions where corruption may be a risk are required to regularly review and certify compliance with our anticorruption policies. Due in large part to this practice, there has never been any legal case for corruption brought against our employees or our Company.

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**One hundred percent of our business units are evaluated for risks related to corruption.**

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It is our policy to comply with anticorruption laws, including the [U.S. Foreign Corrupt Practices Act](#) (FCPA), other applicable U.S. laws and the anticorruption laws and regulations of the countries where we do business. It is also our policy to obey all laws, including those that regulate our conduct in the marketing of our products, services and technologies in the international marketplace.

We expect employees, agents, consultants and representatives deemed relevant to anticorruption concerns and FCPA-type risks to review, understand and follow our FCPA policy. These individuals annually certify that they understand our policy and are not aware of any violations of it. In the most recent certification process, we identified active employees who might expose Qualcomm to FCPA-type risks—about 40 percent of our workforce. Of those employees, 99.7 percent certified their compliance with the policy.

#### Protecting customer privacy

We're committed to protecting the privacy and personal information of the consumers who benefit from our innovations. Respect for privacy helps us maintain the trust of our business partners and customers, distinguishes our products and services in the marketplace and helps ensure legal compliance.

A cross-divisional privacy steering committee helps set our privacy policy. Due in part to this team's work, we did not receive any substantiated complaints regarding breaches of customer privacy or data in 2010 or in the two years prior.

## Public Policy

### Where we stand on public policy

We participate in the creation of public policy and advocate for certain policy positions on issues that affect our business. We take measures to be transparent and accountable in all of our policy work. Following is a brief summary of some of our policy positions.



**Mobile broadband:** As a wireless innovator, we have a significant stake in policies that promote mobile broadband. We're helping to raise awareness of mobile technology as a tool for advancing economic inclusion and entrepreneurial development in emerging economies. Through our collaboration in our [Wireless Reach™](#) projects and participation in the U.S. [Telecommunications Training Institute](#), [The World Economic Forum](#), [The ITU Taskforce on Broadband](#) and other forums, we are also helping to educate the next generation of leaders in emerging regions on wireless technology's transformative power.

In addition, we work to educate policymakers around the world about the need to make more spectrum available, given the explosion in wireless data usage. In the United States, Qualcomm strongly supports the [National Broadband Plan](#), which was released by the [Federal Communications Commission](#) (FCC) in 2010. The FCC's plan calls for substantially more spectrum for mobile broadband—500 MHz to be made newly available for mobile broadband use within the next 10 years, of which 300 MHz between 227 MHz and 3.7 GHz should be made available within five years.

**Intellectual property and patent reform:** As a technology developer, we rely on strong intellectual protections and on patent systems that promote innovation and reward companies whose business models are patent-dependent. We support patent reforms that improve patent quality and patent office operations. We also support policies on standards and government funding/procurement that promote competition and catalyze ongoing innovation.

**Competition:** As a global company, we support open and competitive markets. With more than 100 antitrust agencies in existence, all with different enforcement experience, legal systems and procedural requirements, we advocate that government regulators of competition adhere to common principles in order to minimize legal divergence and economic distortions across borders and promote commercial diffusion of technology and consumer welfare.

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**As a California-based company, we support strengthening California's R&D credit by bringing it into conformity with positive aspects of the federal R&D credit.**

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**Trade:** We support new agreements to open markets for trade and investment. We support an ambitious, pro-growth trade policy and urge ratification of pending bilateral free trade agreements with Korea, Panama and

Colombia. We encourage the completion of the [World Trade Organization Doha Round Trade Pact](#) and support other trade initiatives, such as the [Trans-Pacific Partnership](#).

**Education:** We fund [education programs](#) and advocate for policies that improve education, particularly in the areas of science, technology, engineering and math. Through our [Wireless Reach](#) program, we specifically focus on the role of mobile broadband in improving education.

**Taxes:** We support tax policies that allow us to compete effectively in a global economy. At the federal level, we've advocated in favor of policies that encourage research and development (R&D), including extension of the U.S. R&D tax credit. We have also encouraged policymakers to consider proposals, such as a repatriation incentive, that would allow U.S. multinationals to return offshore cash to the United States at a reduced tax rate to spur investment and innovation.

As a California-based company, we support strengthening California's R&D credit by bringing it into conformity with positive aspects of the federal R&D credit. We have also been supportive of the single sales factor, which apportions a business' income based solely on sales, which encourages companies that sell to customers outside of California to house their employees and property in California.

**Workforce:** We advocate for a full supply of highly educated professionals, both U.S. citizens and foreign nationals, to drive innovation, fuel economic growth and create business and job opportunities in the United States. We have advocated in favor of reforms to U.S. immigration laws that currently restrict our ability to hire and retain foreign nationals who are qualified for jobs for which there is often a shortage of qualified U.S. workers.

We also monitor policy proposals that affect our ability to continue to offer best-in-class health care coverage and other critical employee benefits. And we support policies that encourage diversity in the workplace, including enactment of the Employment Non-Discrimination Act.

### Political contributions

Through Qualcomm's political action committee, QPAC, our employees make legal contributions to support campaigns of federal candidates. Consistent with federal law, we pay the administrative costs of maintaining QPAC, but all contributions to QPAC are from employees on a voluntary basis. Information regarding contributions by QPAC is publicly reported and available on the website of the [Federal Election Commission](#).

At the state level, we contribute to candidates, ballot initiatives and political parties. Records of our contributions to state candidates are available at the website of the [California Secretary of State](#). At the local level, Qualcomm has made contributions to local parties and ballot initiatives.

In addition, Qualcomm adheres to the [Honest Leadership and Open Government Act](#) (HLOGA), a U.S. law prohibiting any registered lobbyist, or any organization that employs a lobbyist (such as Qualcomm), from providing certain gifts to congressional employees. HLOGA requires companies that employ lobbyists to certify semiannually that they have read the gift rules and that no gifts that were known to be in violation of the Congressional gift rules have been given.

Employees may participate in political activities of their choice on an individual basis, with their own money and on their own personal time, subject to all applicable laws and company policies.

## Product Responsibility

### Making our products more sustainable

We continuously monitor opportunities to improve our products and make them as sustainable as is technically and commercially possible. Through our environmental management system (EMS) and various hazardous substance elimination programs, we address the environmental, health and safety effects of all our products. One hundred percent of our products are subject to our EMS and/or our hazardous substance elimination programs. Across our business units, we practice the “precautionary principle” of identifying and taking preventative measures regarding chemicals, even in circumstances in which there is a high degree of scientific uncertainty regarding potentially hazardous chemicals. You can read more about our efforts toward socially and environmentally responsible innovation [here](#).

#### Introduction of our lead-free flip chip

In 2010, we overcame significant technical challenges to introduce several lead-free flip-chip integrated circuit (IC) products. Legislation in the United States and Europe does not specifically prohibit lead in solders used to complete a viable electrical connection between semiconductor die and carrier within IC flip-chip packages. But we believed creating an alternative to lead solders was prudent from both an environmental and regulatory perspective.

Our effort to remove lead from our products has a long history. We began exploring the removal of lead from our IC products in 1999—long before the European Union’s (EU) [Restriction on Hazardous Substance \(RoHS\) Directive](#) became effective in 2006. In 2003, we became one of the leading IC manufacturers to introduce lead-free chip-scale package products.

#### Ongoing removal of hazardous substances

In 2003, we began prohibiting the use of various hazardous substances in our IC product designs. We currently prohibit the use of 22 substances in addition to those subject to the EU REACH Substances of Very High Concern requirements.

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**As of January 2009, all of our IC products incorporate bromine/chlorine-free package design.**

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Some brominated and chlorinated compounds (e.g., brominated flame retardants and PVC) have been widely used in electronic devices, but are linked to environmental or health concerns. Although legislation does not require complete elimination of brominated and chlorinated compounds from our products, we have been proactive in eliminating them.

We began eliminating brominated and chlorinated compounds from our products in 2003, starting with incorporation of bromine-free mold compounds. As of January 2009, all of our IC products incorporate the bromine/chlorine-free package design. In 2010, we converted a number of high-volume legacy products to bromine/chlorine-free designs. These include single-chip solution and MSM7xxx Series products.

We have extended our bromine/chlorine-free design to our non-IC products as well, including our embedded Gobi 3G module for notebooks and netbooks. As of January 2010, all new Gobi designs are bromine- and chlorine-free.

### **Making distribution more efficient in Singapore**

In 2010, we improved packaging and material handling practices at our Singapore Distribution Center, helping to reduce our carbon footprint. We now:

- Reuse inbound pallets at the distribution center and reuse empty boxes for shipment.
- Recycle corrugated cardboard boxes from suppliers instead of incinerating them.
- Employ battery-operated handling equipment instead of diesel-run equipment.
- Reuse steel cages and trolleys more often than disposable pallets and cartons when moving material between suppliers and our distribution center, which also lets us consolidate shipments and save fuel.
- Only use loose cartons and unpalletized shipments when steel cages and trolleys are impractical.



## Supply Chain Management

### A new code of conduct for our chipset manufacturing suppliers

As a fabless manufacturer of integrated circuit (IC) products, our partnership with manufacturing suppliers is key to our ability to provide environmentally and socially responsible products. In addition to requiring that each IC manufacturing supplier has an ISO14001-certified environmental management system, our Qualcomm CDMA Technologies (QCT) business unit works with each IC manufacturing supplier in all stages of design and manufacturing to ensure compliance with applicable global environmental legislation and various environmental initiatives.

In 2010, QCT began implementing our *Supplier Code of Conduct*, a clear and comprehensive description of our expectations for our manufacturing suppliers. We began the implementation process by educating our semiconductor suppliers about the Code. The Code promotes safe working conditions, respectful treatment of workers and responsible environmental operations throughout the QCT supply chain. It is composed of five major sections that outline requirements for labor, health and safety, the environment, acceptable systems to manage conformity to the Code and business ethics. The Code embodies the principles outlined in the [Electronic Industry Code of Conduct \(EICC\)](#), which is supported by the leading electronics companies around the world.

#### Improving our policy on conflict-free minerals

In 2010, we revised our policy regarding “DRC conflict minerals”—minerals mined in conflict areas in the Democratic Republic of the Congo (DRC) and adjoining countries that may possibly be funding activities linked to human rights violations and environmental degradation. Now even more far-reaching and clear in its intent, our DRC Conflict-Free Minerals Policy is as follows:

*Qualcomm is aware of concerns that minerals mined in conflict areas in the Democratic Republic of the Congo (DRC) and adjoining countries may be making their way into the electronics industry supply chain, and may be fueling human rights violations and environmental degradation.*

*Qualcomm is committed to ensuring our supply chain is free of DRC conflict minerals by supporting industry-wide efforts to implement due diligence standards, systems and procedures. In addition to requiring that our suppliers comply with applicable laws, we expect that they source materials from environmentally and socially responsible suppliers, and not from conflict areas in the DRC and adjoining countries.*

During 2010, we began educating suppliers about this policy and advocating for conflict-free sourcing. Our policy and related implementation strategies will enable us to not only comply with [U.S. Securities and Exchange Commission](#) regulations but also provide transparent sourcing for the benefit of our customers.

In addition to implementing our policy, we are part of the [EICC-GeSI Extractives Work Group](#), an industry coalition developing a systematic approach to keeping the electronics supply chain free of conflict minerals and supporting legitimate sourcing from the DRC and adjoining countries.

#### Building an increasingly diverse supplier base

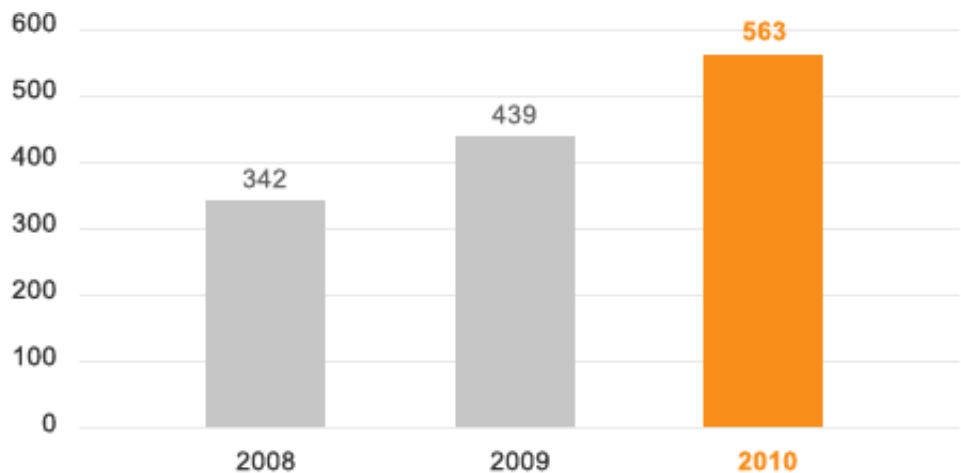
A diverse supplier base makes us a stronger company. That’s why we continue to encourage diverse suppliers to compete for contracts that are within their capabilities to perform. We specifically reach out to small, disadvantaged and minority-owned businesses and to businesses owned by women, veterans and people with disabilities. We also promote opportunities for businesses situated in historically underutilized business zones.

In 2010, we improved our supplier diversity program in three ways:

- **Program growth:** We increased the number of our diverse suppliers in part by raising awareness about our supplier diversity program among all Qualcomm business units. We provided comprehensive in-house training and outreach on the benefits of working with diverse suppliers. We also helped make it easier for program managers and procurement personnel to locate and engage qualified diverse suppliers.
- **Outreach to suppliers:** Members of our Corporate Procurement team in San Diego took part in a “matchmaking day,” meeting with representatives from small and diverse businesses to see if they might be a fit for Qualcomm’s needs. We also participate in monthly networking events for suppliers.
- **Supplier registrations:** Our procurement teams encourage all suppliers to register on the [Small Business Administration’s Central Contractor Registration \(CCR\) site](#). Registration enables us to accurately report our supplier expenditures to customers requiring this information. Registering with CCR also benefits suppliers by giving their businesses greater visibility to Qualcomm and numerous other global prime contractors. In addition to the CCR, potential suppliers are also encouraged to register on [our own supplier site](#). Data collected is accessible by all Qualcomm employees seeking new suppliers. Between 2007 and 2010, we increased the number of diverse suppliers registered with Qualcomm from 108 to 563.

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### Number of Registered Global Diverse Suppliers



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Our Small Business program recently won “Best Sustained Small Business Program,” “Best Small Business Advocate” and a President’s Award from the [San Diego Supplier Development Council](#), which is made up of more than 100 local companies and agencies.

## Stakeholder Engagement

### Reaching out, staying in touch

As the world leader in mobile technology innovation, we understand the power of communication and connectedness. So we work in a variety of ways to foster clear and transparent communication with all of our stakeholders. We think it's the best way to educate, inspire and learn from the people who are connected to us. Here are some of the ways we engage:

#### With our employees

- “Open door” policy enabling employees to bring concerns to superiors—up to and including our CEO—at any time
- Regular executive breakfasts open to all employees
- Regular employee surveys
- Semiannual all-hands meetings, which are webcast companywide via our intranet and include employee question-and-answer sessions
- *The QC Daily News*, our daily internal newsletter
- Employee Resource Groups formed around a common interest or shared background and used as forums for dialogue
- Monthly internal presentations that help employees understand what's happening throughout the Company
- Internal communication vehicles that enable our Company's leaders to communicate to employees around the world
- Annual on-site fairs and tradeshow (available for viewing companywide via our intranet) that enable employees to learn about our Company, benefits and technology
- Annual Qualcomm Innovation Network Venture Fest, a competition to encourage innovation by our employees

#### With our investors

- [U.S. Securities and Exchange Commission](#) filings
- Quarterly earnings conference calls and communications
- Annual stockholders' meeting
- Annual analyst meeting
- Presentations and participation at investor conferences and tradeshow
- “Roadshows” and in-house investor group meetings with management
- Quarterly employee earnings videos presented by our chief financial officer

#### With our suppliers and customers

- Participation in key industry tradeshow and conferences
- Online registry for diverse suppliers
- Voluntary involvement with local supplier development councils
- Promotion of our diversity practices at supplier events

## With governments

- Hosting of subject-specific informational sessions and conferences
- Participation in working groups and agency taskforce initiatives
- Working with government stakeholders, as part of our Wireless Reach™ initiative, to assist in using wireless technology to implement programs

## With the communities where we do business

- Engaging nonprofit organizations through various Qualcomm community involvement programs
- Participation in philanthropic collaboratives with other grant-making entities, public-private alliances and information exchanges with the nonprofit sector to ensure open dialogue among our colleagues
- Anonymous feedback mechanisms
- Programs with educational institutions worldwide



## Continuously improving our reporting on social responsibility

In 2010, we commissioned an independent firm, [ISOS Group LLC](#) (ISOS), to perform an external assurance of our 2009 social responsibility report in accordance with the [Global Reporting Initiative](#). Initial reviews revealed a gap in our reporting on stakeholder engagement. In response, we worked with ISOS to develop and disseminate a 15-question survey aimed at gauging global stakeholder perceptions of Qualcomm's reporting efforts and actions.

Survey responses revealed that employees are our largest stakeholder group at 45.2 percent, followed by nonprofit organizations at 40.5 percent. The survey also showed that all responding stakeholders contributed to the reporting process, and that the number of people reading our annual social responsibility report had increased over the prior year.

For the most part, respondents rated our social responsibility reporting as "excellent." Only one described our efforts as "fair." According to the survey responses, the strongest sections of the report were Corporate Giving, Governance and Ethics, Product Responsibility and Energy Efficiency.

We expect that multiple stakeholders, ranging from the general public to current and future Qualcomm employees, investors, customers and suppliers, will use our 2010 QSR Report. That's why we have carefully considered what information to include and disclose, taking into account what issues and topics are most relevant to our business operations and of most interest to our stakeholders.

## Memberships and Awards

### Collaborating and leading at home and abroad

As a global technological innovator, we work with our peer companies, governments, communities and nonprofit organizations on a wide variety of issues and belong to a vast range of industry organizations. From time to time, we are honored with awards for our work and the way we do business. Following are a selection of the awards we've received over our 25-year history and a partial list of the organizations of which we are members.



#### Our awards

We have earned a distinguished reputation. We are among the members of the [Standard & Poor's 500 Index®](#) and [FORTUNE 500®](#). We have won the [U.S. Department of Labor's](#) Secretary of Labor's Opportunity Award. Our work environment, dedicated workforce and expertise have also earned us a place among *FORTUNE* magazine's list of ["100 Best Companies to Work For in America"](#) for thirteen consecutive years. We have also been named to *FORTUNE's* list of "Most Admired Companies." CIO named Qualcomm to its "Top 100" list for exemplifying the highest level of operational and strategic excellence. A full list of our awards and recognition is available [on our corporate website](#).

#### Our memberships and industry affiliations

We maintain membership in various worldwide standards bodies, industry associations and other special interest groups. The following lists are a sampling of organizations we are involved with.

#### Our corporate memberships

- Alliance for Telecommunications Industry Solutions
- American Chambers of Commerce (worldwide)
- American Council for International Personnel
- American Trucking Associations
- BIOCOM
- Business Roundtable
- CommNexus
- The Conference Board
- Consumer Electronics Association
- CTIA
- Department of Defense Western Regional Council for Small Business
- Digital Europe
- European American Business Council
- Information Technology Industry Council
- Institute for Supply Management

- Intelligent Transportation Society of America
- International Telecommunications Union
- National Association of Purchasing Management–San Diego
- San Diego Supplier Development Council
- Semiconductor Industry Association
- Telecom Council Silicon Valley
- Telecommunications Industry Association
- U.S. China Business Council
- U.S. Council for International Business
- U.S. Russia Business Council
- U.S. Taiwan Business Council
- World Economic Forum

[Back to top](#)

### **Our workplace memberships**

- American Industrial Hygiene Association
- American Management Association
- American Society for Quality
- American Society for Training & Development
- Building Service Contractors Association International
- Business Ethics Leadership Alliance
- Direct Employers Association
- Equal Employment Opportunity Impact
- Ethisphere
- HR Strategy Forum
- Human Rights Campaign
- The Institute for Corporate Productivity (I4CP)
- International Executive Housekeepers Association
- National Association of Industrial and Office Properties
- National Council of Women in Technology
- National Industry Liaison Group
- National Serve Safe Foundation
- National Society of Black Engineers
- Organization Design Forum
- Organization Development Network
- Pacific Safety Council
- Risk Insurance Management Society

- Society for Industrial and Organizational Psychology
- Society of Human Resource Management
- U.S. Business Leadership Network
- Women In Technology International

[Back to top](#)

### **Our community memberships**

- Business Continuity Institute
- Committee Encouraging Corporate Philanthropy
- Consortium of School Networking
- Council on Foundations
- DRI—The Institute for Continuity Management
- HandsOn Network/Points of Light
- International Association of Emergency Managers
- International Society for Technology and Education
- Mais Unidos, United States Agency for International Development
- ReadySanDiego
- San Diego Association of Contingency Planners
- San Diego Grantmakers
- Sorrento Valley Consortium

[Back to top](#)

### **Our environmental memberships**

- American Institute of Architects
- Business Council for Sustainable Energy
- California Center for Sustainable Energy
- California Climate Action Registry
- The Climate Registry
- Digital Energy Solutions Campaign
- Electronic Industry Citizenship Coalition Global E-Sustainability Initiative Extractives Work Group
- Environmental Leadership Council of Information Technology Industry Council
- Green Restaurant Association
- GridWise Alliance
- Industrial Environmental Association
- International Association of Culinary Professionals
- International Facility Management Association
- International Special Events Society

- National Association of Fleet Administrators
- National Restaurant Association
- San Diego Foundation Climate Initiative Professional Advisory Board
- San Diego Regional Sustainability Partnership
- Smart Grid Interoperability Panel
- TechAmerica China RoHS Steering Committee
- United States Green Building Council
- World Economic Forum Business-Expert Task Force on Low-Carbon Economic Prosperity

[Back to top](#)





## Our Workplace

# Creating opportunity, rewarding excellence

Full Section

## Our Workplace

# Creating opportunity, rewarding excellence



They're the people behind our technology and the heart and mind of Qualcomm—the engineers, administrators, facilities crews, IT specialists and other professionals who make up our 17,500-person global workforce. Because their commitment drives our success, we're committed to keeping them safe, compensating them fairly and supporting their professional development. Whether we're building a more inclusive workforce, standing up for our employees' human rights or giving them the tools they need to do their best work, we know the companies that last put their people first.

## Section Highlights

### Honored for Leadership in Diversity

In 2010, we were honored to receive the Higginbotham Corporate Leadership Award.



[Read the details.](#)

### Accelerating Innovation Through Diversity

We believe that to have a global impact, we must be a truly global organization.



[Watch the video.](#)

### Workplace Safety

Keeping our people safe and healthy is one of our highest priorities.



[Read how.](#)

## Global Workforce Inclusion

### Accelerating innovation through diversity

In 2010, we were again named to [FORTUNE](#) magazine's "Most Diverse Companies" list. Our employees reported more than 107 nationalities, spoke 66 languages, ranged in age from 18 to 76, and 55 percent were minorities.



We believe that to have a global impact, we must be a truly global organization. The diverse backgrounds and varied perspectives of our employees around the world are essential to our continued breakthroughs in wireless technology. That's why we've made diversity an inherent part of our culture.

We offer employee resource groups for employees who are female, Asian, Black, Hispanic or Pacific Islanders. We also offer groups for disabled employees and for employees who are gay, lesbian, bisexual or transgendered. Our employee resource groups offer their members:

- **Professional development**, including events and support related to career enhancement and development of leadership skills
- **Mentoring**, including support that enables new hires to acclimate to our Company culture and current employees to discover opportunities for professional and personal growth
- **Recruiting** that promotes diversity among new hires
- **Outreach** that connects members with volunteer opportunities as well as networking events
- **Alliances** with other diverse organizations nationally

You can find out more about our ongoing efforts to create a diverse workforce [here](#). Read our policy on equal employment opportunity and affirmative action [here](#).

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**We take steps to ensure all people, including people with disabilities, have the opportunity to be considered for all facets of employment.**

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### Honored for leadership in diversity

In 2010, we were honored to receive the Higginbotham Corporate Leadership Award from the [Lawyers' Committee for Civil Rights Under Law](#). Named for pioneering federal judge and civil rights advocate [A. Leon Higginbotham](#), the award recognizes exemplary corporate leadership in advancing diversity and equal opportunity. Our Chairman and CEO, Dr. Paul E. Jacobs, accepted the award at a ceremony in Washington, D.C., where former president Bill Clinton was the honorary dinner chairman. At the ceremony, we announced the Parental Readiness and Empowerment Program ([PREP](#)), a new collaboration with the Lawyers' Committee to improve K-12 student achievement by increasing parental engagement with schools and teachers. PREP will launch in San Diego and

will eventually expand nationally.

The Higginbotham Corporate Leadership Award was established in 2000. Previous recipients include General Electric, Microsoft, The New York Times Company, PepsiCo, Time Warner and United Parcel Service.

### **A perfect score on the HRCF Corporate Equality Index**

We are proud to have scored 100 percent on the [Human Rights Campaign Foundation's](#) Corporate Equality Index Report. This survey and report are released each fall and provide an in-depth analysis and rating of large U.S. employers and their policies and practices pertinent to lesbian, gay, bisexual and transgender employees.

### **Reaching out to create opportunity**

We support various internal and community-based initiatives to create opportunities for groups that historically have been underrepresented in the workplace.

**Opportunities for women:** Qualcomm's Board of Directors is composed of 15 percent women, and we are proud to have many women leaders within our senior executive ranks.

Throughout 2010, we worked jointly with [Athena, the National Council of Women in Information Technology](#), [Women in Technology International](#) and [The Society of Women Engineers](#) to offer learning and networking opportunities to our female employees. We were sponsors and booth exhibitors at the Women in Technology International's conference in San Jose and for San Diego Women's Week, and Qualcomm employees were on speaker panels at both events. We also participated in the Women's Conference in Long Beach.

QWISE—Qualcomm Women in Science and Engineering—is our internal resource group for female employees. QWISE offers members mentoring, support and resources for professional development. It also offers networking opportunities and collaborates with our staffing department to recruit female employees. QWISE celebrated its fourth anniversary in 2010 and established two chapters in India.

**Opportunities for veterans:** The approximately 700 U.S. military veterans who work for Qualcomm bring valuable experience, knowledge and perspective to our Company. Our Military Veterans Employee Resource Group provides current and former military personnel with information about career opportunities at our Company. Additionally, we recognize and support Qualcomm veteran employees and their families at flag raisings and other special Veterans Day and Memorial Day ceremonies on our campus.

In 2010, acknowledging our initiatives in support of veterans and to promote diversity, the [Veterans Museum & Memorial Center of San Diego County](#) selected Qualcomm as the sole for-profit company to receive its Meritorious Support of Veterans Award.

**Opportunities for people with disabilities:** Providing opportunities for people with disabilities and gaining from their skills and experience is a win-win proposition. We've supported the [San Diego Committee on Employment of People with Disabilities](#) since 2003. Our employees have served on the committee and donated time to the committee's annual Jobtoberfest Job Fair, where we have been a presenting corporate sponsor for several years.

We take steps to ensure all people, including people with disabilities, have the opportunity to be considered for all facets of employment. Our accommodations for U.S. employees include:

- Supplying voice recognition and other assistive software
- Providing alternative transportation for employees between our buildings and meeting sites, ranging from electric carts to handicap-accessible vans

- Reducing work schedules and telecommuting
- Modifying work stations to allow employees to sit, stand or recline as necessary
- Ensuring that disabled employees have identified escape routes in case of emergency

In addition, we do our best to meet all accommodation requests related to our fitness facilities and programs. Efforts in the past have included increasing accessibility to our swimming facility by installing a lift to assist with pool entry and exit.

### **Advocating for the disabled**

We are involved with the [U.S. Business Leadership Network \(USBLN\)](#), an organization that promotes best practices in hiring, retaining and marketing to people with disabilities, and one of our employees serves on its board of directors. As the lead employer for the San Diego BLN Chapter, we hosted several employer forums to promote the business case for employing people with disabilities among other employers.

Education and Training

Helping employees keep their edge

Knowledge isn't just power—it's the indispensable key to innovation and competition. That's why our Learning Center offers hundreds of courses to help our employees keep their skills sharp and advance on their career path. In 2010, we expanded the tools and resources available in our Learning Center in several key ways.

Tools that are ready when our managers are

So that our managers can improve their effectiveness without waiting for a class to be scheduled, the Learning Center updated its organizational development website to provide resources that can be accessed quickly, on an as-needed basis. They include:

- Graphical representations of various organizational approaches and processes
- Downloadable job aids
- Links to articles, books and blogs

Training by Employee Group (hours)



Redefining leadership development

Leadership development at Qualcomm is much more than a standard webinar. It involves a months-long program employing experiences, classroom sessions, online learning, on-the-job assignments, ongoing assessment, mentoring and more. The result is learning that becomes a journey, reinforced over time, taking full advantage of the latest adult learning practices.

As Qualcomm continues to grow outside the U.S., the demand for learning and development also increases.

Going global

As Qualcomm continues to grow outside the United States, the demand for learning and development also increases. To meet the focused needs of each region, our Learning Center increased its staff presence in Asia Pacific and India to expand curriculum expertise in engineering, management/leadership and organization development.

Creating a common work culture

Qualcomm CDMA Technologies (QCT), our largest business unit, wanted to create a unified work culture. Based on feedback from employees throughout the organization, we developed the act@Work program, which covers topics including efficiency, collaboration and effective global communication. Now QCT employees everywhere get the same information and are more likely to be on the same page, thanks to a combination of in-class instruction and online video streaming.

### Capturing our history

To commemorate Qualcomm's 25th anniversary, we opened a new museum at our corporate headquarters. It illustrates for employees and visitors alike the contributions our Company has made to improving the lives of people around the world through innovations in digital communications. Other exhibits illustrate how our innovative technologies are continuing to enable our global partners to satisfy the wireless needs of our customers in such industries as communications, health and entertainment.

## Ethical Employment

### Doing the right thing in the workplace

As an employer of thousands of people around the globe, we face important ethical considerations daily. Whether we are safeguarding our employees' human rights, evaluating their performance or working to ensure they are compensated fairly, we continually strive to meet the highest ethical standards.

#### An unequivocal commitment to our employees' human rights

We seek to uphold the human rights of our employees worldwide. Forced, bonded or indentured labor is prohibited, and our employees are always free to leave our Company with reasonable notice. We prohibit the use of child labor, although legitimate workplace apprenticeship or intern programs that comply with all applicable laws and regulations are permitted and supported. We respect the rights of our employees to associate freely, join or not join labor unions, seek representation and join workers' councils in accordance with local laws.

We have reviewed our operations to identify those that are at significant risk for incidents of child labor and forced or compulsory labor, or where the right to exercise freedom of association and collective bargaining may be at significant risk. For these, as well as all Qualcomm operations, we provide a workplace environment that is safe, hygienic and humane, and which upholds the dignity of all our employees. We also provide a number of grievance redressal systems that are available to employees, vendors and customers.

#### Our human rights practices in India

Through our employment practices and adherence to local statutes in all jurisdictions throughout India, as well as effective vendor due diligence and contractual safeguards, we ensure that no child laborers are employed and that forced labor is not encouraged. Qualcomm India is proud to provide and maintain equal opportunities without discrimination on any grounds, ranging from recruitment and throughout the course of employment. Our philosophy and adherence in practice extends to all our suppliers and collaborators.

#### Competitive wages and benefits

For all jobs at Qualcomm, we pay a standard entry-level wage that is higher than the local minimum wage. Our benefits package for regular full-time employees is competitive and comprehensive. It includes medical, dental and prescription drug benefits, among others. For part-time employees, we prorate various full-time employee benefits according to standard work hours. We do not offer benefits to temporary employees.

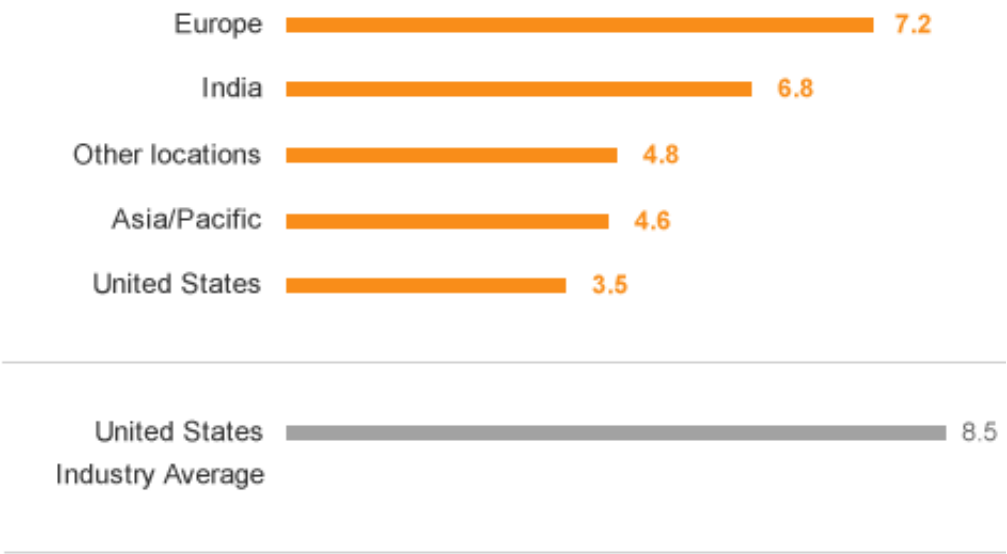
Our compensation program has five primary objectives:

- Align the interests of our employees and long-term stockholders
- Pay for performance
- Deliver pay that is competitively reasonable and appropriate for our business needs and circumstances
- Reflect high standards for corporate governance and compensation-related risk management
- Be tax efficient for the Company

These objectives are applicable not only to the compensation programs for our named executive officers but they also apply to the compensation programs for all our employees, including vice presidents and above. Although social and environmental performance is not specifically identified among our objectives, it is inherent because responsible social and environmental practices align with the interests of our stockholders.



Employee Volunteer Turnover Rate by Region (percentage)



Source: Radford

Collective bargaining agreements and trade unions

None of our U.S. employees are covered by collective bargaining agreements. Outside the United States, less than 3 percent of our employees are covered by collective bargaining agreements. We are compliant with all collective agreements regarding significant operational changes as required by country laws and regulations. Qualcomm does not have formal agreements with trade unions.

Total Rewards: A fair and formal review process

Our Total Rewards review cycle allows for performance and development reviews twice a year. Eighty percent of our employees receive regular formal performance and career development reviews with the opportunity to provide feedback to management.

Parity in salaries for men and women

During salary reviews, performance, years of experience and responsibility level are all considered. We continue to maintain an equal ratio between male and female salaries.

Workplace Safety

Keeping our people safe and healthy

Ensuring that our 17,500 employees worldwide have a safe and healthy work environment is one of our highest priorities. Our Injury and Illness Prevention Plan (IIPP) provides a roadmap for how we manage health and safety. Key components of the IIPP are management involvement, training, safety audits, incident investigation and safety communications.

Our safety record in 2010

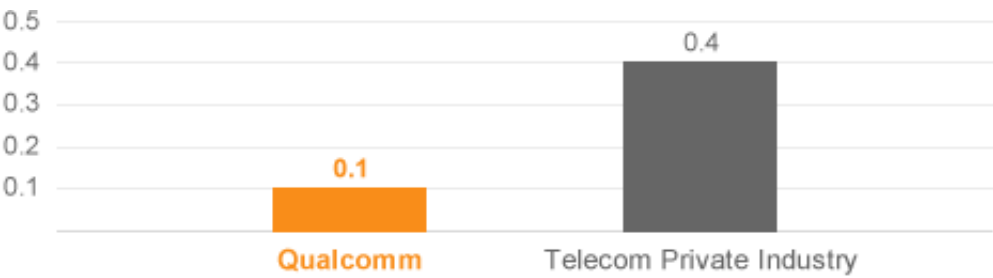
We suffered no work-related fatalities in 2010. We also reduced costs per claim by 58 percent over 2009. Our days-away rate, which measures lost time due to injury or illness, was 0.1 per 100 full-time employees—75 percent below the industry average. Read more about our health and safety programs [here](#).

Total Injury and Incident Rate (per 100 full-time employees)



Although our U.S. rate of injury and illness increased to 1.8 per 100 full-time employees from 1.2 in 2009, the severity of the injuries decreased due to increased employee awareness of correct workstation ergonomics.

Total Lost Time Injury and Illness Average Rate (days)



Work-related injury that resulted in days away from work, restricted work activity and/or job transfer.

Environmental health and safety

We strive to reduce our environmental footprint, prevent injury and maintain business continuity through a variety of training opportunities pertaining to environmental, health and safety (EHS). In 2010, a total of 2,610 hours of training were provided to 1,808 employees, or 11 percent of our employees worldwide, through 1,276 training sessions. Training topics included hazardous waste operations and emergency response, driver safety, new-hire EHS orientation, forklift operation, soldering safety and warehouse safety.

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**In 2010, a total of 2,610 hours of training were provided to 1,808 employees.**

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Our comprehensive ergonomics program includes one-on-one training and ergonomic assessments of work environments. The objective of the ergonomics program is early detection of musculoskeletal disorders and the prevention of workplace injuries. Our EHS team performed 1,039 ergonomic assessments in 2010.

**Giving employees a say on safety**

At our San Diego headquarters, we've created a safety committee composed of representatives from all 39 of our buildings there. Members accompany our EHS team during routine building safety inspections. They assist in evacuating buildings when necessary and attend monthly meetings to discuss health and safety issues.



## Our Community

# Lending a hand around the world

Full Section

Our Community

Lending a hand  
around the world



There's a word for neighbor in every language. And we want to be a good one wherever we do business. Through our Wireless Reach™ program, we help bridge the digital divide with a focus on entrepreneurship, public safety, health care, education and the environment. Through QCares, our global philanthropy and volunteer program, we invest our human and financial resources in inspirational, innovative programs that help build communities that are healthier, more culturally vibrant and better educated. To date, we've contributed more than \$165 million and our employees have volunteered thousands of hours. In 2010, we made a difference in many ways around the world. We're proud to share some of those stories here.

Global Community Initiatives Map



 Educated Communities	 Healthy Sustainable Communities	 Culturally Vibrant Communities	 Wireless Reach
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## Educated Communities

### Connecting students with opportunities for learning

As a company built on scientific advancement and dependent upon smart, knowledgeable employees, we know the immeasurable value of learning. That's why we help improve education in science, technology, engineering and math for students at all grade levels. We are particularly committed to expanding opportunities for people in underserved communities. Following are just a few ways we supported education initiatives in 2010.

#### How we supported Educated Communities in 2010



## Case Studies

### San Diego United States



#### United States: Experience for MBA students, expertise for nonprofits

We're helping nonprofit organizations increase revenues, sharpen fiscal management and improve strategic planning through the Qualcomm Social Entrepreneur Internship Program administered through the Entrepreneurial Management Center at San Diego State University. The program matches talented MBA students with a team made up of senior management from a local nonprofit, a San Diego State faculty member and a volunteer Qualcomm mentor. Students work with the team to identify a strategic objective, perform analysis and develop recommendations that can be readily implemented. Since 1999, 224 business-school interns have worked on 250 projects for 202 nonprofits. WebCompass, a similar program which began in 2008, tasks teams of students with redesigning a nonprofit organization's website. As a result, nonprofits see increased donations, volunteering and community support.

## Beijing

China



### **China: Equipping students with essential technology**

In 2010, we helped provide classroom equipment to two Beijing schools. Our gift to Beijing Xingzhi Experimental School helped purchase laptops, projectors and other learning aids. And our donation to Lizhi Rehabilitation Kindergarten, which serves developmentally disabled children, helped purchase audio-visual equipment and equip a special multisensory training room. Qualcomm employees also volunteered their time and skills at both schools to enhance our relationships with these organizations and to benefit the students they serve.

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## London

United Kingdom



### **United Kingdom: Career exploration workshop for students**

Our London office joined the East London Business Alliance in sponsoring a workshop created to teach students ages 13 and 14 about nontraditional careers. Students began the day by looking at market research that revealed insights about their generation's relationship to mobile technology; then they split into three teams and produced video ads for their ideal mobile phones. The result? A memorable glimpse into the mobile industry and the fields of advertising and marketing.

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## Bangalore

India



### India: A science fair in Bangalore

In collaboration with the Shikshana Foundation in Kanakpura, Bangalore, QCares Bangalore hosted a science fair that challenged students to showcase experiments based on scientific principles. Seventeen student teams presented experiments. They built models, explained the concepts underlying them and answered questions from a panel of judges, which included three Qualcomm employees. The winning projects were a satellite and rocket launcher, an energy-efficient home and a display on hydro energy. Winners received science books in Kannada and English to take back to their schools.

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## Tirat Carmel

Israel



### Israel: Afterschool enrichment

Qualcomm employees in Haifa joined several neighboring high-tech companies in funding afterschool enrichment classes for students in the city of Tirat Carmel. Classes included juggling, aviation, thinking games and more. Professional instructors led the classes with help from Qualcomm volunteers. Kids liked the classes because they were fun; parents liked that their children did something constructive after school.



Healthy Sustainable Communities

Strengthening the safety net for people in need

Of all the elements necessary for people to thrive, health is one of the most fundamental. That’s why we support initiatives that help build safe, healthy communities. Through efforts large and small, we strive to improve the lives of underserved populations by providing for basic human needs, with a focus on the welfare of children. Following are just a few of the ways we supported communities around the world in 2010.

How we supported Healthy Sustainable Communities in 2010



Case Studies

San Diego  
United States



United States: Helping homeless youth

For more than ten years, we’ve worked with San Diego Youth Services (SDYS) to help provide homeless and at-risk youth with housing, mentoring, job training and counseling. In 2010, our funding helped SDYS purchase a transitional housing complex for youth aged 16 to 24. In addition, one of our employees serves on the SDYS board of directors, and a number of our employees volunteered to renovate an SDYS housing facility. SDYS is also the sole beneficiary of our employee-driven annual gift drive, and our 2010 Volunteer of the Year spends his free time working with the homeless youth served by SDYS.

Hsinchu  
Taiwan



#### **Taiwan: Assisting adults and children with disabilities**

We made a gift to Taiwan's Children's Hearing Foundation to subsidize hearing aids and cochlear implants for deaf children from low-income homes. We also donated to the St. Joseph Social Welfare Foundation's Sunshine Development Center, whose programs assist physically and mentally disabled adults and children in Hsinchu. Our donation helped replace worn-out and damaged assistive devices. Qualcomm employees also volunteered on several occasions at Sunshine Development Center, helping clients with art projects, exercise, fundraising sales and more.

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Veldhoven  
Netherlands



#### **Netherlands: For families facing uncertainty, a place to unwind**

Maxima Medical Center in Veldhoven is one of the Southern Netherlands' largest regional medical centers. The facility specializes in neonatal intensive care, children's health care and at-risk pregnancies. Our gift to the Ronald McDonald Family Home Zuidoost Brabant helped build an entertainment and relaxation area being designed as part of a new wing at Maxima. The Living Room is a place where families can relax and connect with others in similar circumstances. It will contain laptop computers with WiFi, a TV and stereo, video games, therapeutic furniture and children's play equipment.

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## Barcelona

Spain



### **Spain: Supporting the developmentally disabled**

Based in Barcelona, La Tutela is a private tutelary, or guardian, for people with developmental disabilities—particularly those without a family that can care for them. We made a contribution to help improve the organization’s main facility, where staff will be able to provide support, cognitive stimulation, and social and recreational opportunities for the clients in their care. More than 200 clients are expected to be served in the facility’s first year.

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## New Delhi

India



### **India: Increasing IT literacy among the visually impaired**

In 2010, we collaborated with the National Association of the Blind (NAB) at Delhi to help improve IT literacy among residents with blindness or low vision. The goal: to increase opportunities for education and employment. Our funding helped enable the NAB to renovate their computer lab and purchase scanners, computers and educational tools.

## Culturally Vibrant Communities

### Encouraging creativity and imagination

Music, art, literature and performance make life richer. They tell our stories, provide meaning and offer avenues for self-expression. Through our support of arts education and outreach programs, we help young people develop creative minds and expand cultural enrichment opportunities for underserved populations around the world.

#### How we supported Culturally Vibrant Communities in 2010



#### Case Studies

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##### San Diego United States



##### United States: Bringing theatre to students

Through our longstanding support of the La Jolla Playhouse in California, we have helped expand arts education and outreach programs to students at all grade levels throughout San Diego County. The Playhouse provides a touring theatre program for schools, special student matinees, study guides and workshops for students and teachers, internships and training in acting and theatre skills.

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## Mumbai

India



### India: A hand up for emerging artists

When you're an unknown artist, visibility is everything. That's why our Mumbai office organizes Works@work, regular exhibits that showcase the work of promising artists and connect them with collectors. The gallery space? Our own offices. Our Mumbai team also helps artists transport, frame and mount their work. Qualcomm Mumbai has organized five Works@work events, each focusing on the work of a single new artist, over the last five years.

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## Santa Clara

United States



### United States: Art instruction for at-risk teens

Our support of Arts Council Silicon Valley helps provide professional arts instruction for at-risk teens through in-depth artist residencies conducted in conjunction with the Alternative Schools Department of the Santa Clara County Office of Education. Students explore a number of disciplines, including drama, dance, music and visual arts. At the end of the school year, an exhibit of students' work is mounted at the de Saisset Museum at Santa Clara University.

## Wireless Reach

### Helping to bridge the digital divide

Despite the rapid pace of technology, a digital divide still exists. Thirty-four percent of the world's population does not have a mobile phone.<sup>1</sup> Seventy-five percent of the population does not use the Internet.<sup>2</sup>



We know access to wireless communications has a direct, positive impact on people's economic well-being. The World Bank has found that increasing mobile penetration by 10 percentage points in developing countries increases per capita GDP by .81 percent.<sup>3</sup> A 10 percent increase in broadband penetration in those countries increases per capita GDP by 1.38 percent.<sup>4</sup>

Our strategic Wireless Reach™ initiative is helping to close the digital divide. With 66 projects in various stages of development in 29 countries, Wireless Reach brings wireless technology to underserved communities around the world. By working with other organizations, Wireless Reach invests in projects that foster entrepreneurship, aid in public safety, enhance the delivery of health care, enrich teaching and learning and improve environmental sustainability. You can read more about Wireless Reach [here](#). Following are five Wireless Reach accomplishments from 2010.



## Case Studies

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### Santa Cruz Cabrália

Brazil



#### **Brazil: Promoting sustainable economic development**

Wireless Reach worked with the marginalized, indigenous fishing communities in Santa Cruz Cabrália to integrate mobile devices as a means to improve the quality, diversity and sustainability of the local fishing and mariculture economy. The *Fishing with 3G Nets* project provided technology with real-time information on water quality, weather and markets. Fishers can now connect directly with consumers, diversify their catch and improve their earning potential. To date, 64 fishers have been trained to use the system, and 16 boats have been equipped with 3G mobile phones, safety equipment, eco-sonar, GPS and VHF radios.

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### Sichuan, Anhui, Gansu

China



#### **China: Bringing Internet connectivity to rural schools**

The *2010 Connected Computer Classroom Program* focused on three provinces—Anhui, Gansu and Sichuan. In these areas, 33 underserved schools and training centers were provided with wireless Internet access, benefiting more than 92,000 students and teachers.

Hokkaido  
Japan



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### Japan: 3G health care access for rural communities

There are regions in Japan where access to advanced health care is lacking—particularly in snowy areas such as Hokkaido, where winter makes access to health care facilities more difficult. Wireless Reach supported a project that enables 300 remotely located elderly patients to send critical health information to doctors through the 3G wireless network. Blood pressure, weight and other information is easily shared in real time with participating physicians, who quickly review the data and advise patients accordingly.

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Tarlac  
Philippines



### Philippines: Improving public health reporting

In the Philippines—a nation spread over more than 7,100 islands—local health care providers compile and report public health data via the Department of Health’s Field Health Service Information System, the country’s main data source for policy analysis and planning. The *Wireless Access for Health* project streamlined health data reporting by strengthening the existing electronic medical record system. In the Tarlac region, the enhanced system has improved access to public health information—and patient care—by turning data captured during patient visits into actionable reports for health care workers. Results of the pilot phase, which recorded more than 12,000 patient consultations, indicate that such a system has had a real impact for decision makers by providing them with accurate and timely health data that allows them to identify and prevent disease outbreaks across the Philippines.

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### United States: Enhancing student achievement

Created jointly with the North Carolina Department of Public Instruction and Digital Millennial Consulting, *Project K-Nect* is a Wireless Reach–funded pilot program developed to determine whether smart phones can enhance student interest in learning. The project’s initial aim was to improve math skills among at-risk students in rural North Carolina who did not have Internet access at home. The project team created digital content for Algebra I students and then encouraged them to use collaborative learning applications as well as Internet resources, such as Algebra.com. For three consecutive years, the project has shown success in students’ achievement. Students who participated in one of the classes had a 50 percent higher proficiency rate than those who didn’t. In the fall of 2009, 2,000 students were added to the program due to a \$2.5 million U.S. Department of Defense Education Activity grant. *Project K-Nect* has also been incorporated into Algebra II, geometry and biology courses.

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<sup>1</sup>Informa Telecoms and Media, “Worldwide Total and Prepaid Subscriptions,” WCIS, September 2009, <http://www.wcisplus.com/wcisplus/NumericalDataPage.html>.

<sup>2</sup>Internet usage percentage is for June 30, 2009, and comes from data published by Nielsen Online, the ITU, GfK, local regulators and other reliable sources, <http://www.internetworldstats.com/stats.htm>.

<sup>3</sup>Figure 3.1: Growth Effects of ICT, Christine Zhen-Wei Quang and Garlo M. Rossotto with Kaoru Kimura, “Economic Impacts of Broadband” in *Information and Communications for Development 2009–Extending Reach and Increasing Impact* (World Bank, 2009), [Google Books](#).

<sup>4</sup>Ibid.

## Global Emergency Management

### Ready to respond in times of crisis

Our Emergency Operations Team (EOT) protects our people and our assets through effective emergency planning, response and recovery. The team includes cross-functional representation from departments across our Company. In addition to responding in times of crises, our EOT offers ongoing training to ensure that our employees and their families are prepared for emergencies at all times. Following are some of our EOT's achievements for 2010.

#### Ensuring global business continuity

Our EOT works to minimize disruptions to our business that might occur in the event of natural or man-made incidents such as earthquakes, pandemics, severe weather, terrorist attacks or supply chain disruptions. Our Business Continuity Program Office offers multiple services to our business units, including education and training, business impact analysis, strategy, planning documentation, plan reviews and more. Our business continuity efforts are benchmarked against the BSI Group's BS25999 standard and support maintenance of several ISO certifications, including ISO270001 and ISO2000.

#### Response to the volcano eruption in Iceland

When Iceland's Mount Eyjafjallajökull erupted last spring, it spewed plumes of ash that interrupted air travel for nearly a week and closed air space over parts of Europe. As a result, traveling Qualcomm employees were stranded in many parts of the world. While the situation was thankfully not life threatening, our EOT and travel teams were activated for several weeks to address this unprecedented mobility crisis.

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**Our Emergency Operations Team protects our people and our assets through effective emergency planning, response and recovery.**

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Working in a situation that changed hourly, and confronting the challenge of communicating with dozens of employees on the move worldwide, the EOT found lodging for stranded Qualcomm personnel, rebooked new travel arrangements and prioritized trips for those who needed to return soonest. Spurred by this unique and unexpected crisis, the team has proposed new policies for similar events, drafted communications templates and instituted a new tracking and reporting process to ensure all travelers' locations and status are captured in an easily shareable repository.

#### Annual flu prevention campaign

An estimated 25 million to 50 million cases of influenza are reported each year, leading to 150,000 hospitalizations and 36,000 deaths annually in the United States. Each year, Qualcomm develops an attention-grabbing flu campaign for international and domestic employees. The campaign includes posters for break rooms and restrooms as well as informational flyers distributed to each employee along with a small bottle of alcohol-based hand sanitizer. The campaign is unveiled during our annual influenza vaccination campaign, helping to increase awareness and ultimately encouraging a larger number of employees to get their flu shots.



## Our Environment

# Greening up our act

Full Section

Our Environment

Greening up our act




How do you grow a leading global company while reducing its environmental footprint? We’re still discovering the answer to that complicated question—and making progress along the way. Whether we’re launching green IT initiatives, reducing water use, maximizing investments in energy efficiency or applying LEED® methodology to our facilities, we’re optimizing resource management and easing our impact on the earth.

Section Highlights

[Global Environmental Initiatives](#)


[A look at this year’s accomplishments from our facilities around the world.](#)



[View the map.](#)

[Green IT](#)


[In 2010, we launched several initiatives to make our IT practices more sustainable.](#)



[See the initiatives.](#)

[Air Quality](#)


[We are making a clear commitment to cleaner air.](#)



[See our progress.](#)

[Energy](#)

[We are cutting our energy use as we cut costs.](#)



[See how.](#)

## Waste Reduction

We are reducing the amount of waste we send to landfills.



[Read how.](#)

## Facilities

We are designing and operating sustainable facilities.



[See how.](#)

## Global Environmental Initiatives

### Taking small steps that have a big impact

Shrinking our environmental footprint is less about sweeping, systemwide change and more about the hundreds of small, but meaningful, steps taken by individual employees companywide. We're tapping the skills and imaginations of employees to reduce resource consumption, cut air emissions and minimize waste. Here are just some of this year's accomplishments from our facilities around the world.

#### 2010 Global Environmental Initiatives



#### Reducing waste, increasing recycling

- Employees at our Korean facilities collected and recycled used printer cartridges and mobile phones. Funds generated from recycling helped support [Child Fund Korea's](#) programs for disadvantaged children.
- Our Canadian offices eliminated bottled water and distributed reusable water bottles and coffee mugs to every employee. They also replaced Styrofoam coffee cups used by visitors with compostable paper cups, distributed shredders for recycling confidential documents and installed composting stations and bins for used batteries.
- In addition to our regular corporate recycling program, several of our U.S. offices host free, quarterly personal e-waste recycling events. In 2010, our offices in Georgia, New Jersey, North Carolina and Texas encouraged employees to bring in used computers, TVs, cell phones and other electronics. Altogether, our U.S. employees recycled just over 35,000 pounds of personal e-waste.

#### Protecting habitats

- For the second year, Bangalore employees and their families helped reduce their carbon footprint and provide a habitat for numerous species by planting 250 saplings at Gowramma Lake.

- In Hong Kong, employees planted 60 trees as part of “Plant a Wish for a Better Climate,” an annual endurance event that combines tree-planting with a 13-kilometer hike.
  - As part of our first annual Global Volunteer Week, employees in San Diego pitched in on a variety of environmental cleanup projects. They removed more than 1,000 pounds of trash and planted native vegetation at San Diego River Park; helped restore a native-plant demonstration garden and build fencing on property owned by San Diego Audubon Society; trimmed brush from a trail at Los Peñasquitos Canyon Preserve, adjacent to our San Diego campus; restored an acre of habitat at the San Elijo Lagoon Ecological Reserve; and helped make numerous improvements to a San Diego neighborhood canyon park, including removing 600 pounds of trash and 40 cubic yards of invasive plants, improving 50 yards of trails and rehabilitating an outdoor classroom where students can learn about the environment and canyon habitat stewardship.
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## Reducing carbon emissions

- In 2010, [The Climate Registry](#) welcomed us to the Cool Planet Program, an energy-efficiency and climate-change mitigation initiative that rewards customers who install significant energy-efficiency projects by providing assistance with measuring, managing and reducing their carbon footprint.
- Our Hong Kong office has enrolled in the [Low-Carbon Office Operation Program](#), or LOOP, organized by the [World Wildlife Fund Hong Kong](#). LOOP helps companies change their behavior and reduce their carbon footprint by adopting managerial and technological best practices. The program also uses four-tiered labeling—from “certified” to “platinum”—to certify companies based on their carbon emissions. To date, Qualcomm Hong Kong has achieved “silver,” the second tier of LOOP status. In addition, our Hong Kong office replaced traditional halogen light bulbs with LEDs, which use less energy and cost less to operate.
- We continued to encourage employees to explore alternatives to the one-car/one-driver mode when they commute. Our U.S. employees are eligible to receive a 25 percent subsidy and pretax purchase of transit passes and vouchers for bus passes, train tickets or vanpools. Employees in Ireland participate in the government-led Bike to Work initiative, which encourages people to cycle to work and enables participants to

purchase a bicycle and associated equipment at substantial cost savings. In the United Kingdom, the Season Ticket Loan program promotes use of public transportation by offering employees huge savings on the cost of an annual ticket.



## Green IT

### Wiring our Company for greater efficiency

Our information technology (IT) infrastructure is a critical part of our Company. Left unchecked, it also has the potential to consume excessive amounts of energy and produce a large amount of waste. In 2010, we launched several initiatives to make our IT practices more sustainable.

#### Greener printing

To reduce energy and paper usage, we began implementing the following changes across our entire printer fleet:

- Setting black-and-white printers to print double-sided by default.
- Purchasing newer printer models that are more energy efficient and have toners that yield a higher page volume.
- Encouraging employees in our U.S. offices to send larger print jobs to our onsite copy centers. Printers in our U.S. offices are also configured to switch to standby mode at preset intervals and automatically power down after business hours to help minimize energy use.



#### A more energy-efficient data center

At our San Diego headquarters, we're supporting a growing demand for computing power and IT services with a modular data center that is much more efficient than traditional data centers. The HP Performance-Optimized Datacenter (POD) supports standard computing platforms as well as leading-edge technologies that will provide greater energy efficiencies. With a total area of just 320 square feet, the POD's design dramatically reduces the amount of real estate and power needed to operate a large number of computing systems. The POD is expected to use 30 percent less energy to cool the hot air produced by IT equipment. It is expected to yield a Power Usage Effectiveness (PUE™) rating of 1.18 PUE. (PUE, developed by [The Green Grid](#), is a widely accepted measurement of data center energy efficiency. A rating of 1.0 indicates a facility that is 100 percent energy efficient.)

#### Monitors that use less energy

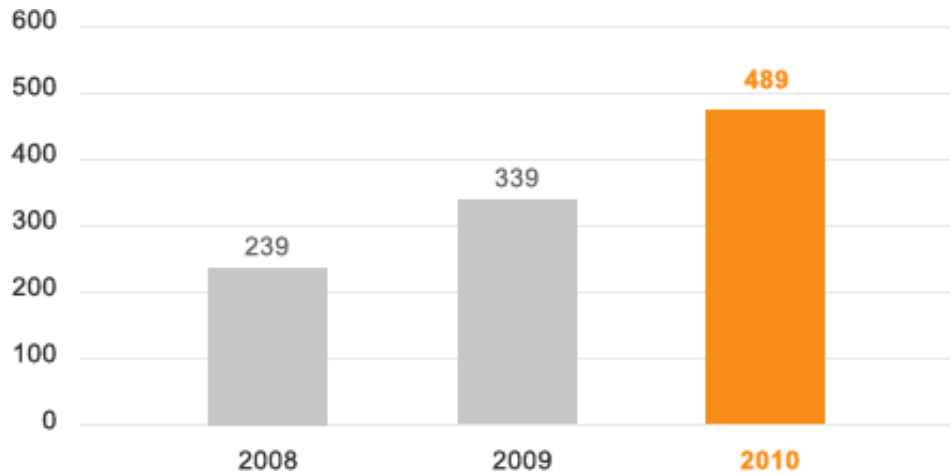
As part of our ongoing effort to reduce power consumption, we tested monitors from several manufacturers and found that the latest generation of 22-inch LCD panels used only 40 percent of the power required by the 19-inch panels we had been purchasing for several years—and they cost the same. We made the larger models our standard model in 2010, using them to replace or upgrade older models as necessary.

#### Recycling e-waste

In 2010, Qualcomm facilities worldwide recycled more than 239 tons of corporate electronic waste, or e-waste. In addition to the regular recycling stream of older, unusable hardware, our IT team also targeted various internal sites each month and encouraged employees to drop off electronics they weren't using. These items were then collected and reviewed for possible reuse or proper disposal.

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### IT e-Waste Collection (1,000 pounds)



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In the United States, we use a California-based processor of electronic scrap that recently became one of the first in the nation to be certified under the Responsible Recycling (R2)/Recycling Industry Operating Standard (R2/RIOS) guidelines. These guidelines provide a set of practical procedures for electronics recyclers that can be audited and that will ensure safer, more environmentally sound recycling practices.

### Server virtualization

Server virtualization is a means of increasing server density by running multiple independent virtual operating systems on a single physical computer. Virtualization lets us substantially reduce physical hardware and power consumption—we cut 384,228 kilowatt hours in 2010 alone. That savings in energy also saved 276 metric tons of greenhouse gas emissions, the equivalent of one year’s emissions from 52 cars.

### Increasing telepresence

To help reduce our carbon footprint, reduce travel for our employees, speed decision making and foster collaboration, we implemented eight telepresence systems providing an immersive videoconferencing experience at locations in the United States and England, with systems to be implemented in other countries soon.

## Air Quality

### Making a clear commitment to cleaner air

We affect air quality in two main ways: through our consumption of fossil fuels for energy and transportation, which contributes to the emission of greenhouse gases, and through emissions of nitrogen oxide (NO<sub>2</sub>), sulfur dioxide (SO<sub>2</sub>) and volatile organic chemicals (VOCs) produced through power generation at some of our facilities. As with all of our environmental efforts, balancing our Company's need for resources with our commitment to a minimal environmental impact is an ongoing challenge—and one to which we are passionately committed. Here's how we made progress in 2010.

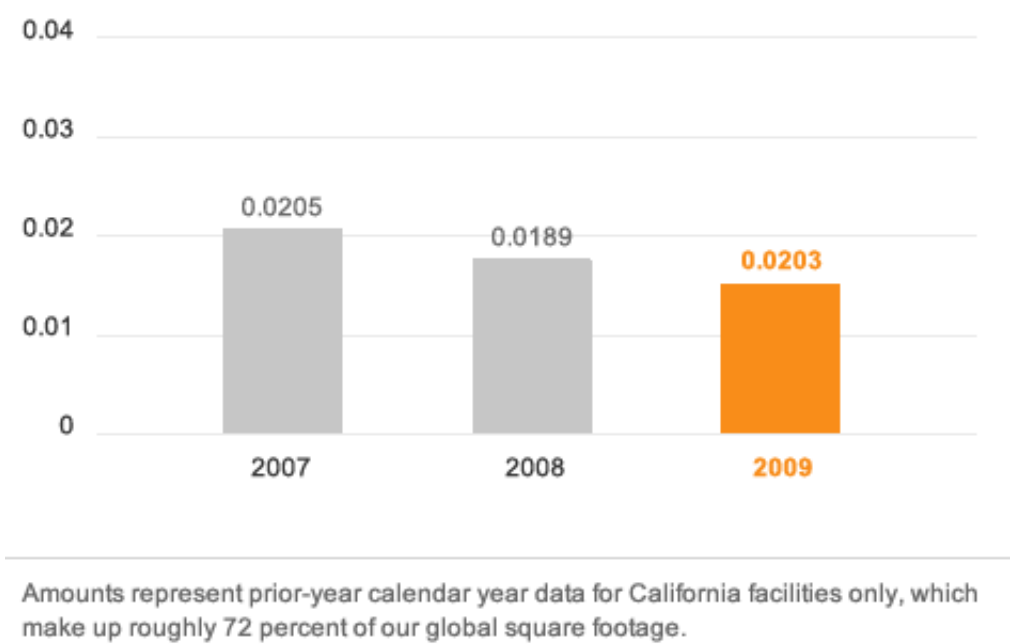


### Greenhouse gas emissions and climate change

Climate change is a serious environmental, social and economic issue that calls for concerted actions and solutions by individuals, corporations and governments. We address climate change in several ways, including minimizing the impact of our products on the environment, ensuring our operations and products are as energy efficient as possible and promoting recycling. We innovate new technologies that will contribute to a more sustainable society. Growing our Company while increasing energy efficiency and minimizing greenhouse gas (GHG) emissions is challenging but, we believe, imperative.

In 2010, we again received the designation of Climate Action Leader for our annual efforts in voluntarily reporting our emissions to the [California Climate Action Registry](#). Currently, we collect and report GHG emissions exclusively from our facilities in California, which comprise roughly 72 percent of our global square footage. Because data-gathering and subsequent third-party certification of the data is time-intensive, we generally report emissions data from the prior calendar year rather than the most recent fiscal year.

CO<sub>2</sub> per Gross Square Foot of Facilities Space (CO<sub>2</sub> metric tons)



In 2009, our GHG emissions increased from 92,135 metric tons to 97,545 metric tons, continuing an upward trend that has persisted over the last seven years because of our Company’s continued growth. Additionally, as we reduced the gross square footage of our facilities in California, our emissions per gross square foot increased slightly over 2008 levels, from .0189 to .0203.

Total Direct and Indirect GHG Emissions by Weight (CO<sub>2</sub> metric tons)

Item	2007	2008	2009
Direct	43,921	53,633	57,721
Indirect	46,694	38,502	39,824

Amounts represent prior-year calendar year data for California facilities only, which make up roughly 72 percent of our global square footage.

Increased GHG emissions in 2009 resulted mainly from increased data center density and growth at our San Diego headquarters; a full year of operations at our new facilities in Santa Clara, California; and other factors.

Because we generate carbon dioxide (CO<sub>2</sub>) emissions primarily through energy consumption, we continued our efforts to reduce the amount of energy we use and purchase from utilities. Our energy-efficiency efforts to date save 23.7 million kilowatt hours of electricity and approximately 7,805 metric tons of GHG emissions per year—the equivalent of eliminating the annual emissions of 1,419 cars.

Reducing other emissions

We have reduced levels of NO<sub>2</sub> emissions 32 percent since 2007. We’ve achieved this in large part through the

use of two 4.5-megawatt cogeneration turbine plants at our San Diego facilities. Powered by natural gas, these very efficient twin turbines enable us to generate some of our own electricity and release fewer pollutants. We also capture the heat the turbines generate and use it to power two large chillers in the campus air-conditioning system, thus reducing the need for electric-powered water chillers.

Significant Air Emissions by Type and Weight (tons per year)

Item	2007	2008	2009
NOx	42.30	28.50	28.79
SOx	<0.10	0.10	0.20
VOC	0.80	1.00	1.17

Source: San Diego Air Pollution Control District Annual Emissions Report on Qualcomm San Diego, CAFacilities

Energy






Cutting our energy use as we cut costs

Balancing growth with a need to reduce energy is a challenge. Overall, our direct and indirect energy consumption increased by about 12.5 percent from last year’s reported usage. That increase was mainly the result of increased data center density and growth at our San Diego headquarters; a full year of operations at our new facilities in Santa Clara, California; and other factors.

Still, we are committed to reducing our energy consumption. We continue to invest in highly efficient lighting and heating, ventilation and air conditioning (HVAC) systems, as well as in cogeneration and renewable energy, like photovoltaics. We’ve installed solar panels on certain building rooftops and parking structures, where the panels not only generate electricity but serve as shade structures. We’ve purchased a fleet of hybrid vehicles and encourage our employees to commute without cars by offering transit subsidies, shuttle services and bike lockers. Reducing energy consumption also enables us to reduce operating expenses.

In California, where we have nearly 5 million square feet of building space, our energy-efficiency investments to date save more than 23.7 million kilowatt hours of electricity annually—at a savings of \$3.09 million.

Direct Energy Consumption

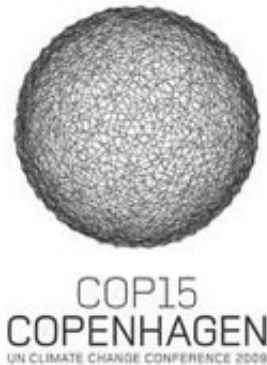
Primary Energy Source	2007	2008	2009	2008-2009 Change
 <b>Natural Gas (MMBtu)</b> (facilities)	699,784	851,408	895,712	+5.2%
 <b>Jet Fuel (Gal.)</b> (aviation related)	748,863	809,707	988,469	+22.1%
 <b>Vehicle Gas (Gal.)</b> (shuttle/test vehicles)	32,230	46,358	47,494	+2.5%
 <b>Diesel Fuel (Gal.)</b> (cars and trucks)	5,854	5,616	7,341	+30.7%
 <b>Diesel Fuel</b> (generators)	3,670	3,887	1,485	-61.8%

Amounts represent prior-year calendar year data for California facilities only, which make up roughly 72 percent of our global square footage.

Indirect Energy Consumption

Primary Energy Source	2007	2008	2009	2008-2009 Change
 Electricity (MW-h) (purchased)	111,080	115,881	120,676	+4.1%

Amounts represent prior-year calendar year data for California facilities only, which make up roughly 72 percent of our global square footage.



Collaborating to cut carbon

In addition to our internal efforts to reduce GHG emissions, we also work with our peers, governments, nongovernmental organizations (NGOs) and communities toward the same goal. Among our efforts:

- We participated as an observer at the [United Nations Framework Convention on Climate Change COP15](#) meeting in Copenhagen, Denmark, in December 2009. We also took part in meetings leading up to COP15, including negotiations regarding technology transfer. We spoke to various country delegations and NGOs about the role of information and communications technology in addressing climate change.
- We hold the vice-chair position in the [Smart Grid Interoperability Panel](#) (SGIP). The SGIP is a public-private partnership that coordinates standardization activities for U.S. smart grid (electrical networks that use digital technology) standards and has developed a number of plans to address reduction of the nation’s carbon footprint via the use of renewable energies.
- We participate as members in [Grid Wise Alliance](#), an industry advocacy group focused on accelerating the deployment of smart grids. The Alliance’s outreach program includes educating stakeholders about the environmental benefits of smart grid technology.
- We participate in [The EV Project](#), the largest deployment of electric-vehicle (EV) charging infrastructure in the United States. The project, which is led by ECotality, includes 15,000 EV charging stations across six U.S. states and Washington, D.C. We provide comprehensive support for this initiative, including cellular technology, engineering expertise and advice on the optimal location for public chargers. We’re also working to install charging stations at our own facilities to support our employees’ use of EVs.
- We are investors in [Consert Inc.](#), a provider of home energy management systems. Consert uses our 3G technology to offer a fully integrated energy-conservation solution. Residential users set their energy preferences in an easy-to-use web portal, and the system takes care of the rest. By reducing ghost consumption (using kilowatts when no one is benefiting from it), pilot programs demonstrated energy savings ranging from 7 percent to 54 percent with an average of 17 percent.

- We are a member of the [Business Council for Sustainable Energy](#), and our employees serve on several council committees focused on promoting clean energy technologies.
- We are a member of the [Digital Energy Solutions Campaign](#), which brings together information and communications technology (ICT) companies and associations, NGOs, customers and other stakeholders who recognize the enabling role that ICT plays in improving our environment and driving long-term economic growth.
- We serve on the [San Diego Foundation Climate Initiative Professional Advisory Board](#).
- We sponsored the [U.S. Department of Commerce's](#) Green ICT & Energy Efficiency Conference in Mexico in 2010, focusing on the role of cellular communications in the smart grid.
- We work with the energy and environmental committees of various [industry associations](#) to monitor and shape laws and regulations related to energy efficiency and emissions reduction. In 2010, we also participated in various state, federal and international policy proceedings regarding smart grids. In these proceedings, we urged regulators and utilities to rely on wireless communications as a key part of smart grids.



Waste Reduction

Recycling more—and minimizing landfill waste

We’re reducing the amount of waste we send to landfills. Our San Diego campus alone recycled more than 1,000 tons of “mixed recycling” in 2010—a substantial jump over the 680 tons recycled last year. One of our goals is to achieve a disposal rate lower than the average for San Diego businesses. We met that goal in 2010 with a per-capita disposal rate of 2.2 pounds per person per day (PPD), compared to the average of 11.4 PPD (current as of 2008, the last year for which information is available).

In 2010, we recycled more than 244 tons of electronic waste worldwide. On a single day in January, as part of a special e-waste recycling event, employees at our Santa Clara campus turned in more than 3,300 pounds of e-waste, including 1,225 pounds of cathode ray tubes from televisions, 685 pounds of computers, 378 pounds of consumer electronics and more than 1,000 pounds of tin.

Total Weight of Waste and Disposal Methods (tons)

Item	2008	2009	2010
Recycled Material*	709	680	1,313
Landfill Waste**	1,142	1,200	1,723
Solid Waste Generated	1,851	1,880	3,036

In 2010, we recycled substantially more by converting to a “mixed recycling program,” which allows employees to use a single bin to dispose of all recyclables—and more kinds of them. This added convenience increased employee participation significantly.

- \* Estimated 54.1 pounds per cubic yard for office waste.
- \*\* Estimated 86.6 pounds per cubic yard for office waste.

Hazardous Waste

Item	2009	2010
Generated (tons)	47.9	56.5
Recycled (%)	77%	73%

Amounts represent prior-year calendar year data for California facilities only, which make up roughly 72 percent of our global square footage.

We generated 56.5 tons of hazardous waste at our California facilities in 2010 and recycled 73 percent of it by reclamation. Typical hazardous waste reclamation activities involve recovery of spent solvents such as acetone or metals such as lead. Hazardous materials not recovered were disposed of through either thermal treatment or inorganic waste treatment. (See table below.) We also recycled 178 tons of debris—or 61 percent of total waste—from construction projects at our San Diego facilities.

Hazardous Waste Final Disposition

Final Disposition	San Diego Amount (lbs)	San Jose Amount (lbs)	Total (tons)
Recycled <div><div></div><div></div></div> <div>73.03%</div>	18,980	63,544	41.262
Thermal Treatment <div><div></div><div></div></div> <div>25.66%</div>	19,411	9,585	14.498
Inorganic Waste Treatment <div><div></div><div></div></div> <div>1.31%</div>	0	1,485	0.7425
	113,005		56.503

Besides recycling, we’re looking for innovative ways to keep waste out of the waste stream. The Office Outlet, an internal program by our Administrative Services department, was established to collect all unused office supplies and redistribute them through an online catalog. In 2010, the Office Outlet redistributed nearly 1,000 items and reported cost savings of \$38,000.

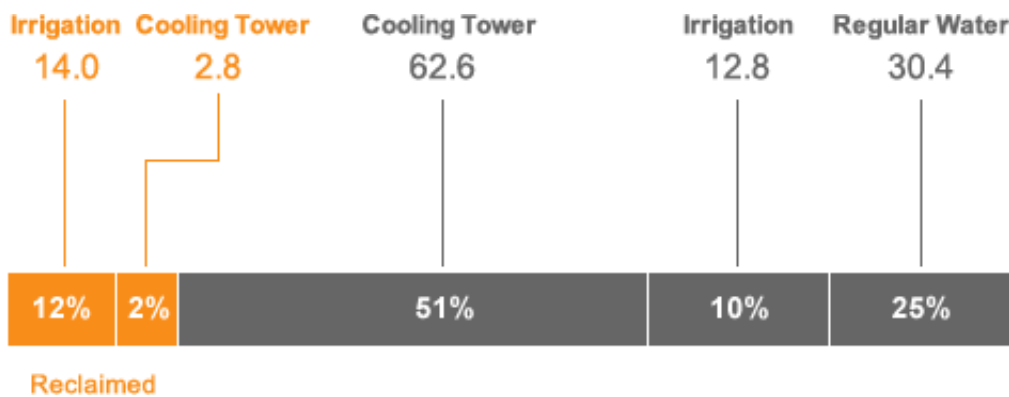
Water Conservation

Conserving every last drop

Only 1 percent of the planet’s water supply is fresh water. And a growing global population is making increased demands on that limited supply.

We’re doing our part to conserve—particularly in California, home of our headquarters and a state struggling with a years-long drought and water-use restrictions. We continue to incorporate drought-resistant landscaping, drip irrigation and water-saving fixtures and devices across our facilities. In 2010, we used 122.6 million gallons of water at our San Diego facilities, compared to a total of 131.2 million gallons in 2009, a savings of more than 8.6 million gallons. Additionally, by carefully managing our cooling tower water-treatment program, we saved 18.08 million gallons of water as compared to 2009’s savings of 17.8 million gallons.

2010 Water Usage (million gallons, San Diego, CA, facilities only)\*



\*Water usage that does not come from reclaimed sources is supplied by the City of San Diego, Water Department. Detailed information regarding its water supply can be found on [their website](#).

We have been proactive in using available reclaimed water, thus reducing our usage of potable water. In 2010, we saved more than 2.8 million gallons of potable water in our cooling towers and 14.0 million gallons of potable water used for landscape irrigation by using reclaimed water. We also completed efforts at our San Diego facilities to implement reclaimed water for the central plant cooling tower—an effort that will save more than 28 million gallons of potable water annually.

## Facilities

### Designing and operating sustainable facilities

Every day, we're helping to define the future of mobile technology at 139 locations in 34 countries. The way we design, build and operate our facilities has a profound effect on the environment, so we take care to minimize our impact as much as possible.



We continue to implement the Leadership in Energy and Environmental Design ([LEED](#)) methodology prescribed by the [U.S. Green Building Council](#), of which we are members. We choose green building materials wherever possible—low-VOC paint and products made of recycled content, which are further recyclable, such as ceiling tiles, vinyl composition floor tile, systems furniture, carpet and fabrics and more. By sourcing, designing and building with sustainable products, we're minimizing waste and helping reduce greenhouse gas emissions.

#### Going international with LEED-designed construction

In 2010, two of our facilities outside the U.S. were designed for LEED certification. In Bangalore, we applied for LEED Gold certification for a new 127,000-square-foot tower intended to accommodate increasing numbers of employees—the first time we've sought certification for a built-from-the-ground-up building outside the United States.



In Beijing, our expansion of the 31st floor of the Qualcomm Kerry Centre earned the LEED for Commercial Interiors Silver certification based on such features as highly efficient lighting and HVAC systems, alternative transportation options, recycled content and regional materials, low-emitting materials, building reuse and more.

### Our facilities and biodiversity

In San Diego, we own five office sites adjacent to [Los Peñasquitos Canyon Preserve](#), a protected terrestrial ecosystem of high biodiversity value.

The preserve encompasses some 4,000 acres of both Peñasquitos and Lopez Canyons. It comprises more than 14 habitat types that support a broad range of plant and animal species, including more than 500 plant species, more than 175 types of birds and great variety of reptiles, amphibians and mammals. Many of these species are rare or endangered and are protected within the preserve. The preserve is jointly owned and administered by the City and County of San Diego. We work closely with both to ensure that our impact on the preserve is minimal.

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## In 2010, two of our facilities outside the U.S. were designed for LEED certification.

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In 2010, for the second consecutive year, we adopted a portion of the preserve as part of California's Coastal Cleanup Day. More than 85 of our employees, along with their families and friends, scoured six miles, collecting 1,600 pounds of trash and 75 pounds of recyclables.



### Lunch, with a side of sustainability

We operate six corporate cafés for the convenience of our employees. All San Diego cafés are [Green Restaurant Association](#) Certified Green Restaurants™. To achieve certification, our food services team completed a rigorous 18-step process that resulted in improved water efficiency, a comprehensive program for recycling and use of recycled materials, use of chlorine-free paper products, elimination of polystyrene foam containers and a commitment to sourcing local, sustainable and organic foods. In 2010, we took additional steps to meet Green Restaurant Certificate 4.0 standards, including:

- Starting a Community Supported Agriculture Program, which currently has 400 members.
- Increasing our purchases of local, organic and sustainable products.
- Switching to 100 percent toxin-free cleaning chemicals.
- Ensuring that 100 percent of all oil and grease—more than 1,000 gallons in 2010—is converted to biofuel.

### Events planning with a touch of green

Our Events Department manages more than 400 events per year using LEED- and Green Restaurant Association-Certified venues throughout our campuses. Our events staff applies the practice of “reduce, reuse and recycle” when developing décor and signage. For example, we use local florists to supply our flower arrangements. After events, we either reuse flowers for another event or donate them to Blooms for the Heart—an organization that recycles flowers and plants and delivers them to San Diego-area hospitals, senior homes, hospice centers and other places where people can enjoy them.

Our events team also partners with our in-house printer and audio-visual department to design signage that can

be used for multiple events or to develop electronic signage, reducing the number of printed signs. Moving into 2011, our Events Department will measure the sustainability of their events utilizing Meeting Professional International's Sustainability Tool developed by Intercontinental Hotel Groups.

### **Cleaning greener**

To provide a safe, healthy work environment for more than 10,000 employees at our San Diego facilities, our Building Services team follows [ManageMen's](#) (OS1) standardized cleaning system and adheres to a number of green cleaning practices, including:

- [Green Seal Certified](#) chemicals for all cleaning products.
- Use of a neutral pH germicide approved by the Environmental Protection Agency.
- Limited use of ammonia, bleach, peroxide and other toxic chemicals.
- Use of an ergonomic, four-level filter vacuum system proven to reduce dust particles to virtually no detectable emission.
- Replacement of traditional string mops with flat microfiber mops and two-sided buckets, reducing water usage for restroom cleaning by 75 percent.
- Just-in-time inventory system based on Lean manufacturing processes to reduce the amount of items disposed.
- Use of chemical cleaning concentrates that has reduced waste sent to landfills by 97 percent.
- Use of neutral pH (@ +-7) carpet-cleaning chemicals listed by the Occupational Safety and Health Administration as having zero toxic hazard, zero flammable hazard, zero reactive hazard and zero corrosive hazard.

## Environmental Governance

### Complying with environmental regulations

We strive to comply with all applicable environmental laws wherever we do business. In 2010, we had no significant fines for noncompliance with laws and regulations concerning the provision and use of products and services. Among the ways we comply:

- All of our integrated circuit (IC), Gobi and new European fleet management products are in compliance with the European Union (EU) [RoHS Directive](#) and [perfluorootanoic acid/perfluorootanoic sulfonate \(PFOA/PFOS\) Directive](#).
- No EU REACH Substance of Very High Concern is used in the manufacture of our IC products, Gobi or commercial vehicle telematics products.
- Qualcomm Enterprise Services products manufactured and shipped for the European market are [Waste Electrical and Electronic Equipment \(WEEE\) Directive](#) compliant.
- Qualcomm CDMA Technology products fully comply with Phase 1 of China's Management Methods on control of Pollution from Electronic Information Products (also known as China RoHS). Qualcomm chipsets will comply with the material restriction requirements that apply to the newly published catalogue-listed products.

You can read more about our product responsibility efforts [here](#).



Global Reporting Initiative

# Content Index



## Global Reporting Initiative

# Measure and report our economic, environmental and social performance

The 2010 QSR Report voluntarily complies with the Global Reporting Initiative (GRI) G3 Sustainability Reporting Guidelines. The GRI is the world's most widely used sustainability reporting framework, setting the principles and indicators that organizations use to measure and report their economic, environmental and social performance. For more detailed information on the GRI, please visit [www.globalreporting.org](http://www.globalreporting.org).

This report complies with the GRI's B+ Application Level. It has been externally assured by an independent third-party, ISOS Group, LLC. As a component of the external assurance process conducted by ISOS Group, our level application was checked when aligning all reported content to GRI disclosures. A GRI Content Index is provided below as a cross-reference to the report content, and an External Assurance Statement can be downloaded [here](#).

## Global Reporting Initiative (GRI) Content Index

### [Strategy and Analysis](#)

Indicator	Description	Response
1.1	Statement from the most senior decision-maker of the organization.	<a href="#">CEO letter</a>
1.2	Description of key impacts, risks, and opportunities.	<a href="#">Governance</a>

### [Organizational Profile](#)

Indicator	Description	Response
2.1	Name of the organization.	Qualcomm Incorporated
2.2	Primary brands, products, and/or services.	<a href="#">Products and Services</a>
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	<a href="#">Businesses and Organizations</a>
2.4	Location of organization's headquarters.	San Diego, CA
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	<a href="#">139 worldwide locations</a>
2.6	Nature of ownership and legal form.	Qualcomm is listed on the NASDAQ Stock Market under the ticker symbol QCOM.
2.7	Markets served (including geographic breakdown, sectors served, and types of	<a href="#">Data Summary, Additional information available in 10-K/Annual Report</a>

customers/beneficiaries).

2.8	Scale of the reporting organization.	<a href="#">Data Summary</a> , <a href="#">Additional information available in 10-K/Annual Report</a>
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	None.
2.10	Awards received in the reporting period.	<a href="#">Memberships and Awards</a> , <a href="#">Awards and Recognition</a>

## Report Parameters

Indicator	Description	Response
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	Our 2010 QSR Report covers events and highlights occurring from September 28, 2009, to September 26, 2010, and coincides with our corporate fiscal year. In some instances, data is collected and reported on a calendar rather than fiscal-year basis. Such exceptions, as well as any other exceptions to the reporting period, will be noted within the report.
3.2	Date of most recent previous report (if any).	Our 2009 QSR Report covers events and highlights occurring from September 29, 2008, to September 27, 2009, and coincides with our corporate fiscal year. <a href="#">Qualcomm 2009 QSR Report</a>
3.3	Reporting cycle (annual, biennial, etc.)	Annual
3.4	Contact point for questions regarding the report or its contents.	Qualcomm Incorporated Attn: QSR 5775 Morehouse Drive San Diego, CA 92121 <a href="mailto:gsr@qualcomm.com">gsr@qualcomm.com</a>
3.5	Process for defining report content.	<a href="#">Governance</a>
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers).	This report includes Qualcomm and its subsidiaries. Financial data is reported in U.S. dollars.
3.7	State any specific limitations on the scope or boundary of the report.	We anticipate that multiple stakeholders, ranging from the general public to current and future Qualcomm employees, investors, customers and suppliers, will access and use our 2010 QSR Report. As such, we carefully

		considered what information to include and disclose in this report, taking into account what issues and topics are materially relevant to our business operations. Data and content determined to have the highest priority have been included in this report.
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	There were no joint ventures, subsidiaries, leased facilities, outsourced operations or other entities that significantly affect comparability from period to period and/or between organizations.
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report.	Data for this report was compiled from various company departments specific to the performance indicator. Some calculations have been noted in relevant report sections as appropriate. Data is reported using U.S. measurement systems unless otherwise noted.
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	There are no re-statements of information provided in earlier reports.
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	There have been no significant changes from previous reporting periods in the scope, boundary or measurement methods applied in the 2010 QSR Report.
3.12	Table identifying the location of the Standard Disclosures in the report.	<a href="#">GRI Content Index</a>
3.13	Policy and current practice with regard to seeking external assurance for the report.	The 2010 QSR Report complies with the GRI's B+ Application Level, and it has been third-party verified for accuracy. The QSR Leadership Committee provides guidance on whether or not independent external assurance should be conducted on our QSR Reports.

## Governance, Commitments, and Engagement

Indicator	Description	Response
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4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	<a href="#">Governance, Governance Principles and Practices</a>
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	<a href="#">Governance, Governance Principles and Practices</a>
4.3	For organizations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members.	<a href="#">Governance, Governance Principles and Practices</a>
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	<a href="#">Governance Principles and Practices</a>
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance).	<a href="#">Ethical Employment</a>
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	<a href="#">Governance Principles and Practices</a>
4.7	Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organization's strategy on economic, environmental, and social topics.	<a href="#">Corporate Governance</a>
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	<a href="#">The Qualcomm Way: Our Code of Business Conduct</a>
4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	<a href="#">Corporate Governance</a>
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	<a href="#">Governance Principles and Practices</a>

4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	<a href="#">Product Responsibility</a>
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	<a href="#">Ethics and Integrity</a> , <a href="#">Public Policy</a> , <a href="#">Product Responsibility</a> , <a href="#">Supply Chain Management</a> , <a href="#">Energy</a> , <a href="#">Facilities</a> , <a href="#">Environmental Governance</a>
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization:  Has positions in governance bodies; Participates in projects or committees; Provides substantive funding beyond routine membership dues; or Views membership as strategic.	<a href="#">Memberships and Awards</a>
4.14	List of stakeholder groups engaged by the organization.	<a href="#">Stakeholder Engagement</a>
4.15	Basis for identification and selection of stakeholders with whom to engage.	<a href="#">Stakeholder Engagement</a>
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	<a href="#">Stakeholder Engagement</a>
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	<a href="#">Stakeholder Engagement</a>

## Disclosures on Management Approach

Indicator	Description	Response
DMA	Economic	<a href="#">Our Company</a> , <a href="#">2011 Proxy Statement</a> , <a href="#">Corporate Governance</a> , <a href="#">Our Code of Business Conduct</a> , <a href="#">Code of Ethics</a> , <a href="#">Supplier Diversity Policy</a>
DMA	Environmental	<a href="#">Our Environment</a> , <a href="#">Environmental Policy</a> , <a href="#">Our Code of Business Conduct</a>
DMA	Social: Labor Practices and Decent Work	<a href="#">Our Workplace</a> , <a href="#">Health &amp; Safety</a> , <a href="#">Our Code of Business Conduct</a>
DMA	Social: Human Rights	<a href="#">Our Workplace</a> , <a href="#">Global Workforce Inclusion</a> , <a href="#">Our Code of Business Conduct</a>
DMA	Social: Society	<a href="#">Our Company</a> , <a href="#">Our Community</a> , <a href="#">Our Code of Business Conduct</a> , <a href="#">Community Involvement</a> , <a href="#">Wireless Reach</a>
DMA	Social: Product Responsibility	<a href="#">Our Company</a> , <a href="#">Responsibility Product Design</a> , <a href="#">Our Code of Business Conduct</a>

## Economic

Indicator	Description	Response
EC1*	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	<a href="#">Data Summary</a> , <a href="#">Additional information available in 10-K/Annual Report</a>
EC3	Coverage of the organization's defined benefit plan obligations.	We do not maintain a defined benefit pension plan.
EC5*	Range of ratios of standard entry level wage compared to local minimum wage at significant locations of operation.	<a href="#">Ethical Employment</a> , General entry wage level information provided
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	<a href="#">Supply Chain Management</a> , <a href="#">Supplier Diversity Policy</a>
EC8*	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	<a href="#">Our Community</a> , General public benefit information provided

EC9*	Understanding and describing significant indirect economic impacts, including the extent of impacts.	<a href="#">Our Community</a> , General indirect economic impact information provided
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## Environmental

Indicator	Description	Response
EN1*	Materials used by weight or volume.	<a href="#">Environmental Governance</a> , <a href="#">Product Responsibility</a>
EN2*	Percentage of materials used that are recycled input materials.	<a href="#">Product Responsibility</a> , <a href="#">Facilities</a>
EN3	Direct energy consumption by primary energy source.	<a href="#">Energy</a>
EN4	Indirect energy consumption by primary source.	<a href="#">Energy</a>
EN5	Energy saved due to conservation and efficiency improvements.	<a href="#">Air Quality</a> , <a href="#">Energy</a> , <a href="#">Green IT</a> , <a href="#">Facilities</a> , <a href="#">Global Environmental Initiatives</a>
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	<a href="#">Product Responsibility</a> , <a href="#">Energy</a> , <a href="#">Products and Services</a> , <a href="#">Responsible Product Design</a>
EN7*	Initiatives to reduce indirect energy consumption and reductions achieved.	<a href="#">Energy</a> , <a href="#">Green IT</a> , <a href="#">Facilities</a> , <a href="#">Global Environmental Initiatives</a>
EN8*	Total water withdrawal by source.	<a href="#">Water Conservation</a> , Water usage for Headquarters provided
EN10*	Percentage and total volume of water recycled and reused.	<a href="#">Water Conservation</a> , Recycled water and reuse for Headquarters provided
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	<a href="#">Facilities</a>
EN13	Habitats protected or restored.	<a href="#">Facilities</a> , <a href="#">Global Environmental Initiatives</a>
EN16	Total direct and indirect greenhouse gas emissions by weight.	<a href="#">Air Quality</a>
EN17*	Other relevant indirect greenhouse gas emissions by weight.	<a href="#">Air Quality</a>
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	<a href="#">Our Environment</a>
EN20	NOx, SOx, and other significant air emissions	<a href="#">Air Quality</a>

by type and weight.

EN22	Total weight of waste by type and disposal method.	<a href="#">Waste Reduction</a> , <a href="#">Green IT</a>
EN23	Total number and volume of significant spills.	Qualcomm experienced no significant spills in 2010 that had a material impact on the environment.
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	0% of Qualcomm's hazardous waste is shipped internationally.
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	<a href="#">Environmental Governance</a> , <a href="#">Product Responsibility</a>
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	Qualcomm received no monetary fines and no non-monetary sanctions for non-compliance with environmental laws and regulations in 2010.

## [Social: Labor Practices and Decent Work](#)

Indicator	Description	Response
LA1*	Total workforce by employment type, employment contract, and region.	<a href="#">Data Summary</a> , Total workforce by region and employment type provided
LA2*	Total number and rate of employee turnover by age group, gender, and region.	<a href="#">Ethical Employment</a> , General information on voluntary turnover provided
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	<a href="#">Ethical Employment</a>
LA4	Percentage of employees covered by collective bargaining agreements.	<a href="#">Ethical Employment</a>
LA5*	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.	<a href="#">Ethical Employment</a> , General information provided
LA6*	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	<a href="#">Workplace Safety</a> , General information provided
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-	<a href="#">Workplace Safety</a>



related fatalities by region.

LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	<a href="#">Workplace Safety</a> , <a href="#">Global Emergency Management</a>
LA9	Health and safety topics covered in formal agreements with trade unions.	Qualcomm does not have any formal agreements with trade unions.
LA10	Average hours of training per year per employee by employee category.	<a href="#">Education and Training</a>
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	<a href="#">Education and Training</a> , <a href="#">Global Workforce Inclusion</a>
LA12	Percentage of employees receiving regular performance and career development reviews.	80%, <a href="#">Ethical Employment</a>
LA13*	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity.	<a href="#">Global Workforce Inclusion</a> , <a href="#">Data Summary</a> , General information provided
LA14*	Ratio of basic salary of men to women by employee category.	<a href="#">Ethical Employment</a> , General information provided

## Social: Human Rights

Indicator	Description	Response
HR2*	Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken.	<a href="#">Supply Chain Management</a>
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	13,000, <a href="#">Workplace Safety</a>
HR4	Total number of incidents of discrimination and actions taken.	Qualcomm has never been found to have unlawfully discriminated against any of our employees
HR5	Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights.	<a href="#">Ethical Employment</a>
HR6	Operations identified as having significant risk	<a href="#">Ethical Employment</a>

for incidents of child labor, and measures taken to contribute to the elimination of child labor.

HR7	Operations identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of forced or compulsory labor.	<a href="#">Ethical Employment</a>
HR8	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.	100% of security personnel are trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken.	None

## Social: Society

Indicator	Description	Response
SO2	Percentage and total number of business units analyzed for risks related to corruption.	<a href="#">Ethics and Integrity</a> , <a href="#">Our Code of Business Conduct</a>
SO3	Percentage of employees trained in organization's anti-corruption policies and procedures.	<a href="#">Ethics and Integrity</a> , <a href="#">Our Code of Business Conduct</a>
SO4	Actions taken in response to incidents of corruption.	<a href="#">Ethics and Integrity</a>
SO5	Public policy positions and participation in public policy development and lobbying.	<a href="#">Public Policy</a>
SO6*	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	<a href="#">Public Policy</a> , General information provided

## Social: Product Responsibility

Indicator	Description	Response
PR1*	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	<a href="#">Product Responsibility</a> , <a href="#">Supply Chain Management</a> , General discussion of product responsibility reported, Percentage of significant products subject to procedures reported
PR3	Type of product and service information required by procedures, and percentage of	<a href="#">Environmental Governance</a> , <a href="#">Product Responsibility</a>

significant products and services subject to such information requirements.

PR6*	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	<a href="#">Ethics and Integrity</a> , <a href="#">Our Code of Business Conduct</a> , General information provided
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	<a href="#">Ethics and Integrity</a>
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	<a href="#">Environmental Governance</a> , <a href="#">Ethics and Integrity</a>

\* Partially covered in report



## Data Summary

# Our commitment, by the numbers

## Data Summary

# Our commitment, by the numbers

Make selections below to expand information for each section.

### Our Company

	Units	2010	2009	2008
<b>Total Consolidated Revenues by Region* (in millions)</b>				
China	\$	3,194	2,378	2,309
South Korea	\$	2,913	3,655	3,872
Taiwan	\$	1,360	831	564
Japan	\$	1,018	1,098	1,598
United States	\$	564	632	970
Other Foreign	\$	1,942	1,822	1,829
Total	\$	10,991	10,416	11,142
<b>Revenues by Segment (in millions)</b>				
QCT	\$	6,695	6,135	6,717
QTL	\$	3,659	3,605	3,622
QWI	\$	628	641	785
QSI	\$	9	29	12
Other	\$	0	6	6
Total	\$	10,991	10,416	11,142
<b>Total Capitalization (in millions)</b>				
Stockholders' Equity	\$	20,858	20,316	17,944
<b>Quantity of Products Provided</b>				
QES Satellite-Based and Terrestrial-Based Telematics	# of Units Shipped	79,000	43,700	91,200

QCT Mobile Station Modem (MSM™) Integrated Circuits	# of Products Provided	399,000,000	317,000,000	336,000,000
<b>Number of Employees</b>				
United States	# of	13,500	12,800	12,600
Non-United States	# of	4,000	3,300	2,800
Total Employees, Worldwide	# of	17,500	16,100	15,400
<b>Breakout by Employee Type</b>				
Regular Employees	%	90%	91%	93%
Temporary Employees	%	10%	9%	7%
<b>Supply Chain</b>				
Number of Diverse Suppliers Registered, Global	# of	563	439	342
Spending on Government Subcontract Work Directed at Small Businesses (U.S. only)	% of Overall Spending	38%	38%	38%

\*The Company distinguishes revenues from external customers by geographic areas based on the location to which its products, software or services are delivered and, for QTL's licensing and royalty revenues, the invoiced addresses of its licenses.

## Our Workplace

	Units	2010	2009	2008
<b>Diversity</b>				
Minority Employees	% of Total	55%	54%	53%
Nationalities	# of	107	102	103
Languages Spoken	# of	66	66	66
<b>Women in the Workforce</b>				
Women on the Board of Directors	% of Total	15%	23%	17%

Training Statistics				
Classroom Training Course Enrollments	# of	45,400	48,400	50,500
Instructor-led Sessions	# of	600	360	330
Online Courses	# of	700	700	660
Training by Employee Group				
Individual Contributor	Hrs/Employee	24	N/A	N/A
Management	Hrs/Employee	27	N/A	N/A
Executive	Hrs/Employee	18	N/A	N/A
Ethical Employment				
Employee Voluntary Turnover Rates	% of Total	4.00%	2.50%	4.90%
Workplace Safety				
Total Injury and Illness Incident Rate (U.S. only)	Per 100 Full-time Employees	1.8	1.2	1.7
Total Lost Time Injury and Illness Rate (U.S. only)	Per 100 Full-time Employees	0.1	0.1	0.2
Environmental Health and Safety Training				
Employees Trained	# of	1,808	2,290	3,000
Trainings Led	# of	1,276	1,344	N/A
Ergonomic Assessments Led	# of	1,039	659	2,248
Total Hours Provided	# of	2,610	N/A	N/A

N/A = data not available

	Units	2010	2009	2008
Employees Participating in Matching Grant and Community Service Grant Programs	# of	2,823	2,311	2,346
Nonprofit Organizations Helped by Matching Grant and Community Service Grant Programs	# of	1,513	1,416	1,245
<b>Corporate Giving by Program Area</b>				
Educated Communities	% of Total	68%	68%	59%
Healthy Sustainable Communities	% of Total	27%	26%	35%
Culturally Vibrant Communities	% of Total	5%	6%	6%
<b>Matching Grants and Community Service Grants</b>				
Educated Communities	% of Total	43%	46%	37%
Healthy Sustainable Communities	% of Total	47%	46%	53%
Culturally Vibrant Communities	% of Total	10%	8%	10%
<b>Wireless Reach™</b>				
Wireless Reach Partners	# of	200+	100+	100
Wireless Reach Projects	# of	66	56	37
Wireless Reach Project Countries	# of	29	28	22

## [Our Environment](#)

	Units	2010	2009	2008
<b>Green IT</b>				
E-Waste Collection	Pounds of Waste	489,932	339,306	239,729
<b>Greenhouse Gas Emissions (GHG)*</b>				
CO <sub>2</sub> per Gross Square Foot of Facilities Space	CO <sub>2</sub> Metric Tons	0.0203	0.0189	0.0205



Total Direct GHG Emissions by Weight	CO <sub>2</sub> Metric Tons	57,721	53,633	43,921
Total Indirect GHG Emissions by Weight	CO <sub>2</sub> Metric Tons	39,824	38,502	46,694
Direct Energy Consumption by Primary Energy Source*				
Natural Gas (facilities)	MMBtu	895,712	851,408	699,784
Jet Fuel (aviation related)	Gallons	988,469	809,707	748,863
Vehicle Gasoline (shuttle/test vehicles)	Gallons	47,494	46,358	32,230
Diesel Fuel (cars/trucks)	Gallons	7,341	5,616	5,854
Diesel Fuel (generators)	Gallons	1,485	3,887	3,670
Indirect Energy Consumption by Primary Energy Source*				
Electricity (purchased)	Megawatt Hours	120,676	115,881	111,080
Significant Air Emissions**				
NOx	Tons	28.79	28.50	42.30
SOx	Tons	0.20	0.10	<0.10
VOC	Tons	1.17	1.00	0.80
Total Weight of Waste and Disposal Method*				
Recycled Material	Tons	1,313	680	709
Landfill Waste	Tons	1,723	1,200	1,142
Solid Waste Generated	Tons	3,036	1,880	1,851
Hazardous Waste*				
Generated	Tons	56.5	47.9	54.1
Recycled	%	73%	77%	56%
Water Conservation**				
Water Savings	Million	18.08	17.80	16.50

	Gallons		
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\*Amounts represent prior-year calendar year data for California facilities only, which make up roughly 72 percent of our global square footage.

\*\*San Diego, CA, facilities only



# External Assurance

# External Assurance Statement

by ISOS Group, LLC to Qualcomm Incorporated

2010 QSR Report

GRI Application Level: "B+" *[Approved]*

## What we looked at: scope of our work

Qualcomm Incorporated has engaged ISOS Group, LLC to give assurance on the quality and extent of Profile Disclosures, Disclosures of Management Approach and Standard Disclosures otherwise referred to as Performance Indicators referenced through the 2010 Qualcomm Social Responsibility (QSR) Report. This assurance applies to the report based on the 2010 fiscal year, made public in April of 2011; it does not extend to events occurring prior to, or after the 2010 reporting cycle.

A verification statement will be made public and submitted to the Global Reporting Initiative.

The scope of the assurance covers the economic, social and environmental performance data, both quantitatively and qualitatively expressed on behalf of Qualcomm's headquarters and subsidiaries. This assurance exercise has been conducted by verifying report content and supporting documentation made available during the external assurance period (March 7 – March 29, 2011). The scope of the assurance does not include observational analysis as a component of on-site visits, but rather a strict emphasis on the reliability and quality of report content, in addition to verification of data sources and collection processes.

The comprehensive assessment and summary that accompany this formal statement are to be used at the discretion of Qualcomm. It is the Company's decision to implement suggestions made by ISOS Group in future reporting cycles.

## Our methodology: basis of our work and level of assurance

ISOS Group administered the assurance process for Qualcomm through its experts who followed the G3 Framework established by the Global Reporting Initiative and principles for defining report content and ensuring the quality of the reported information, while integrating self-developed tools for verification of sustainability reporting based on practices drawn from the U.N. Global Compact, the DJSI, AA1000, relevant ISO series and anticipated developments in this field.

This external assurance exercise consists of four main tasks and two supplemental ones. Performance results are determined by ISOS Group's evaluation of reported information, which is weighted and scored. Additionally, corporate codes and policies driving organizational change, data justifications supplied by key personnel, internal stakeholder feedback, and statements made by key members of the reporting team during process interviews are referred to as support for claims made by the Company.

An "Acceptable" score indicated by a 50% threshold is needed for the four main tasks in order to issue a "+" level. Although only twenty material indicators are required for a GRI "B" level report, this external assurance statement is based on the results of a comprehensive verification of all disclosed indicators, while highlighting performance of a pre-selected sample of twenty indicators.

## What we did: key assurance procedures

ISOS Group administered the assurance process for Qualcomm through its experts who strictly followed the G3 Framework, along with the Global Reporting Initiative's principles for defining report content and ensuring the quality of the reported information, while integrating independently developed tools for verification.

Our findings were supported by conducting:

- ✓ an inspection of the documentation used for gathering, analyzing and aggregating the material quantitative data,
- ✓ investigation of procedures for determining material inclusiveness via random sampling and interviews, and
- ✓ inquiries of the central unit responsible for preparing the report as well as a select group of internal and external stakeholders.

An initial review allowed for the Company to make adjustments to detected discrepancies and deliver supplemental data to support their case. Once a final draft was delivered to ISOS Group's Assurance Practitioners, elements of each main task (Credibility Check, Quantitative Review, Qualitative Review, and Sustainability Action Balance) were carefully evaluated and weighted accordingly.

## What we found: our assurance opinion

In ISOS Group's opinion, the 2010 QSR Report is a fair representation of the Company's sustainability-related strategies, management systems and performance. The report, along with referenced materials in the 10K, information posted on the Company website and supplemental documentation supplied to ISOS meet the general content and quality requirements of the GRI G3 Framework.

We have evaluated the report's ability to address specific criteria within the following main tasks on a scale of "Good", "Acceptable", "Fair" and "Needs Improvement".

✓ **Credibility Check: GOOD**

Qualcomm has accurately referenced the reported indicators in the GRI Content Index. It is also apparent that the Company's organizational structure fully supports sustainability related activities, just as the mission and vision have set the tone for the newly instituted organizational structure needed for a robust sustainability reporting process. Statements from the CEO validate the Company's acknowledged risks, opportunities and strategies for integrating sustainable development into the greater business ethos at all locations and communities served. Continuing to formalize this process, particularly through structured stakeholder feedback mechanisms will further strengthen the "materiality" of issues reported by the Company in the future. Closer consultation with the Indicator Protocols throughout the reporting cycle will also increase the Company's ability to transition to an extended number of FULLY reported indicators.

✓ **Quantitative Review: ACCEPTABLE (20 Sample Indicators)**

We believe that all data included in the report is accurate and that the Company will continue to improve its metrics for illustrating performance of 'Material' issues. Our opinion is based upon careful analysis and verification of supplemental documentation requested by ISOS. Although the Company has made significant strides to improve comparisons from the previous year, this task could be further strengthened by drawing a correlation to other comparative data points and leveraging internal stakeholder's feedback for goals setting. Incremental steps made to provide better coverage in the area of "Product Responsibility" could generate greater awareness for the Company's responsible product design efforts.

✓ **Qualitative Review: GOOD**

When considering the reporting boundary and 'Material' issues identified by Qualcomm, we do not believe that the report misrepresents significant economic, environmental and social impacts or omits relevant information that would influence stakeholder decisions. While the Company should be commended for their efforts to apply GRI's content and quality principles effectively, it is suggested that further improvements in the area of stakeholders' engagement be continued. The 2010 QSR Report is an attestation in itself to the commitments the Company has made to driving sustainability deeper into the organization and the benefits of instituting a firm process needed for producing a valuable management and communication tool.

✓ **Sustainability Action Balance: GOOD**

The Company has been found to be consistent with their management approach, responsive to priority issues expressed by internal stakeholders and aware of their current sustainability context. Progress has been made from the previous year to expand the number of disclosures made across all dimensions of sustainability and to report in a much more complete manner. A solid organizational structure has elevated the Company's strategic objectives to include a wide range of sustainability issues- further demonstrating the leadership role it has taken in the marketplace. Furthermore, a refreshed Code of Business Conduct has been vital in sending a strong message about the Company's commitment to operating ethically at all levels of its business and laid the foundation for reporting on a wider range of issues.

## ISOS Group's responsibilities

ISOS and Qualcomm agreed to uphold confidentiality arrangements between the two entities regarding correspondence and data exchange. ISOS refuses to issue any statements or publications that contradict with information made public by the Company in order to maintain privacy of all persons, practices and systems involved. Our responsibility is to independently express conclusions on the reliability of management's assertions of select subject matters as defined within the agreed scope of work and intended by Qualcomm in meeting all voluntary sustainability reporting disclosures.

We are committed to expressing an opinion based on our work performed as to whether any issues have come to our attention causing us to believe that the 'Material' data has not been prepared in accordance with relevant criteria. The procedures selected are based on ISOS Group's professional judgment. Our responsibility in performing this assurance is to the management of Qualcomm only, and in accordance with the terms agreed to with the Company.

## Statement of Independence

ISOS Group declares its independence from Qualcomm on any reporting activity except for the external assurance activity offered as a neutral third party from the organization's interests. Therefore, there is no conflict of interest to the integrity of this assurance statement.



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