



# THINKING AHEAD

FULL REPORT



# OUR COMPANY

FULL SECTION

We're a \$19.1 billion enterprise with global reach—and only at the threshold of all that wireless can do. We're building on our history of accountability and integrity to make sure that as we grow, we grow responsibly.

#### LEADERSHIP MESSAGES

"Thinking sustainably is part of our innovative spirit."

DR. PAUL E. JACOBS  
Chairman of the Board and CEO



#### GOVERNANCE

Defining Social Responsibility at Qualcomm



#### ETHICS AND INTEGRITY

Multiple "privacy checkpoints" built into our engineering and production processes

#### PUBLIC POLICY

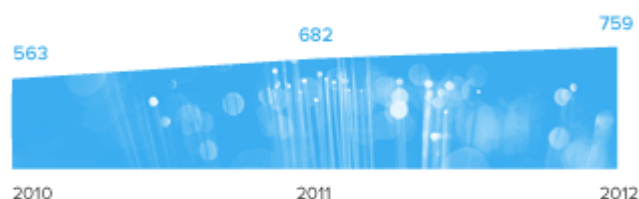
Making our voice heard

#### PRODUCT RESPONSIBILITY



#### SUPPLIER MANAGEMENT

Number of Registered Global Diverse Suppliers



#### STAKEHOLDER ENGAGEMENT

Remembering to listen

#### MEMBERSHIP AND AWARDS

**FORTUNE 100 BEST COMPANIES TO WORK FOR** On FORTUNE's list of "100 Best Companies to Work For" consecutively since 1999

# Leading with tomorrow in mind

Sustainability at Qualcomm begins with our senior management. Their commitment, and their collaboration with our QSR Leadership Committee, ensure that sustainability is built into our business. Below, CEO Paul Jacobs and QSR Leadership Committee Chair Daniel Sullivan share their perspectives on our progress in 2012.



**Dr. Paul E. Jacobs**

## A Message from Our Chairman and CEO

Innovation requires the ability to look into the future and imagine how it might be better. At Qualcomm, that is the essence of what we do and what we have always done, from our earliest days to our latest ideas and solutions. We are truly a company built on imagining what's possible.

Thinking sustainably is also part of our innovative spirit. That's why we have never treated sustainability as an afterthought or as something to be handled apart from our core work. Instead, we've strived to integrate it throughout Qualcomm—in our products, in our operations and, most importantly, in our people.

Looking back over the past year, there are many examples of our continued progress toward sustainability. In particular, every day we create sustainability with our technologies and products—through the better world they help make possible and through our careful approach to designing and producing them. Our solutions enable next-generation mobile technologies that are enhancing quality of life worldwide. They're helping make transportation more efficient, make energy systems more reliable, increase the quality of health care, enhance education and better connect people everywhere. Our Wireless Reach™ program is also working to close the digital divide in underserved communities in more than 30 countries. As we contribute to these advances, we produce our products as efficiently and as mindfully as we can. We constantly look for ways to conserve resources and reduce waste. We also work closely with suppliers to extend environmental and social sustainability throughout our supply chain.

As we enable technology that improves quality of life, we are also strengthening communities through our philanthropy. Since 2000, Qualcomm Incorporated and the Qualcomm Foundation have donated more than \$200 million to help create educated, healthy, sustainable and culturally vibrant communities worldwide. Our employees have given thousands of hours to lend a hand in their own communities.

I'm proud of Qualcomm's progress toward sustainability—and I'm excited about where we're going. Ensuring both our long-term success and responsible citizenship as we continue to expand and grow isn't easy...but it is essential. At Qualcomm, it's just the kind of challenge we embrace. It requires us to imagine the possibilities, envision and, of course, innovate.

I invite you to read more about our progress in this report and in the message below from Qualcomm Executive Vice President of Human Resources, Dan Sullivan, who also chairs our QSR Leadership Committee. On behalf of everyone at Qualcomm, thank you for joining us on our journey toward sustainability.

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

**Dr. Paul E. Jacobs**

Chairman of the Board and Chief Executive Officer

---



**Dr. Daniel L. Sullivan**

## A Message from the Chair of Our QSR Leadership Committee

At Qualcomm, we're helping to change the world: through innovations that touch billions of people worldwide and through our efforts to be an outstanding global corporate citizen. Our journey toward sustainability began more than 25 years ago and has taken on even greater momentum in recent years with expanded initiatives, more formal governance and increased transparency—all of which have grown in parallel to the rapid growth of our Company.

In 2012, we maintained our momentum. As the chair of Qualcomm's QSR Leadership Committee, which develops and guides our companywide sustainability initiatives, I'm pleased to share some examples of our progress.

**New goals, new progress.** In 2012, we formalized our QSR goals, which clearly articulate our objectives for each of our sustainability priorities. These goals further define the priorities and commitments we established in 2011. We made steady progress toward meeting our goals in 2012, including these highlights:

- Qualcomm Incorporated and the Qualcomm Foundation gave a combined \$42 million in grants to support and strengthen communities around the globe in 2012, bringing our total combined giving to more than \$200 million since 2000.
- Through our annual QCares Experience, more than 1,600 employees donated more than 6,500 hours of volunteer time at 52 nonprofits in 23 Qualcomm locations worldwide.
- We maintained an injury rate 32 percent below the industry average.
- We decreased our 2012 per-capita landfill disposal rate for our three major California facilities by 99 percent over 2011. We also recycled 100 percent of hazardous waste from those facilities, along with 100 percent of our IT-managed e-waste at our San Diego headquarters.
- We continued to implement state-of-the-art energy-efficiency efforts in our facilities and information technology divisions. We also certified our fifth facility under the Leadership in Energy and Environmental Design (LEED) program and implemented our second energy-efficient POD data center, which we expect will save approximately 1 million kilowatt hours and \$130,000 annually.

**Extending sustainability to our key suppliers.** For many years, we've worked closely with our suppliers to ensure their policies and values align with ours. In 2012, we gave those efforts a major boost by joining

the Electronic Industry Citizenship Coalition (EICC) as an applicant member. Joining the EICC puts Qualcomm in the good company of our peers, gives us a voice in important industry-related conversations and enables us to bring the resources and influence of our entire industry in efforts to achieve greater transparency and sustainability throughout our whole supply chain. We are in the process of working with our key suppliers to help them conform to the EICC Code of Conduct, which sets specific requirements related to human and workplace rights, ethics, the environment and more.

**Assessing materiality.** Our Company is growing fast, and the world is changing quickly. In 2012, we began to look closely at our sustainability priorities so that we can be sure we are focusing on the issues that are most relevant to our business and to our diverse stakeholders. We expect to report the results of our assessment in 2013.

We have always believed that sustainability is good business. Striving to be a good corporate citizen and ensuring the long-term success of Qualcomm are, in the end, the same goal. The net result, whether through our technology or our sustainability efforts, is that we're helping to change the world for the better.

A handwritten signature in black ink, reading "Daniel L. Sullivan". The signature is written in a cursive, flowing style with a large initial 'D'.

**Dr. Daniel L. Sullivan**

Executive Vice President of Human Resources and Chair, QSR Leadership Committee

# Creating a culture of accountability

By leading with our values, we ingrain responsibility in everything we do. From our Board of Directors to our cross-divisional QSR Leadership Committee, our responsibility efforts begin with the people in charge.

---

## LEADING BY EXAMPLE

As a publicly held company, we are governed by a 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 prudent fiduciaries and oversee our Company's management. Board members are expected at all times to act in accordance with our Code of Ethics.

As of September 30, 2012, twelve 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 leads at all meetings of the Board at which the chair is not present, including executive sessions of the independent directors.

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.



---

## SOCIAL RESPONSIBILITY AT QUALCOMM

### Governance structure dedicated to social responsibility



Social responsibility efforts at Qualcomm are guided by our cross-divisional QSR Leadership Committee, which reports annually to the Governance Committee of our Board of Directors. The Committee's leadership and access to the Board ensures social responsibility issues are an essential component of our business strategy. Four QSR Committees oversee our four areas of focus—Company, Workplace, Community and Environment—and implement the QSR Leadership Committee's directives as companywide practices broadly shared with our stakeholders. In all, our QSR governance structure helps ingrain social responsibility throughout our Company and long-term business goals.

---

## OUR QSR COMMITMENT, PRIORITIES AND GOALS

We've established clear QSR commitments, priorities and goals to define and focus our social responsibility efforts. Our commitment is to:

- Operate with the highest ethical standards
- Be a great place to work
- Be good corporate citizens wherever we conduct business
- Develop technology that positively transforms the world
- Continue to drive value for our stockholders

In 2012, we formalized our goals for each of our QSR focus areas and priorities so that we can continue to

improve our social responsibility efforts, better monitor our progress and report more transparently. We are pleased to share our steady progress on each of these goals.

Additional policies that outline our commitment on specific social responsibilities include:

- [Code of Ethics](#)
- [Environmental Policy](#)
- [Supplier Diversity Policy](#)
- [\*The Qualcomm Way: Our Code of Business Conduct\*](#)
- [\*Electronic Industry Citizenship Coalition \(EICC\) Code of Conduct\*](#)

## OUR COMPANY GOALS

**We meet and exceed industry standards for ethical business practices, product responsibility and supplier management.**

## Governance

Regularly review our corporate governance principles and policies to ensure they serve the best interests of our stockholders and other stakeholders

### 2012 PROGRESS

- Amended the Company's Restated Certificate of Incorporation and amended the Company's Bylaws as a result of a vote by stockholders at the 2012 Annual Meeting to eliminate the plurality voting provision for the election of directors

---

Develop measurable goals and reporting metrics for each of our QSR priorities

### 2012 PROGRESS

- QSR Leadership Committee approved goals to monitor progress of our QSR priorities
- Commenced materiality assessment to determine and prioritize our social responsibility issues

---

## Ethics and Integrity

Require employees to acknowledge our code of business conduct, review the U.S. Foreign Corrupt Practices Act (FCPA) and acknowledge our anticorruption policy, as applicable

### 2012 PROGRESS

- Nearly 100 percent of active employees reviewed and acknowledged *The Qualcomm Way: Our Code of Business Conduct*

- Nearly 100 percent of active employees identified as needing to be aware of our FCPA and anticorruption policies reviewed and acknowledged these policies
- 

Develop and publish Qualcomm's guiding principles on privacy

## 2012 PROGRESS

- Qualcomm strives to foster trust in the use of wireless technologies by helping to enable responsible information privacy and data security practices that are informed by the guiding principles published [here](#).
- 

## Product Responsibility

Develop products taking into account environmental and social impact considerations

## 2012 PROGRESS

- Continued to implement and expand companywide and supplier sustainability initiatives
  - Joined the Electronic Industry Citizenship Coalition (EICC) as an applicant member and adopted the EICC Code of Conduct in our operations
  - Expanded bromine-free and chlorine-free design strategy beyond integrated circuit products
  - Participated in the EICC-GeSI Extractives Work Group and IPC conflict minerals standard development committees and continued to work with industry to develop conflict-free solutions
- 

## Supplier Management

Engage suppliers to advance sustainability efforts, including promoting efficient water uses

## 2012 PROGRESS

- Began engaging with our top suppliers by spend on sustainability issues including but not limited to water, energy, hazardous materials usage, conflict minerals and human rights
  - Upon joining EICC and adopting the EICC Code of Conduct internally, began engaging with our major suppliers on their adoption of the Code
  - Completed a water scarcity assessment of top suppliers by spend
  - Developed supplier engagement strategies to encourage efficient water management
-

Encourage conflict-free sourcing of materials used in products

## 2012 PROGRESS

- Required our top suppliers to source from smelters and refiners listed on the Conflict-Free Smelter list, when practicable
  - Continued to participate in EICC-GeSI Extractives Work Group and IPC standards development committees to foster a conflict-free electronics supply chain
  - Continued developing companywide supplier due diligence measures
  - Internal task force engaged to determine impact of final SEC rule on our Company
- 

## Stakeholder Engagement

Foster ongoing, transparent communication with our key stakeholders

## 2012 PROGRESS

- Held leadership positions on a number of key trade associations and industry partnerships throughout the world
  - Met regularly with policymakers globally to discuss relevant public policy issues
  - Actively engaged with numerous key public policy organizations, including the World Economic Forum, 4G Americas and the United States Council for International Business
  - Worked with investors and research firms to continue enhancing openness, transparency and accountability in a timely manner
  - Improved transparency and disclosure of social responsibility issues
  - Engaged in cross-industry forums to help us identify, adopt and contribute to the development of environmental best practices
  - Participated in discussions about relevant methodologies for tracking, evaluating and reporting environmental performance
-

OUR WORKPLACE GOALS	We provide a safe and healthy work environment where diversity is embraced and various opportunities for training, growth and advancement are strongly encouraged for all employees.
---------------------------	--

## Global Workforce Inclusion

Expand diversity and inclusion efforts globally with a focus on the recruitment, retention and development of traditionally underrepresented minorities and women

### 2012 PROGRESS

- Expanded our QWISE chapters globally
- Offered fellowships, scholarships and summer internships to underrepresented graduate students in engineering through our college internship program, Early Identification Program and student sponsorship in the National GEM Consortium
- Supported professional development programs and networking opportunities targeting women and traditionally underrepresented minorities via our Employee Resource Groups and partnerships with external diversity organizations
- Provided underrepresented youth an opportunity to experience life in a corporate environment through our Hire a Youth program
- Invested financial and human resources, including volunteer mentoring by our employees, in nonprofit organizations providing STEM educational opportunities for underrepresented students

---

Support transition of United States military personnel into corporate workforce

### 2012 PROGRESS

- Implemented Qualcomm Corporate Integration Program, which exposes Wounded Warriors to working in a corporate environment
- Sponsored and supported activities of our Mil-Vets Employee Resource Group, which focuses on recruitment, mentoring and community outreach to military veterans and fosters employee engagement

---

Expand efforts to support opportunities for the employment of people with disabilities within Qualcomm and the community

### 2012 PROGRESS

- Sponsored and supported activities of our disABILITY.resource Employee Resource Group, which supports and educates people with disabilities both within our Company as well as the community as a whole
- Hosted various internal and external events to raise awareness and support the employment of people

with disabilities, such as Jobtoberfest, “Day in a Chair” and Qualcomm mentorship day

---

## Employee Development

Promote global employee wellness and improve overall health and fitness of our employees

### 2012 PROGRESS

- Began Global Employee Health Services program
  - Thousands of employees attended over 1,500 QLife fitness classes at our 19 on-site, commercial-grade fitness facilities or at fitness centers nearby
  - Our on-site headquarters’ clinic, Qualcomm Health Center, offered comprehensive health services, pre-travel consultations, on-site physical therapy and visiting medical specialists to all full-time employees
  - Over 4,000 employees bolstered their immune systems through our annual flu shot program
- 

Provide training globally that enables Qualcomm employees to operate at the leading edge of technology and help them to meet our future business needs

### 2012 PROGRESS

- Introduction of lynda.com
  - Implemented mobile learning strategy
  - Created and promoted internal social media sites
- 

## Ethical Employment

Increase awareness and visibility of human rights principles within our Company, as well as with contracted vendors and key suppliers

### 2012 PROGRESS

- Gave global trainings on *The Qualcomm Way: Our Code of Business Conduct*, a policy that all active employees review and acknowledge
- 100 percent of our security personnel are trained in human rights policies and procedures
- Annual assessment of human rights compliance and risks conducted by legal, finance, employee relations and internal audit departments
- Enhanced our understanding and assessment of human rights issues, including the UN Guiding Principles on Business and Human Rights
- Actively participated in BSR’s Human Rights Working Group

.....

Increase awareness of employee recognition programs and promote increased recognition of employee contributions

**2012 PROGRESS**

- Rolled out “Appreciate Q” program, a resource for employees to appreciate effort, recognize great work and celebrate excellence at Qualcomm
- .....

Provide employees with increased visibility to their total compensation and benefits package

**2012 PROGRESS**

- Total Rewards Value Initiative rolled out to all United States, China and India personnel, which comprises over 85 percent of our workforce
- .....

Workplace Safety

Maintain injury rates below industry average

**2012 PROGRESS**

- Our Total Injury and Incident Rate is 32 percent lower than the industry average
- .....

OUR COMMUNITY GOALS	We grow strategic relationships with a wide range of local organizations and programs that develop and strengthen communities worldwide.
---------------------------	--

Philanthropy

Expand our philanthropic support toward areas of need in alignment with Qualcomm’s growth

**2012 PROGRESS**

- Broadened our philanthropy to new nonprofit organizations in Canada, Europe, Asia, India and the United States
  - Qualcomm Foundation and Qualcomm Incorporated gave a combined \$42 million in grants to support and strengthen communities worldwide
- .....

Volunteerism

Increase employee volunteerism through innovative programs with local nonprofit organizations globally

## 2012 PROGRESS

- Held companywide volunteerism month, QCares Experience, in 23 Qualcomm locations worldwide, enabling more than 1,600 employees to volunteer over 6,500 hours at 52 nonprofit organizations during work hours
  - Hosted online system for nonprofit organizations to promote and encourage board and committee service opportunities directly to our employees
  - 100 percent of our executive leadership is active in the communities where we operate
- 

## Wireless Reach

Create sustainable advanced wireless projects that strengthen economic and social development with a focus on education, entrepreneurship, health care, the environment and public safety

## 2012 PROGRESS

- Wireless Reach currently has 73 projects in various stages of development in 31 countries, each targeted at empowering people through the use of advanced wireless technologies
- 

Support United Nations Millennium Development Goals and help local governments reach their Information and Communications Technology and universal service goals

## 2012 PROGRESS

- In 2012, Wireless Reach began projects that specifically target the following UN Millennium Development Goals: universal education, gender equality, and child and maternal health.
- 

## OUR ENVIRONMENT GOALS

We grow our operations while minimizing our carbon footprint, conserving water and reducing waste.

## Air Quality

Identify opportunities to better track and reduce our direct and indirect greenhouse gas and other significant air emissions

## 2012 PROGRESS

- Publicly reported greenhouse gas emissions for all of our North American facilities for calendar year 2011
- Earned SDG&E's 2012 Clean Transportation Award for our pioneer efforts to implement and promote electric vehicle charging stations



- Installed 17 electric vehicle charging stations at San Diego sites, in addition to the five Raleigh, NC, sites that were implemented in prior year
  - Encouraged and incentivized energy-efficient and alternative commuting, including Company-organized carpool vans/routes
- 

## Energy

Seek innovative and practical methods to improve our energy efficiency

### 2012 PROGRESS

- Received SDG&E's 2012 Energy Champion Award for implementing efficiency projects, resulting in significant energy savings
  - Identified equipment efficiency opportunities for additional energy savings
- 

Increase our contribution to the development of the smart energy ecosystem

### 2012 PROGRESS

- Engaged in cross-industry forums and dialogue on environmental issues, such as Business Council for Sustainable Energy, International Caucus Conservation Foundation, GridWise Alliance and Industrial Environmental Association
  - Presented at and sponsored the National Association of Regulatory Utility Commissioners annual meetings
  - Conducted various webinars, including "Smart Grid Virtual Summit Webinar: 3G Cellular Technologies for Smart Grid Communications," "Qualcomm Webinar: Lessons from the Real World — Comparing Cellular with Other Communication Technologies for Smart Grid" and the "GSMA Webinar: Smart Energy for Smart Cities"
  - Participated in various stakeholder working groups on smart grids
- 

## Waste Reduction

Identify opportunities to increase recycling and decrease amount of waste sent to landfills, as well as continue to implement best practices in hazardous waste disposal

### 2012 PROGRESS

- Earned the 2012 Directors Recycling Award presented by the Mayor of San Diego and the city's Environmental Services Department
- Explored ways to increase overall amount of material recycled in our facilities, including construction materials

- Recycled 100 percent of our hazardous waste in fiscal 2012

---

Maintain recycling of IT-managed e-waste and provide opportunities for our employees to recycle personal e-waste

## 2012 PROGRESS

- Held quarterly e-waste collection events to recycle employees' personal e-waste
  - Recycled 100 percent IT-managed e-waste generated at headquarters
- 

## Water Conservation

Seek additional, practical methods to enhance water conservation and sustainability practices

## 2012 PROGRESS

- Advocated with San Diego County Water Authority for expanded reclaimed water access at our headquarter sites to facilitate increased water recycling
  - Identified opportunities for additional water efficiency utilizing water-saving fixtures, drought-resistant landscaping and other best practices
  - Worked closely with the City of San Diego and the Industrial Environmental Association water committee on water practices and policies
  - At our San Jose and Santa Clara operations, we saved approximately a quarter of a million gallons of water per year using a reverse osmosis/deionized water system, which produces more deionized water with less waste water
- 

## Facilities and Operations

Consider design factors that enhance energy efficiency and sustainable construction

## 2012 PROGRESS

- Earned "LEED India for New Construction Gold" from the Indian Green Building Council for our Bangalore, India, facility
  - Maintained ISO 9001:2008 certification for our San Diego QualClean office cleaning system
  - Began pursuing LEED for two construction projects in San Diego and LEED gold certification for Taiwan factory
  - Maintained Green Restaurant Certification at our corporate cafes in San Diego
- 

Enhance our efforts to utilize energy-efficient IT infrastructure, with a particular focus on our data centers

## 2012 PROGRESS

- Implemented second Performance-Optimized Datacenter (POD), resulting in approximately 1 million kWh and \$130,000 savings annually
  - 95 percent of all new desktops, laptops and monitors are EnergyStar-rated
  - Expanded number of Telepresence systems by 14, totaling 29
- 

## Global Environmental Initiatives

Inspire employees to engage proactively in environmental initiatives in the workplace and beyond

## 2012 PROGRESS

- Hosted our annual on-site Earth Day fair focused on employee participation
  - Promoted and encouraged employee involvement in volunteer projects at environmental nonprofit organizations
  - Received award for recording the most bicycle commute trips per employee in our size category during the San Diego Association of Governments' Bike to Work Month
- 

## REDUCING RISK BY ACTING RESPONSIBLY

Social responsibility is more than the right thing to do. It is also how we and other forward-thinking companies protect against the risks inherent in our business. Below are some of the ways our responsibility efforts are helping to mitigate risk. For further information about risks to our business, please refer to our most recent [Annual Report on Form 10-K and Quarterly Report on Form 10-Q](#).

---

### Risk:

Our revenues are dependent on the commercial deployment of CDMA, OFDMA and other communications technologies and our customers' and licensees' sales of communications equipment, products and services based on these technologies.

## HOW OUR QSR PROGRAMS HELP

We work with businesses, governments and nonprofit organizations to demonstrate the advantages of mobile technologies in solving various social and environmental concerns. Among other efforts, we're involved in the evolution toward a [smart energy grid](#) in the United States that utilizes solutions based on our technology. Our [Wireless Reach](#)<sup>™</sup> program supports efforts that use our technologies to address such issues as poverty, disparities in health care and lack of education around the world. Wherever possible, we're promoting our technologies as part of the solution to some of society's greatest challenges.

---

Risk:

Global economic conditions that impact the communications industry could negatively affect the demand for our products and our customers’ products, which may negatively affect our revenues.

HOW OUR QSR PROGRAMS HELP

By investing in the places where we do business through our global social responsibility 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.

Risk:

Our industry is subject to competition in an environment of rapid technological change that could result in decreased demand and/or declining average selling prices for our products and those of our licensees and/or result in new specifications or requirements placed upon our products, each of which could negatively affect our revenues and operating results.

HOW OUR QSR PROGRAMS HELP

We must continually innovate to compete successfully. The key to our innovation can be summed up in two words: our people. We help ensure access to the innovators who will define and lead our industry in coming years by recruiting the best minds in the industry; building a workforce characterized by a diversity of perspectives; maintaining a workplace culture that has been recognized as being among the best in the world; and treating employees fairly, rewarding them well and investing in their continued development. 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.

---

## Risk:

We may not be able to attract and retain qualified employees.

### HOW OUR QSR PROGRAMS HELP

As noted previously, our success depends on our ability to attract, retain and motivate qualified personnel at all levels of our Company and in all of our locations worldwide. Workplace initiatives designed to increase on-the-job health and safety, promote inclusion, encourage work-life integration and enhance professional development all help make us an employer-of-choice for the world's top talent.

---

## Risk:

We are subject to government regulations. Our business may suffer as a result of changes in laws or regulations, our failure or inability to comply with laws or regulations, or adverse rulings in enforcement or other proceedings.

### HOW OUR QSR PROGRAMS HELP

Through *The Qualcomm Way: Our Code of Business Conduct*, which we require all employees to read and acknowledge, we make ethical and regulatory requirements clear and reduce the risk of noncompliance, corruption or ethical breaches. Similarly, our QCT business' *Supplier Code of Conduct* makes explicit our expectations regarding regulatory compliance and ethical behavior among our suppliers. Our ongoing efforts to make our products increasingly safe and sustainable reduce the likelihood that we will violate environmental and safety regulations. Finally, our engagement in developing public policy helps us stay well abreast of any regulations or other policies that could affect our business and, in some cases, enables us to shape policy in ways that are advantageous to our industry.

# Following the rules, even as we change the game

Lasting success is built on integrity. In an exponentially growing industry where boundaries sometimes blur and innovations can create new questions, our high ethical standards, values-based culture and *The Qualcomm Way: Our Code of Business Conduct* guide all of us at Qualcomm as we strive to do the right thing.

---

## GOING GLOBAL WITH *THE QUALCOMM WAY: OUR CODE OF BUSINESS CONDUCT*

Across our Company, we make it clear that we are committed to upholding the highest ethical standards in everything we do. Still, as workers in a complex and quickly evolving industry, our employees can often use a guide to help them navigate ethical matters. Fortunately, they have one in *The Qualcomm Way: Our Code of Business Conduct*.

*The Qualcomm Way: Our Code of Business Conduct* advises employees on the ethical and legal situations they face daily and sets forth the behaviors expected of all of us. We fully revised and updated *The Qualcomm Way: Our Code of Business Conduct* in 2010, making it comprehensive and more user-friendly. In early 2011, we made *The Qualcomm Way: Our Code of Business Conduct* available to every Qualcomm employee worldwide. We also required that every employee electronically acknowledge that they have read it through our online learning portal.

---

“We weave integrity into everything we do. Ethical conduct is a core value that is evidenced throughout the organization. We’re proud of our tradition of ethical behavior and the best practices exemplified by employees in all parts of the world.”

**DAN SULLIVAN,**  
EXECUTIVE VICE PRESIDENT, HUMAN RESOURCES

---

In 2012, we continued our *Qualcomm Way* trainings around the world. These in-person, interactive trainings did more than reiterate the content of *The Qualcomm Way: Our Code of Business Conduct*. They facilitated dialogue, employing hypothetical situations that showed employees how ethical issues are not always clear-cut in a global economy where customs and regulations vary. The trainings also encouraged openness and collaboration in ethical matters and informed employees about multiple channels for raising concerns about such issues. Nearly 2,000 employees have participated in our trainings, since they began in June 2011.

---

## MAKING IT EASIER TO REPORT ETHICAL CONCERNS

We foster an open-door culture and want our employees and business associates to know that they can report ethical concerns without fear of retaliation. Our Business Conduct Hotline enables employees and others to get information about our ethical guidelines and to register concerns about our business practices. In 2011, we expanded the hotline to offer toll-free calling for employees outside the United States. The hotline also accommodates callers who speak languages other than English. In addition to the expanded phone line, we introduced a new online business conduct reporting system for employees. Online or by phone, employees can report concerns anonymously where the law allows.

In 2012, we made it easier to report concerns by launching posters and badge cards that provide employees with a quick reference on how to use our Business Conduct Hotline. We also added a new tool enabling employees to raise concerns directly to our ethics committee members via our internal website.

---

## WORKING PROACTIVELY AGAINST CORRUPTION

We annually evaluate our Company for risks related to corruption. We also assess additional areas on a case-by-case basis. All employees determined to be in positions where corruption may be a risk are required to regularly review and certify compliance with our anticorruption policies.

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 other laws, including those that regulate our conduct in the marketing of our products, services and technologies in the international marketplace.

---

**There has never been any legal case for corruption brought against our employees or our Company.**

---

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 regularly 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 49 percent of our workforce. To date, nearly 100 percent of those employees have responded and reported compliance with the policy.



## THINKING AHEAD

### Helping to foster trust in the use of wireless technologies

At Qualcomm, we envision a world where powerful, easy-to-use wireless devices are tailored to end-users' individual needs and preferences. We believe that personalization of the wireless experience brings a wide array of benefits to both individuals and enterprises. Cultivating trust through a foundation of security and privacy practices helps drive broader adoption and more personalized wireless technology offerings.

We strive to foster trust in the use of wireless technologies by helping to enable responsible information privacy and data security practices that are informed by the following guiding principles:

- Transparency in the collection, use and sharing of personal information
- Providing or enabling meaningful choices over the collection, use and sharing of personal information
- Providing or enabling value to consumers when using their personal information
- Safeguarding personal information from existing and emerging threats
- Responsible stewardship of personal information

In addition to developing our privacy principles, we also expanded our internal privacy group in 2012. The group includes dedicated privacy attorneys and specialists who are Certified Information Privacy Professionals. Our privacy group is advised by a cross-divisional steering committee, which



addresses privacy from the multiple perspectives that characterize our diverse Company. In addition, more employees throughout our Company have received certification through the [International Association of Privacy Professionals](#), increasing the number of “privacy champions” across our operations.

Our guiding principles on privacy are being integrated in multiple “privacy checkpoints” built into our engineering and production processes.

Most often, the ultimate responsibility for protecting user privacy rests largely with our customers—the companies who make wireless devices and develop wireless applications. Even so, our products are designed with privacy in mind.

One example is our [2net™ Platform](#) from Qualcomm Life. 2net is a set of wireless health solutions that capture medical device data from nearly any wireless medical device and deliver them to integrated portals or databases for storage in a system designed for security. We carefully designed 2net to meet stringent [HIPAA](#) security requirements, ensuring information sharing among providers, patients and payors without compromising patient privacy.

Gimbal™, our context awareness platform for Android and iOS devices, helps preserve privacy by enabling application developers to offer users greater personalization without sacrificing privacy. Our TrustZone chipset solution enables mobile payment, conditional access and protection of storage media through advanced security options.

In addition to addressing privacy in our products, we are part of the global conversation about privacy. We lend our voice through trade associations such as [CTIA](#), [Tech America](#) and [Digital Europe](#). We also sponsor organizations that promote responsible information privacy practices, including the [Future of Privacy Forum](#), the [Center for Democracy and Technology](#) and the [International Association of Privacy Professionals](#).

# Making our voice heard

To help promote innovation and protect our business interests, we participate in the crafting of public policy by supporting certain U.S. political candidates and advocating for certain policy positions. We are transparent in our public policy work, and we follow all applicable laws and regulations regarding political contributions.

---

## HOW WE ENGAGE IN THE POLITICAL PROCESS

Qualcomm is committed to abiding by all applicable laws and regulations regarding political contributions and expenditures throughout the world. In addition, the Company's political contributions are subject to the approval of senior management and oversight by the Governance Committee of the Board of Directors. For more information please see our [Political Contributions and Expenditures Policy](#).

---

## OUR POLICY POSITIONS

In 2012, we continued our engagement in policymaking at the international, federal, state and local levels. Here is a brief summary of some of our policy positions:

---

### Competition policy:

As a global company, we support open and competitive markets. Today there exist more than 100 antitrust agencies with different degrees of enforcement experience, legal systems and procedural requirements.

We advocate that government competition regulators/enforcers adhere, to the maximum extent, to common principles in order to minimize legal divergence and economic distortions across borders and to promote commercial diffusion of technology and consumer welfare. We support dialogue within and between governments to enhance transparency, promote sharing of best practices in the areas of procedural fairness and rigorous economic analysis of alleged anticompetitive conduct and effects and encourage substantive alignment on the intersection of complex legal and business issues, especially in the areas of intellectual property licensing and standards.

---

## Cybersecurity:

Cybersecurity is a high priority at Qualcomm because it affects almost every aspect of our business. To reflect today's borderless, interconnected cyber-environment, we support cybersecurity proposals that are technology-neutral, flexible enough to promote innovation and global in nature.

As governments and the IT industry work together to develop cybersecurity risk-management strategies, it is essential that all strategies protect personal information. We also believe one of the most critical components of cybersecurity policy is the appropriate sharing of actionable information among the public and private sectors. We have advocated for legislation that would encourage such information-sharing.

---

## Education:

We fund numerous educational programs and projects worldwide, and advocate for policies that improve education, particularly in the areas of science, technology, engineering and math (STEM).

A specific area of focus is the role of mobile broadband in improving educational outcomes. Qualcomm supports the U.S. Department of Education's National Education Technology Plan and the Federal Communications Commission's National Broadband Plan, which include cloud computing and mobile devices as fundamental components of educational infrastructure. For more information about specific programs we've funded to promote access to mobile broadband technologies to improve education, visit our [Wireless Reach](#) site.

---

## Intellectual property and patent reform:

As a technology developer and enabler, we depend on strong intellectual property (IP) protections and patent systems that promote innovation and reward companies that focus on developing inventions that enable new products and services to come to market.

We support patent reforms that improve patent quality and patent office operations, including reducing pendency and backlogs of patent applications. We also advocate for standards and government funding/procurement policies that catalyze ongoing innovation and promote competition between different technologies and business and IP-licensing models.

---

## Mobile broadband:

As a wireless innovator, we have a significant stake in policies seeking to promote mobile broadband. Mobile phones are ubiquitous and arguably the most pervasive technology platform in history.

The majority of the world's population will experience the Internet predominantly or exclusively over a mobile device. Yet the full potential of mobile communications technologies is not yet being realized. We're

doing our part to raise awareness and demonstrate different applications of mobile technology as a tool to promote economic inclusion and entrepreneurial development in emerging economies. Through our collaboration with organizations in our Wireless Reach projects and participation in the U.S. Telecommunications Training Institute (USTTI), World Economic Forum (WEF), International Telecommunications Union (ITU) Taskforce on Broadband and other forums, we are also helping to educate the next generation of leaders in emerging regions of the transformative power of wireless technologies.

In addition, we work to educate policymakers around the world about the need to make more spectrum available, given the virtual explosion in wireless data usage that we have witnessed and anticipate continuing. In the United States, we strongly support 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. In addition, we advocated for legislation to provide the FCC with the authority to conduct voluntary incentive auctions, which has the potential to free up as much as 120 MHz of high-quality spectrum for mobile broadband.

.....

Tax:

As a multinational company, we support tax policies that allow us to compete effectively in a global economy, such as proposals that would adopt a territorial system for taxing foreign income and reduce the corporate tax rate.

We also support policies to encourage research and development (R&D) in the United States, including making the U.S. R&D tax credit permanent.

.....

Trade:

We support the increase of global commerce through new agreements to open markets for trade and investment. We are supportive of an ambitious, pro-growth trade policy and advocated in favor of the bilateral free-trade agreements with Colombia, Korea and Panama that were ratified in 2011.

We encourage the completion of the World Trade Organization Doha Round trade pact with ambitious and balanced results as well as other trade initiatives, including the Trans-Pacific Partnership.

.....

Workforce:

We advocate in favor of 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 in which there is often a shortage of qualified U.S. workers.

In addition, we offer excellent benefits to our employees and closely monitor policy proposals that affect our ability to continue to offer best-in-class health care coverage and other critical employee benefits. We support policies that encourage diversity in the workplace, including enactment of the Employment Non-Discrimination Act, which would enact a federal ban on employment discrimination on the basis of sexual orientation and gender identity.

# Respecting people and the planet as we innovate

Our social responsibility begins with our products—in the contributions they make to society and in the care we take in developing them.

---

## PRACTICING PRECAUTION

Our technology enables devices that empower people and improve lives in numerous ways. Wireless technology is bringing education and opportunity to underdeveloped and remote areas of the globe. It is helping to improve transportation, reduce energy consumption, produce food more efficiently and better connect people.

As mobile technology continues to benefit society in new and often unexpected ways, companies like ours must ensure that the materials used in wireless devices don't harm human health or the environment. That's why we address the environmental, health and safety effects of our products. Across our Company, 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. Our own policies are often more stringent than applicable law. We continuously monitor opportunities to improve our products and make them as sustainable as technically and economically feasible.

---

# 100%

of our products are subject to our environmental management system or our various programs for eliminating hazardous substances.

---

We also apply the precautionary principle to the products added to our portfolio as a result of acquisitions. Our 2011 acquisition of Atheros Communications and 2012 acquisition of Summit Microelectronics greatly expanded our portfolio of integrated circuit (IC) products. We assessed those products to ensure that they comply with all applicable laws and also meet our standards for environmental and social responsibility.

---

## MAKING OUR PRODUCTS LEAD-FREE

The health and environmental hazards of lead are well documented. We have been proactive in removing lead from our products for more than a decade. Following our successful and proactive introduction of lead-free flip-chips in 2010, we now incorporate lead-free design in all new IC products, whenever technically and economically feasible.

---

### Our lead-free innovations

1999

We began exploring lead removal from our IC products, well ahead of European regulation.

2003

We became one of the leading IC makers to introduce lead-free chip-scale package products.

2006

The European Union's Restriction on Hazardous Substance (RoHS) Directive, restricting lead in electrical and electronic equipment, took effect.

2010

We introduced several lead-free flip-chip IC products.

Today

We incorporate lead-free design into new IC products, whenever technically and economically feasible.

---

## HAZARDOUS SUBSTANCES WE DON'T USE

We began prohibiting and restricting the intentional use of certain hazardous substances in our semiconductor business' integrated-circuit product design in 2003. Today our list of prohibited or restricted substances has grown to include 29:

Antimony

Asbestos

Azo compounds

Brominated flame retardant and chlorinated flame retardant

Bromine

Cadmium and cadmium compounds

Chlorinated paraffins (CP)

Chlorine

4,4'-Diaminodiphenylmethane (MDA)

Diarsenic pentoxide (As<sub>2</sub>O<sub>5</sub>)

Diarsenic trioxide (As2O3)  
Formaldehyde  
Hexabromocyclododecane (HBCDD) and all major diastereoisomers  
Hexavalent chromium compounds  
Lead and lead compounds  
Mercury and mercury compounds  
Mirex (perchlorodecane)  
Organic tin compounds (tributyl tin, tributyl tin oxide and triphenyl tin)  
Ozone-depleting substances  
Perfluorooctane sulfonates (PFOS)/Perfluorooctanoic acid (PFOA)  
Phthalates (DEHP, DBP, BBP)  
Polybrominated diphenyl ethers (PBDEs)  
Polybromobiphenyls (PBBs)  
Polychlorinated biphenyls (PCBs)  
Polychlorinated naphthalenes (PCNs)  
Polyvinyl chloride (PVC) and PVC blends  
Radioactive substances  
5-tert-butyl-2, 4,6-trinitro-m-xylene (Musk xylene)  
Tetrabromobisphenol A (TBBPA)

In addition to the substances we've prohibited for use in our products, we strive not to use the [EU REACH Substances of Very High Concern](#) candidates or the regulated substances listed in the [Joint Industry Guide \(JIG-101 Ed. 4.1\)](#) in the manufacture of our products.

---

## ELIMINATING BROMINE AND CHLORINE

Although the law does not prohibit the use of all brominated and chlorinated compounds in our products, we have been proactive in eliminating them because of the potential hazards they pose.

2003

We incorporated bromine-free mold compounds.

2009

All new IC products began incorporating a bromine/chlorine-free package design.

2010

We converted a number of high-volume legacy products to bromine/chlorine-free designs, including our single-chip solution and MSM7xxx Series products.



# Today

We have extended bromine/chlorine-free design to our non-IC products, including our embedded Gobi 3G module for notebooks and netbooks. All new Gobi designs are bromine-free and chlorine-free.

---

## COMPLYING WITH REGULATIONS

We strive to comply with all applicable laws wherever we do business. Among the ways we comply:

- All of our IC, Gobi and new European fleet management products are in compliance with the EU RoHS Directive and perfluorootanoic acid/perfluorootanoic sulfonate (PFOA/PFOS) Directive.
- We strive not to have EU REACH Substances of Very High Concern candidates used in the manufacture of our products.
- QES products manufactured and shipped for the European market comply with the EU Waste Electrical and Electronic Equipment (WEEE) Directive.
- Our chipset products fully comply with the 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 Catalogue-listed products.

---

In 2012, we had no fines for noncompliance with laws and regulations concerning the provision and use of our products and services.



## THINKING AHEAD

### Bringing greater transparency to mineral sourcing

In 2010, the U.S. Congress enacted the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank), which required the U.S. Securities and Exchange Commission (SEC) to issue rules requiring certain companies to disclose their use of “conflict minerals”—tantalum, tin, gold or tungsten—that originated in the Democratic Republic of the Congo (DRC) or adjoining countries. In 2012, the SEC adopted rules requiring such companies to disclose their use of such minerals. Companies, including ours, will be required to report on their use of conflict minerals beginning in 2014.

We want our products to be DRC conflict-free. Even before the enactment of Dodd-Frank, we began working with peers and suppliers to develop systems to assist the electronics industry to be able to produce products without minerals that benefit armed groups in the DRC or adjoining countries whose activities are linked to human rights violations and environmental degradation. To produce DRC conflict-free products and comply with the SEC rule mandated by Dodd-Frank, we have:

- Implemented a DRC conflict-free minerals policy and published it on [our website](#).
- Developed a compliance strategy and schedule.
- Engaged with suppliers to educate them about Dodd-Frank and U.S. SEC regulations.
- Educated suppliers about the [Organisation for Economic Co-operation and Development \(OECD\) Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas](#).
- Actively participated in the [Electronics Information Citizenship Coalition \(EICC\)-Global e-Sustainability Initiative \(GeSI\) Extractives Work Group](#) since 2010, which enables us to work collaboratively with other electronics industry companies and leverage common tools in achieving

a DRC conflict-free supply chain.

- Helped develop and began using the [EICC-GeSI Conflict Minerals Reporting Template](#) to collect sourcing information and to communicate that information to our customers. We have shared our conflict minerals sourcing information with customers since March 2012.
- Joined the [Public-Private Alliance for Responsible Minerals Trade](#) to contribute to the development of a clean-minerals sourcing program in the DRC and surrounding areas.
- Supported the [Conflict-Free Smelter \(CFS\) Program](#).

# Helping suppliers meet our standards

Our responsibility extends beyond our direct operations. Because our semiconductor business greatly depends on suppliers for the manufacture of our integrated circuit (IC) products, suppliers play a crucial role in determining our ability to offer products that are socially responsible. So we're keenly interested in making sure our suppliers meet our standards for social responsibility and sustainability.

---

## MAKING OUR EXPECTATIONS CLEAR

In addition to requiring that each of our direct IC manufacturing suppliers has an ISO14001-certified environmental management system, we work with each IC manufacturing supplier in various stages of design and manufacturing to ensure compliance with applicable global environmental legislation and various environmental initiatives.

In 2012, we continued implementation of our *Supplier Code of Conduct* we launched in 2010. The Code describes our expectations of our IC suppliers. It promotes safe working conditions, respectful treatment of workers and responsible environmental operations, and it outlines our requirements for such areas as labor, health and safety, the environment, business ethics and more. The Code embodies the principles outlined in the [Electronic Industry Citizenship Coalition \(EICC\) Code of Conduct](#).

---

## WORKING TOWARD A DRC CONFLICT-FREE SUPPLY CHAIN

We share the world's concern about minerals mined in conflict areas of the Democratic Republic of Congo (DRC); we want our supply chain to be DRC conflict-free. We have been working since 2010 with our peers and suppliers in an effort to create DRC conflict-free supply chains.

We are working to implement the five-step framework described in the [Organisation for Economic Co-operation and Development \(OECD\) Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas](#). We also contribute to industrywide efforts such as development and implementation of the [Electronic Industry Citizenship Coalition \(EICC\) and Global e-Sustainability Initiative \(GeSI\) Conflict Minerals Reporting Template](#) and the [Conflict-Free Smelter \(CFS\) Program](#). Through the CFS Program, an independent, third-party auditor evaluates the procurement activities of smelters and refiners to determine whether the smelter or refiner can demonstrate DRC

conflict-free sourcing.

To help suppliers understand and meet our expectations, our semiconductor business unit implemented Conflict-Free Minerals Requirements for Suppliers. The requirements are based on the OECD Due Diligence Guidance’s five-step, risk-based due diligence strategy.

In 2012, we surveyed the semiconductor business’s direct suppliers to assess their conflict minerals usage, the state of smelters and refiners in the supply chain, and their preparedness for achieving DRC conflict-free status. As more smelters and refiners are validated through the CFS Program, we, as well as the entire electronics industry supply chain, will move closer to achieving validated DRC conflict-free status. In the meantime, we intend to work with direct suppliers and smelters and refiners to advocate for participation in the CFS Program. Our membership in the [EICC-GeSI Extractives Work Group](#) will continue to aid greatly in that effort.

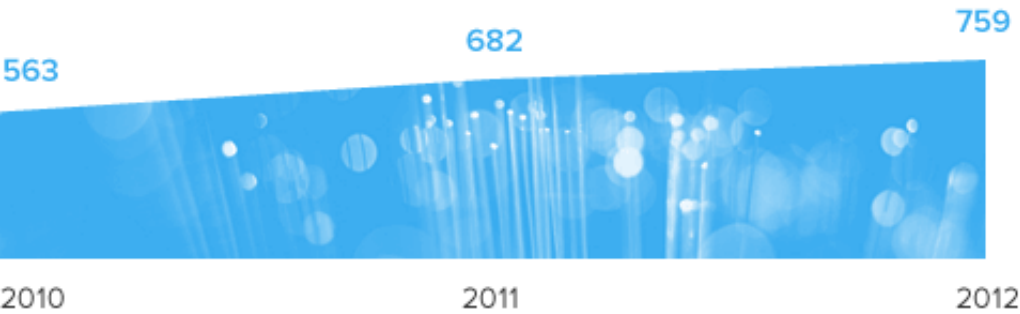
---

## INCREASING DIVERSITY AMONG OUR SUPPLIERS

In 2012, we continued to increase the diversity of our suppliers, reaching out to small, disadvantaged and minority-owned businesses; businesses owned by women, veterans and people with disabilities; and businesses situated in historically underutilized business zones. Including such suppliers in our supply chain makes us a stronger company. Not only do we benefit from a variety of capabilities and perspectives, we also gain the value of unique, entrepreneurial customized services that many of these suppliers provide. Contracting with such suppliers also helps support local economies—an important consideration in the midst of a global economic slowdown.

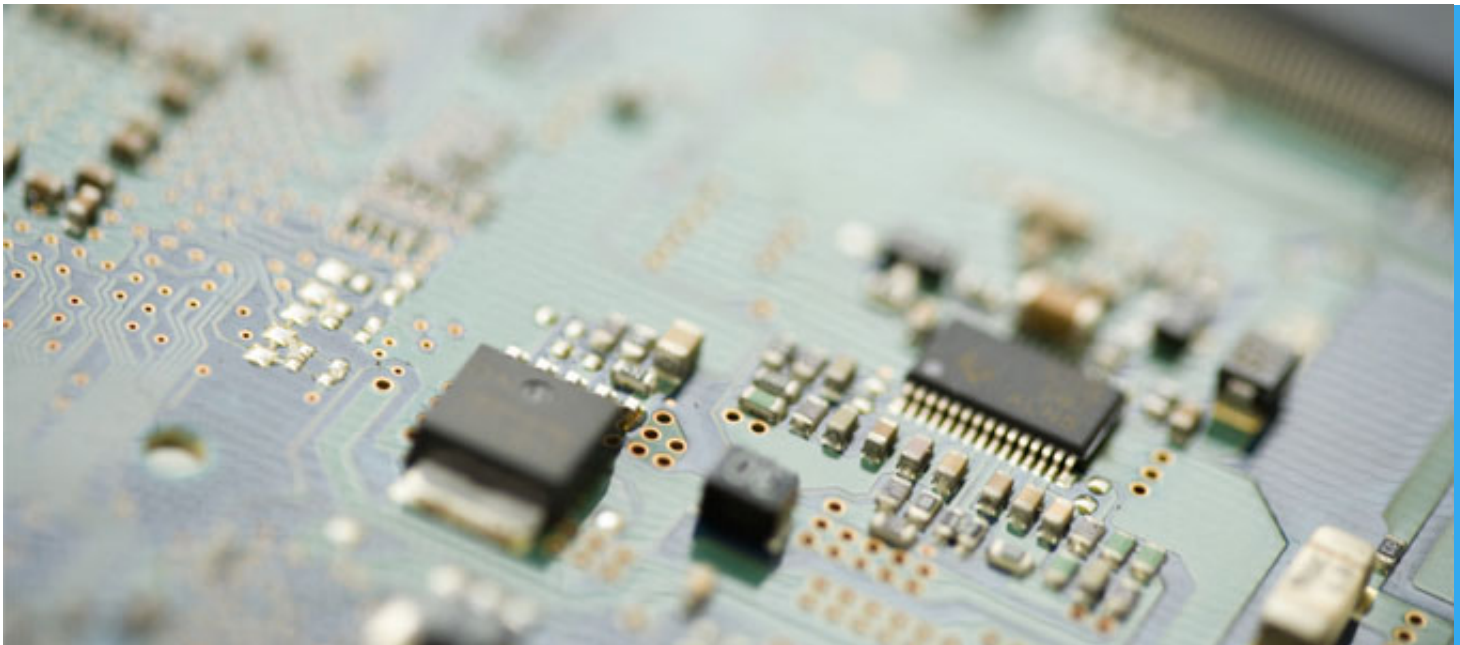
---

### Number of Registered Global Diverse Suppliers



In 2012, we:

- Provided Qualcomm's business units with comprehensive training demonstrating the benefits of engaging diverse businesses. We also made it easier for managers and procurement personnel to engage diverse suppliers through our database of registered suppliers.
- Encouraged suppliers to register their businesses with the System for Award Management (SAM) site, a free federal government database that gives suppliers' businesses greater visibility to Qualcomm and many other global prime contractors. We also continued to encourage potential suppliers to register on our own supplier site, which our employees use when seeking new suppliers for open subcontracting work.
- Participated in monthly networking events that give our personnel and suppliers a chance to connect with one another. We continued to work with national diverse supplier support agencies that provide suppliers with free counseling, workshops and training programs.



## THINKING AHEAD

### Advancing supplier sustainability throughout our industry

In 2012, we took an important step toward supplier sustainability by joining the Electronic Industry Citizenship Coalition (EICC) as an applicant member. EICC is a worldwide association of electronics companies working together to improve efficiency and social, ethical and environmental responsibility in the global electronics supply chain.

Joining EICC gives us a voice in an important industry forum. It also connects and aligns our sustainability efforts with those of similar companies. Perhaps most importantly, membership will enable us to employ EICC's tools and best practices for assessing and improving sustainability among key electronics industry suppliers. By tapping into EICC resources and working



collaboratively with our peers, we'll build greater momentum toward improved transparency and sustainability among our industry's common suppliers.

"As mobile technologies continue to benefit society in new and often unexpected ways, it is important that companies like ours collaborate with key stakeholders to foster sustainability throughout the supply chain," notes Jim Lederer, executive vice president of Qualcomm Technologies, Inc., and general manager of QCT. "Our membership in EICC is part of our broader commitment to social responsibility, which is an important part of our corporate culture."

As a condition of membership, EICC members must adopt the [EICC Code of Conduct](#) and must require their suppliers to do the same. Our existing *Supplier Code of Conduct* is consistent with the EICC code; in fact, some aspects of our code exceed EICC requirements. We are committed to helping our key electronics manufacturing suppliers adopt and implement the EICC code, which will move us toward full membership in the EICC. Read more about EICC membership requirements [here](#).

# Remembering to listen

To be effective, our social responsibility efforts must be collaborative and consider all relevant perspectives. That's why we consistently seek the input and opinions of those who have a stake in our Company and its actions.

---

## HOW WE ENGAGE OUR STAKEHOLDERS

Much of what you're reading in this report is the result of an ongoing conversation with a diverse range of people who shape and influence our social responsibility policies and initiatives: employees and investors, customers and suppliers, government officials and representatives of nonprofit organizations, and more. We think carefully about what information to share in this report. We make sure it is important to our business and also addresses the issues our stakeholders care about.

Fostering regular, transparent communication not only helps our reporting, but it also makes us a smarter, better informed and more competitive company. Some of the ways we stay in touch are:

---

### EMPLOYEES

- Our open-door policy enables employees to bring concerns to superiors—up to and including our chief executive officer—anytime.
- We conduct regular employee surveys to better understand what our employees think and want.
- We hold semiannual all-hands meetings and webcast them companywide. Each meeting includes employee question-and-answer sessions.
- Our executives communicate regularly about the importance of doing business with integrity.
- Through video messages and interviews throughout the year, our senior executives help employees understand our company strategy, industry position and financial performance.
- We hold regular executive breakfasts open to all employees.
- Employee Resource Groups serve as forums for dialogue and promote diversity and inclusion.
- We hold on-site fairs, tradeshow and presentations throughout the year that enable employees to learn about our Company programs and our products, services and technologies—and how they make an impact on the world.
- *QC Daily News*, our daily internal newsletter and website, reports the latest from across our Company.



- We maintain a corporate intranet, updating it regularly with fresh and useful information.
- We distribute *The Qualcomm Way: Our Code of Business Conduct* online and in print and require all employees to acknowledge that they've read it and will report any known or suspected violations or concerns.
- Our Business Conduct Hotline is a dedicated 24-hour phone line and web reporting resource that can be used to communicate any questions or concerns with the Company. It is administered by an independent company to help ensure that issues and concerns can be reported anonymously where permitted by law.
- Internal communications vehicles enable our leadership to communicate to employees around the world.
- Q-Alerts deliver and confirm delivery of emergency information via mobile phone, home phone, text and e-mail.
- Our emergency hotline provides information and instructions in the event of an emergency.
- International SOS provides emergency and non-emergency medical information for employees on business travel.
- We encourage innovation through our Qualcomm Innovation Network and annual Venture Fest competition.
- We publish the *Annual Report About People*, an internal publication showcasing the culture and achievements of employees at our locations worldwide.
- We offer opportunities for employees to participate in discussions with public officials.

---

## INVESTORS

- We hold quarterly earnings conference calls and issue quarterly communications to report on our Company's progress.
- We report on each year's financial results, articulate our vision of the future and respond to investor questions and concerns at our annual stockholders' meeting.
- We hold an annual meeting with analysts to update them on our progress, share insights about our Company's future and answer their questions.
- We regularly file information with the U.S. Securities and Exchange Commission as required by law.
- We participate in investor conferences and tradeshow and meet regularly with investors at "roadshows" and in our corporate offices.
- Our investor relations team engages with investors on a less formal basis throughout the year.

---

## SUPPLIERS AND CUSTOMERS

- We connect with customers and suppliers regularly through business meetings, industry conferences and symposiums and networking events.
- We participate in industry tradeshows and conferences.
- We maintain our own online registry for small and diverse businesses and encourage such businesses to register with the System for Award Management site as well.
- We're proactively involved with local supplier support agencies and development councils.
- We've undertaken strategic initiatives to expand our active supplier pool of small and diverse businesses.
- We advocate in support of small and diverse businesses.

---

## GOVERNMENTS

- We advocate for public policy in our Company's interest.
- We host subject-specific informational sessions and conferences for government officials.
- We participate in working groups and agency taskforce initiatives.
- As part of our Wireless Reach initiative, we work with government stakeholders to assist them in using wireless technology to implement public programs, helping governments reach their ICT goals.

---

## COMMUNITIES AND NONPROFIT ORGANIZATIONS

- We engage nonprofits through our philanthropy, employee volunteerism and other global social responsibility programs.
- We take part in philanthropic collaboratives with other grantmaking entities. We're part of many public-private alliances, and we regularly engage the nonprofit sector in open dialogue.
- We're engaged in programs and projects with educational institutions worldwide.
- Our employees serve on boards and committees of nonprofit organizations.

### How We're Doing: Stakeholder Feedback

As part of its review of our *2010 Social Responsibility Report*, ISOS Group LLC, our third-party assurance provider, conducted a survey gauging stakeholder perceptions of our social responsibility reporting and programs. Here's some of what we learned:

- Most respondents rated our reporting as "excellent" or "very good." They also gave us high

marks for our ability to receive stakeholder feedback.

- Respondents told us the strongest sections of the report were the Ethics and Integrity and Wireless Reach sections. Our Education and Training, Ethical Employment and Workplace Safety sections were also highly rated.

# The company we keep

Issues related to responsibility are often far-reaching and complex, and no single company can hope to resolve them alone. To inform and improve our efforts, we work with a wide variety of industry and civic organizations on issues touching virtually every aspect of our business. On occasion, we are honored by peers or stakeholders for our work, and we have appeared regularly in various rankings and on “best of” lists.

---

## OUR AWARDS AND RECOGNITION

We have earned a distinguished reputation over the years. 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 consecutively since 1999. 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	Information Technology Industry Council	TechAmerica China RoHS Steering Committee
American Chambers of Commerce (worldwide)	Institute for Supply Management	Telecom Council Silicon Valley
American Council for International Personnel	Intelligent Transportation Society of America	Telecommunications Industry Association
American Trucking Associations	International Association of Privacy Professionals	U.S. ASEAN Business Council
BIOCOM Business Roundtable	International Telecommunications Union	U.S. Brazil Business Council
CommNexus	National Association of Purchasing Management—San Diego	U.S. China Business Council
The Conference Board	San Diego Regional Chamber of Commerce	U.S. Council for International Business
Consumer Electronics Association	San Diego Supplier Development Council	U.S. India Business Council
CTIA—The Wireless Association	Semiconductor Industry Association	U.S. Russia Business Council
Digital Europe	Software & Information Industry Association Education Division	U.S. Taiwan Business Council
Electronic Industry Citizenship Coalition (EICC)		World Economic Forum
European American Business Council		

## Our workplace memberships

American Industrial Hygiene Association	DRII—The Institute for Continuity Management	National Center for Women and Information Technology
American Management Association	Equal Employment Opportunity Impact	National Industry Liaison Group
American Society for Quality	Ethics and Compliance Alliance	National Serve Safe Foundation
American Society for Training & Development	Ethisphere	Organization Design Forum
American Society of Safety Engineers	Executive Leadership Council	Organization Development Network
BSR's Human Rights Working Group/li>	HR Strategy Forum	Pacific Safety Council
Building Service Contractors Association International	The Institute for Corporate Productivity (I4CP)	Risk Insurance Management Society
Business Continuity Institute	International Association of Emergency Managers	Society for Industrial and Organizational Psychology
Business Ethics Leadership Alliance	International Executive Housekeepers Association	Society of Human Resource Management
Corporate Ethics Leadership Council	Lawyers Committee for Civil Rights Under Law	U.S. Business Leadership Network
Direct Employers Association	National Association of Industrial and Office Properties	

## Our community memberships

BSR	HandsOn Network/Points of Light	San Diego Association of Contingency Planners
Committee Encouraging Corporate Philanthropy	International Society for Technology and Education	San Diego Grantmakers
Consortium of School Networking	Mais Unidos, United States Agency for International Development	Sorrento Valley Consortium
Council on Foundations	ReadySanDiego	

## Our environmental memberships

American Institute of Architects	GridWise Alliance	San Diego Foundation
Business Council for Sustainable Energy	Industrial Environmental Association	Climate Initiative Professional Advisory Board
California Center for Sustainable Energy	International Association of Culinary Professionals	San Diego Regional Sustainability Partnership
The Climate Registry	International Conservation Caucus Foundation	Semiconductor Industry Association ESH Committee
Digital Energy Solutions Campaign	International Facility Management Association	Simon Institute
EICC-GeSI Extractives Work Group	International Special Events Society	Smart Grid Interoperability Panel
Environmental Leadership Council of Information Technology Industry Council	National Association of Fleet Administrators	United States Council for International Business Environment Committee
Green Restaurant Association	National Restaurant Association	United States Green Building Council



# OUR WORKPLACE

FULL SECTION



Every innovation begins with an individual. And it takes thousands more minds to bring a breakthrough to life. People are Qualcomm's most valuable asset. The most important determiner of our future is how we support and reward our employees today.

#### GLOBAL WORKFORCE INCLUSION



118 nationalities are represented by our employees around the world

#### EMPLOYEE DEVELOPMENT



#### ETHICAL EMPLOYMENT

We have never been found to have unlawfully discriminated against any of our employees

#### WORKPLACE SAFETY

**43%** in illness and injury rate  
**DECREASE** from 2011

#### GLOBAL EMERGENCY MANAGEMENT



Keeping our people safe during emergencies is our primary goal

# Inspiration and insight from a mix of minds

Defining the next generation of mobile technology demands a range of perspectives and talents. That's why we began assembling a diverse workforce in our earliest days, and why we developed our Global Diversity and Inclusion philosophy, an award-winning approach to building a workforce that mirrors our values as well as those of the mobile-using public.

---

## INTEGRATING INCLUSION ACROSS OUR COMPANY

Today, diversity and inclusion are thoroughly woven into our culture—from major initiatives like recruiting, Employee Resource Groups and diversity training, such as our new cultural competency classes, and dining facilities specializing in cross-cultural cuisine. Diversity and inclusion are also at the heart of our policy on affirmative action, which you can read [here](#).

59% of Qualcomm employees identify themselves as a minority\*



118 nationalities are represented by our employees around the world

67 languages are spoken by Qualcomm employees

\*U.S. employees only

---

More than 3,600 employees received 6,555 hours of employee relations training.

---

## RECRUITING AND RETAINING WOMEN

In the technical arena, men largely outnumber women. Therefore, recruiting and retaining female talent remains a high priority for us. Qualcomm Women in Science and Engineering (QWISE), our Employee Resource Group for women, plays a key role in recruiting and supporting professional development of women at Qualcomm. Two QWISE programs have been especially effective: the *Women's Mentoring Program*, which pairs up-and-coming women at Qualcomm with more senior female and male colleagues; and *QC Spotlight*, which provides networking opportunities with internal experts.

---

In 2012, Chennai, India, and Singapore launched chapters of QWISE. In 2013, Canada will be joining the QWISE family.

---

In 2012, QWISE celebrated its sixth anniversary and increased its membership from 600 to 800 globally. In honor of the Qualcomm Women in Science & Engineering (QWISE) 6th Anniversary, Qualcomm's Wireless Reach Program collaborated with the Cherie Blair Foundation for Women and Qualcomm Labs on the *Convergence of Women, Technology, and Innovation event*. The event welcomed Cherie Blair, founder of the Cherie Blair Foundation for Women and wife of former British Prime Minister Tony Blair, and focused on providing the tools, access and services necessary to enable women's leadership and empowerment globally. Additionally, the event aimed to help recruit mentors for the foundation's Mentoring Women in Business program. More than 250 entrepreneurs, mentors and professionals attended the event from Qualcomm and external organizations.

QWISE also continued to expand to operations outside of the United States. The Hyderabad, India, QWISE group launched a mentoring program that pairs junior employees with experienced colleagues. Qualcomm India reached out to female engineers at college campuses and job fairs and offered leadership workshops intended to help women lead in a mixed-gender workplace.

---

We sponsor students in the National GEM Consortium, which offers fellowships and summer internships to underrepresented graduate students in engineering.

---

Our college internship program has also been a valuable channel for connecting with new female employees. Through it, we match female interns with mentors who support them in their day-to-day work

and share insights on long-term career growth at Qualcomm. Interns (male and female) work at Qualcomm offices around the globe.

---

## GETTING PERSPECTIVE FROM OUR EMPLOYEE RESOURCE GROUPS

In addition to QWISE, we also offer other Employee Resource Groups (ERGs) for African-Americans, Asians, Hispanics, employees with disabilities, military veterans and employees who are lesbian, gay, bisexual or transgendered (LGBT).

Led by employees, our ERGs provide professional development programs, mentoring and networking opportunities within Qualcomm and connection with local and national organizations. ERGs make our Company stronger by broadening our perspective, deepening our pool of qualified leaders and strengthening our recruiting efforts. ERGs also contribute to community outreach efforts.

---

## REACHING OUT TO PEOPLE WITH DISABILITIES

Through recruiting and community outreach, we strive to provide job opportunities to people with disabilities. We are actively involved in several disability awareness organizations, including San Diego Committee on Employment of People with Disabilities and U.S. Business Leadership Network (USBLN), and we are responsible for leading the local San Diego chapter of the USBLN, an organization that promotes best practices in hiring and retaining people with disabilities. We convened quarterly USBLN meetings and trainings attended by approximately 50 local employers.

We also hosted a number of community programs intended to raise awareness about disabilities in the workplace. Among them:

- *Career Connections for Youth*, a day-long event intended to inform and inspire San Diego middle-school students with disabilities
- *Disability Mentoring Day*, which brought disabled students from San Diego State University and University of California, San Diego to our corporate headquarters for informational interviews and a look at corporate life
- *Day In a Chair*, in which 58 employees globally spent their workday in a wheelchair to better understand the perspective of people with spinal cord injuries



## THINKING AHEAD

### Reaching out to veterans

Military veterans hold a special place in our corporate culture. To understand why, you need only look to our hometown: San Diego is home to many veterans returning from wartime duty. Thousands of retired service members live in the county as well. In our Company, we count nearly 700 veterans among our employees, along with a number of active-duty reservists serving around the world. We are also proud to supply technology that serves U.S. armed forces in the field.

Recognizing veterans' contributions to our country and their potential for contributing to our Company, we reach out to veterans in many ways. To show our respect and gratitude, we hold annual Memorial Day and Veterans Day ceremonies that include keynote addresses by our most senior executives. We support our employees who are reservists by paying them their full salaries while they are away fulfilling their military duties and sending them care packages to remind them that we are thinking of them. To help make us a stronger Company, we actively recruit veterans as employees.

Qualcomm Chairman and CEO Paul Jacobs summed up the reason for our outreach to veterans in a recent Veterans Day ceremony:

"We are committed to continuing to reach out to veterans not just because it's the right thing to do, but because they are among the best and the brightest, most committed people in America's workforce. They are the kind of people that we want to have on our team."

"Qualcomm embraces the training and knowledge that I acquired in my Navy career."

— Lynn Fahlender, who joined Qualcomm in 2008 after 24 years in the U.S. military

For the last two years, we've helped returning warriors through our Corporate Integration Program for Warrior Veterans, or QCIP-Warriors. The program's mission is to honor and empower warrior veterans by providing them with hands-on technical experience, exposure to a corporate environment and the confidence that comes with professional development. Guiding vets during their experience are Qualcomm employees who are military veterans themselves. Perhaps not surprisingly, the program was developed by a Qualcomm staffing specialist who is a former army police captain.

For seven weeks, participating veterans work with various business units within our Company. They build their personal networks and polish interpersonal skills through management lunches, executive breakfasts and after-hours social events. They develop job-hunting skills through training in interviewing and résumé-writing. At the end of the seven-week program, participants are better prepared to compete for jobs, whether at Qualcomm or in the external job market.

Over half of the program's 54 participants have found full-time work. Seven of them work at Qualcomm, including Navy veteran Louis Tuey.

"A big challenge for me while transitioning out of the military was believing that my skills were useful in a civilian company," he says. "During [QCIP], I was able to see how my skills were useful, and I continue to develop them."

Another program participant may sum it up best: "I am better prepared than I could have ever hoped to be before the program. Every transitioning service member should participate in a program like this."



# Keeping the best and brightest

Retaining great people requires supporting them in their lives outside of work. Sometimes that means teaching them new skills and providing fresh challenges. Other times it's as simple as organizing a family movie outing or a night at the cricket field. Our comprehensive work-life programs, combined with our broad and deep education and training opportunities, help make Qualcomm a more engaging and satisfying place to work.

---

## SHARPENING SKILLS AND BUILDING CAREERS

Through career coaching and a comprehensive range of resources and trainings, we strive to increase our employees' job satisfaction by helping them develop skills, find new challenges and advance their careers. Our Learning Center is central to that effort—online and in-person. The Learning Center's team of experts deliver development opportunities that help employees worldwide keep pace with the rapidly evolving wireless industry. Through training, presentations, resources, referrals and more, the Learning Center supports our employees' development of engineering technical, professional and leadership skills. The Center's website is a portal connecting employees with learning opportunities, professional resources and tools for mapping and managing their career development.

---

Qualcomm Learning Center in 2012

65,224 enrollments  
356 instructor-led courses  
2,000 online courses

---

Among other initiatives, our Learning Center:

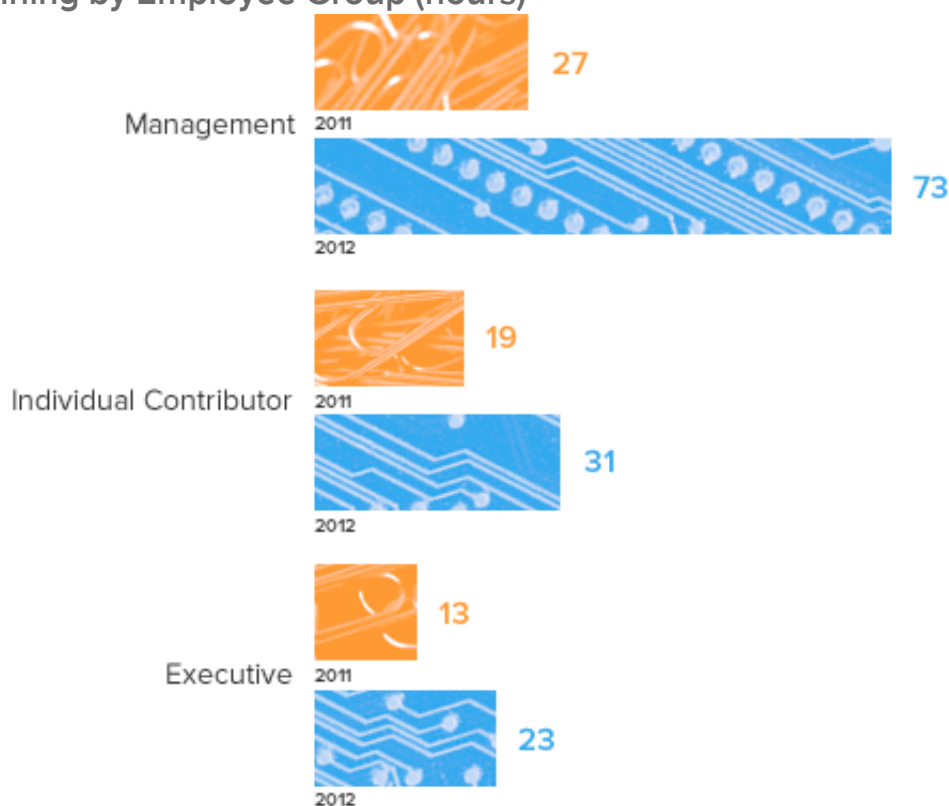
- Through our Qualcomm Community online informal learning program, created social media sites that allow employees to learn from each other and provide quick access to critical information. One example: The Productivity Expert Network, made up of 28 employees who have demonstrated exceptional skill in personal time management and task execution. Like other Qualcomm Community sites, the Productivity

Expert Network provides an informal “place” outside of a classroom where any Qualcomm employee can ask questions, pick up tips and get involved in discussions to improve their personal effectiveness. Employees worldwide are taking part in over 1,000 Qualcomm Community groups.

- Created “Guru Talk” and “Tech Talk,” a series of informal meetings intended to provide employees with access to Qualcomm’s engineering thought leaders. These live meetings, webcast via video conferencing, enable engineers at all levels and in many locations to gain exposure to different technologies, key subject matter experts and new ways of thinking.
- Provided employees with free access to lynda.com, a subscription site made up of thousands of how-to videos on a wide range of subjects. Lynda.com’s professionally produced videos provide learning in three- to eight-minute segments—just enough time to learn a specific skill and apply it to work.

---

### Training by Employee Group (hours)



---

“We’re teaching managers that everything they do has an effect on their employees, and we’re helping them develop new ways to make sure that effect is positive.”

**MARK BETTER,**  
QUALCOMM LEARNING CENTER



---

## CULTIVATING THE NEXT GENERATION OF INNOVATORS

To help develop the technical talent of the future, we're engaging middle and high school students in several community programs. Our Workforce Development Labs team works with schools and community organizations to help students begin thinking about their futures as they learn résumé-writing, interview skills, job search strategies and more. *Hire a Youth* is an annual five-week program that pairs 20 at-risk youth with Qualcomm managers who serve as mentors—sometimes long after the program ends. Students explore marketing, human resources, IT and culinary arts, among other fields.

---

## LIVING THE QLIFE

One of the most effective ways we can recruit and keep excellent employees is by offering them programs and opportunities that help balance work and life. *QLife* is our comprehensive work-life integration program offering employees opportunities and resources in five areas: family, community, health, leisure and work. The majority of our *QLife* programs are a direct result of employee suggestions. Many programs are led by employee volunteers with guidance from *QLife* staff.

There aren't many areas of life *QLife* doesn't address. Here are just some of what we offer employees:

- About 11,000 employees used *LifeCare*, our online referral service, to find resources for childcare, eldercare, finances, legal guidance, adoption, emotional health and support for mothers at work.



- As part of our benefits package, we reimburse employees up to \$4,000 per adoption per year to defray expenses.
- We offered a variety of events open to employees' families, including Take Your Kids to Work Day, Redirecting Children's Behavior courses and free movie nights.

---

Tai chi, knitting and drawing are just a few of the 42 employee-led QClubs.

---

- Through pre-tax subsidies, we assist employees in their daily commute to and from work using mass transit. In 2012, U.S. employees purchased 6,700 transit passes through *QLife*, and more than 300 pedaled to offices on Bike to Work Day.

- Thousands of employees attended over 1,500 *QLife* fitness classes at our 19 on-site, commercial-grade fitness facilities or at fitness centers nearby. Our on-site *QLife* fitness centers are open 24 hours, seven days a week and offer personal training, group exercise and state-of-the-art fitness equipment.
- Many of our San Diego employees stay healthy with the help of the Qualcomm Health Center, our on-site clinic offering comprehensive health and wellness services.
- We held our sixth annual *Qualcomm Charity Poker Tournament*, which attracted approximately 200 employees.
- Badminton and ping-pong lovers competed for bragging rights and glory during tournaments in Shanghai, Beijing, Seoul and the San Francisco Bay area.
- Over 2,000 employees bolstered their immune systems through our annual flu shot program.



## THINKING AHEAD

### Survey says: Qualcomm is a great place to work

As part of our effort to make Qualcomm the employer of choice among the most talented people in our industry, we regularly survey our employees to find out what it's like to work here. Our most recent survey, conducted in 2012, delivered a picture of a workforce that is engaged, passionate about our direction and driven by a sense of purpose. Compared to external benchmarks, including many leading high-tech companies, our employees had more positive attitudes than in most companies and scored above the benchmark in nearly every comparison.

“Qualcomm is a highly innovative Company that is a wonderful place to work. The people are world-class. The environment is open, which is something to be applauded.”

—employee comment from our 2012 Climate Survey

Ninety-two percent of our global workforce completed the survey—roughly 20,000 employees. They answered questions about 11 dimensions of our business, many of which map back to our core values and all of which relate to those things—such as innovation, collaboration, management and leadership—that we consider essential to our success.

Here’s some of what we learned:

- 97 percent of employees said they are committed to Qualcomm’s success. 96 percent said they are willing to contribute effort beyond their job responsibilities.
- 94 percent said they believe Qualcomm is an innovative company.
- 93 percent of employees said they believe Qualcomm is ethical in its business practices.
- 92 percent said they work in an environment that is accepting of diversity.
- Company financial strength, opportunities for career growth and Qualcomm’s reputation were found to be the top-three reasons employees stay at Qualcomm.

# Treating our employees with fairness and integrity

Our credibility, compliance with applicable laws and ability to recruit top-notch talent all depend on our conduct as an employer. We adhere to the highest standards of decency and fairness in our operations around the world.

---

## AN UNEQUIVOCAL COMMITMENT TO HUMAN RIGHTS

We seek to uphold the human rights of our employees. Forced, bonded or indentured labor is prohibited, and our employees are always free to leave our employment with reasonable notice. We also prohibit the use of child labor, although we permit and support legitimate workplace apprenticeship or intern programs which comply with all laws and regulations. We respect the rights of employees to associate freely, join or not join labor unions, collectively bargain under local law, 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. Because we rely on suppliers for nearly all of our manufacturing, we generally do not encounter issues with child labor or forced labor in our direct operations. QCT, our largest business unit and the part of our business most dependent on outside suppliers, works with suppliers to make sure they meet our standards for human rights.

---

Qualcomm has never been found to have unlawfully discriminated against any of our employees, nor have we been found in violation of the rights of indigenous people.

---

In our direct operations, we are unaware of any operation in which:

- the right to exercise freedom of association or collective bargaining is at significant risk;
- there is a significant risk for incidents of child labor; or
- there is a significant risk for incidents of forced or compulsory labor.

Human rights issues are addressed in *The Qualcomm Way: Our Code of Business Conduct* and are

included in the code of conduct training we launched worldwide in 2011. One hundred percent of our employees are required to acknowledge reading *The Qualcomm Way: Our Code of Business Conduct*, and 100 percent of our security personnel are trained in our policies and procedures concerning aspects of human rights that are relevant to operations.

In 2012, Qualcomm joined [BSR's Human Rights Working Group](#) to further augment our human rights efforts. Working with other corporate stakeholders in this multi-industry group provides us with an opportunity to share best practices and challenges in developing companywide solutions to address human rights.

---

## AHEAD OF OUR INDUSTRY IN EMPLOYEE RETENTION

To help retain employees as their goals and interests change, our *Internal Opportunity System* provides professional and career development opportunities within Qualcomm and gives current employees priority for new positions.

---

“A work environment where people are focused, energized, incented and supported to do their best, as well as a leader who is innovative with the highest integrity.”

EMPLOYEE COMMENT FROM OUR 2012 CLIMATE SURVEY

---

## 2012 Qualcomm Employee Voluntary Turnover Rates



\*Source: Radford

\*\*Source: Radford. Average for companies over 5,000 employees.

---

## OUR COMPENSATION PROGRAM

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.

<b>OFFERING COMPETITIVE WAGES AND BENEFITS</b>	<b>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. In all locations where legally permitted, we prorate various full-time employee benefits according to standard work hours for part-time employees.</b>
<b>COLLECTIVE BARGAINING AGREEMENTS AND TRADE UNIONS</b>	<b>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.</b>
<b>TOTAL REWARDS: A FAIR AND FORMAL REVIEW PROCESS</b>	<b>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.</b>
<b>PARITY IN PAY FOR MEN AND WOMEN</b>	<b>We regularly review and evaluate our compensation practices to ensure that they are based upon business needs and do not discriminate on the basis of gender, race, national origin or other bases prohibited by applicable law.</b>



# Making safety second nature

With 26,600 people working in office locations worldwide, avoiding accidents and keeping people healthy remains one of our highest priorities. Our guide? Our Injury and Illness Prevention Plan. It provides clear, consistent and regulatory-compliant policies and protocols for managing health and safety. It describes our standards and specifications for training, safety audits, incident investigation and communications, and it helps us integrate safety practices in every aspect of our business.

---

## SAFETY BY COMMITTEE

Informing our safety policies and procedures for our San Diego location is a committee made up of representatives from all 44 buildings at our headquarters. These volunteers accompany our Environmental Health and Safety Department during routine safety inspections, help evacuate buildings when necessary and attend safety committee meetings every other month.

We want to make safety a global export. We're working to understand the complex occupational safety regulations of all the countries where we do business and implement a global safety program.



work-related fatalities among  
our employees in 2012.

---

## AN INJURY RATE FAR BELOW THE INDUSTRY AVERAGE

Our illness and injury rate dropped by 43 percent compared to 2011. It is 32 percent lower than the industry average. That's due in part to the fact that we have one of the industry's most comprehensive and robust accident-reporting systems. Qualcomm employees have a variety of channels for reporting accidents without fear of reprisal—an achievement we are proud of. We encourage employees to report even minor injuries so we can help prevent them from becoming more serious. Our rate of lost time due to injury and illness was 53 percent lower than the industry average and 30 percent lower than 2011.



**Total Injury and Incident Rate (per 100 full-time U.S. employees)\***



(Compared to Telecom Industry, U.S., with 1,000 or more employees)  
\*Work-related injury that required treatment beyond first aid or resulting in lost time or restricted job duties for one or more workers as defined by the U.S. Occupational Safety and Health Administration.

**Total Lost Time Injury and Illness Rate (days, per 100 full-time U.S. employees)\***



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

**FEWER INJURIES, MORE TRAINING**

Our 2012 Environmental Health and Safety Trainings consisted of 1,737 trainings totaling 2,764 hours delivered to 3,221 employees. Training topics included hazardous waste operations and emergency response, driver safety, forklift operation, lab safety, ergonomics and more.

**Preventing Ergonomic Injuries**

Our employees spend many hours daily at their computers, which can lead to back pain, eyestrain and repetitive stress injuries, to name a few. We provide personalized ergonomic training—including a comprehensive online self-assessment—to help ensure our employees’ workstations produce innovations rather than injuries. In 2012, we performed 3,184 one-on-one ergonomic assessments, an increase of 63 percent over the previous year.

# Protecting our people and our assets worldwide

Whether they're monitoring tensions in the Middle East or helping traveling employees navigate natural disasters, keeping our people safe during emergencies is the primary goal of our Emergency Operations Team (EOT). Composed of representatives from across our Company, our EOT protects our people and assets through emergency planning, response and recovery. Trainings for employees and families also help ensure our preparedness.

---

## MAINTAINING BUSINESS CONTINUITY



Our EOT works to minimize disruptions to our business that might occur in the event of natural or human-caused incidents. Our Business Continuity Program Office—part of our EOT and a core component of our emergency response system—provides our business units with education and training, plan reviews and more. Our business continuity efforts are benchmarked against the ISO22301 standard, and we support maintenance of several ISO certifications, including ISO270001, ISO2000 and most recently ISO13485.

---

**We increased the number and scope of our Business Continuity audits in 2012, enabling us to assess the state of readiness among our critical suppliers.**

---

## **PROMOTING PREPAREDNESS IN 2012**

### **Increasing our readiness for a regional disaster**

Co-founded and led by Qualcomm, the Sorrento Valley Consortium is a group of over 20 companies located near our headquarters that meets monthly to discuss emergency scenarios, share emergency plans and resources and determine how we can improve partnerships with city and county governments during a regional disaster. In 2012, one of the Consortium's significant accomplishments was to develop and participate in a tabletop exercise testing members' response to an incident on San Diego's streets. The objective of the exercise was to improve members' coordination and response to such an incident in real life.

### **Building our Emergency Response Team**

Our Qualcomm Emergency Response Team (QCERT) program trains employees in how to assist emergency personnel and personally respond to a large-scale disaster. Trainings have been conducted in San Diego and Raleigh for over six years; several employees in Santa Clara have taken the training as well. QCERT members are trained in search and rescue, fire suppression, first aid/triage and on the Incident Command System. QCERT members are also invited to participate in CPR/First Aid and AED training and other disaster exercises.

Qualcomm's QCERT team now has a total of 137 trained employees, with 104 in San Diego, 30 in Raleigh and 3 in Santa Clara. In 2012, the San Diego Fire Rescue department taught a special mapping course to our San Diego team members to give the team members additional knowledge on how to help first responders find victims in buildings after a large-scale disaster.

### **Seeking partnerships, sharing expertise**

The ReadySanDiego Business Alliance partnership program seeks to create a coalition of businesses that contribute resources and senior expertise in preparation for, during and after a time of crisis in San Diego County. Through our EOT, Qualcomm is a committed member of the Business Alliance, acting as both an active member in the Telecommunications Sector and, in a leadership role, as a member of the ReadySanDiego Advisory Committee.

### **Emergency trainings for our employees**

Our EOT increases preparedness among our employees around the world and their families by conducting a variety of trainings. "Creating a Family Survival Plan" covers communications plans, evacuation plans and disaster survival kits. More than 675 employees have completed the training since 2007. Another training on responding to workplace violence emphasizes the need for advance planning

and personal assessment to survive a sudden incident of violence. In 2012, 130 of our employees received first aid, CPR and defibrillator training, bringing our total number of trained U.S. employees to 667.

---

2.78%

of our San Diego workforce is trained to respond to a medical emergency on our campus.



# OUR COMMUNITY

FULL SECTION

Mobile technology can be transformative. So can caring. Around the world, we're creating educational opportunities, helping make communities healthier, supporting cultural programs and working to close the digital divide.

PHILANTHROPY



VOLUNTEERISM



EMPLOYEE ENGAGEMENT

100% of our executive leadership is active in the community

WIRELESS REACH

73 projects  
31 countries  
helping to close the digital divide



# A new way for us to give back

Giving has been part of our culture since our founding over 25 years ago. With the establishment of the Qualcomm Foundation in December 2010, we now facilitate our philanthropy in two ways: through the Foundation and through Qualcomm Incorporated.

---

## A NEW WAY TO HELP COMMUNITIES IN NEED

One of our Company's basic aims is to change the world for the better. The Qualcomm Foundation helps us to do just that. Forming the Foundation underscores our commitment to communities worldwide and extends our ability to make a difference. In managing the \$50 million initial contribution from our Company, the Foundation works in conjunction with Qualcomm Incorporated to improve underserved communities where we do business. The Foundation also supports our long tradition of supporting Qualcomm employees' efforts of giving back through our [matching and community service grant programs](#).

---

**\$220M** combined giving since 2000 by  
Qualcomm Incorporated and  
Qualcomm Foundation

---

The philanthropic endeavors of the Qualcomm Foundation and Qualcomm Incorporated develop and strengthen communities worldwide. We invest our human and financial resources in inspirational, innovative programs that serve diverse populations. Specifically, we aim to create educated, healthy, sustainable, culturally vibrant communities, primarily in areas where we have a business presence.

The following chart shows how Qualcomm Incorporated and the Qualcomm Foundation gave in 2012. Percentages indicate the percentage of our total philanthropic giving for the fiscal year.

79%

#### EDUCATED COMMUNITIES

We are committed to improving science, technology, engineering and math education for students during their primary, secondary and higher education years, and to expanding educational opportunities for underrepresented students.

18%

#### HEALTHY, SUSTAINABLE COMMUNITIES

We strive to better the lives of underserved populations by providing basic human needs, with a focus on enhancing the welfare of children. We are also committed to protecting and enhancing our global environment.

3%

#### CULTURALLY VIBRANT COMMUNITIES

Through our support of arts education and outreach programs, we help young people develop innovative minds and expand cultural enrichment opportunities to in-need populations.



#### THINKING AHEAD

### Giving help, bringing hope in China

As part of our global effort to strengthen underserved communities, our employees in China are



giving both time and money to local nonprofit organizations—particularly to schools and orphanages serving children with disabilities and special needs. In addition, Qualcomm and the Qualcomm Foundation have provided philanthropic support to various projects in Beijing and Shanghai over the past three years. The following are some highlights of our recent philanthropic and volunteerism efforts in China.

**Beijing.** Our Beijing offices support the Lizhi Rehabilitation Center, a nongovernmental organization dedicated to helping mentally and intellectually challenged children and adults integrate with their communities. Over the last few years, we provided funding to improve the organization’s facilities. In 2012, our volunteers helped students and teachers bake moon cakes to celebrate the Mid-Autumn Festival.

“The donation from Qualcomm really helped us. We repaired a stairway, relieving a lot of concerns about safety.”

—Ms. Gao, Director, Bo Ai Children Rehabilitation Center

Employees from our Beijing offices also took part in two volunteer events for the children of migrant workers. At an event held on a farm, kids explored agriculture, learned about different fruits and vegetables, and made paintings based on what they’d learned. At another event, our volunteers led children in a day of sports.

**Shanghai.** In 2011, Qualcomm provided a grant to help repair facilities and IT equipment at Bo Ai Children Rehabilitation Center, an organization serving kids with cerebral palsy, autism and Down syndrome. At “Love Bakery House,” an activity organized by the Shanghai Enrichment Community Service Center, our employees spent a day baking cakes and playing games with developmentally disabled kids. During the annual Family Day at our Shanghai offices, employees and their children took part in a number of activities benefiting local charities and kids in impoverished areas of China. Through the Red Chair Project, Shanghai employees were paired with wheelchair users—many of them elderly—for a day in the park that included games, photography and a walk in the sun.

# Working for change, touching lives

The kind of people who work at Qualcomm are the kind of people who want to change the world—through their work and through service to their communities. Across our Company, our employees are giving back and getting involved.

---

## QCARES AND THE QCARES EXPERIENCE



Our spirit of giving is summed up nicely in the name of our employee volunteer program: QCares. Through QCares, our employees around the world are connected to numerous volunteer opportunities. They help the homeless, protect the environment, pack meals at food banks and much more.

In May 2012, employees took part in our annual QCares Experience, a companywide, paid-time-off volunteer effort that benefitted nonprofit organizations in 23 cities. From a senior center in Taipei and a low-income school in Windsor to food banks in Atlanta and a health camp in Chennai, our employee volunteers demonstrated how giving just a little time can make our communities better.

## QCares Experience 2012: The numbers add up to impact

23 cities

52 nonprofits

83 projects

1,600+ volunteers

6,500+ hours



### ASIA



**SHANGHAI, CHINA** QCares volunteers engaged in a day of games and activities with clients of the Wheelchair Foundation.

**HONG KONG** At a shelter for abused children, volunteers helped kids craft gifts.

**BANGALORE, INDIA** As part of Youth for Seva's Doctor-at-School Project, employees helped organize eye screenings for 200 low-income students.

**CHENNAI, INDIA** Our employees assisted nearly 60 children and their families at a health camp sponsored by the Aid India Foundation.

**HYDERABAD, INDIA** Qualcomm volunteers played games and made crafts with students from Ashray Arkuti, a school for hearing-impaired children.



**MUMBAI, INDIA** QCares volunteers transcribed handwritten notes to help create audiobooks for students with cerebral palsy.

**SINGAPORE** Employees worked through the night to fill over 500 balloons and prepare other supplies for a Sports Day for children with cerebral palsy.

**SEOUL, SOUTH KOREA** Employees joined Child Fund Korea and a number of disabled children in a springtime picnic in the park.

**HSINCHU, TAIWAN** QCares volunteers visited disabled youth at the St. Joseph Social Welfare Foundation and helped them create handmade book covers.

**TAIPEI, TAIWAN** Lending a hand to the Hua-Shan Social Welfare Foundation, our volunteers helped perform housekeeping for seniors and hosted a party to celebrate the opening of a new nursing service center.



## MIDDLE EAST

**BEIT SHEMESH, ISRAEL** Students from the Tirat Carmel Community Foundation children's home visited our offices, where employees treated them to a science project and dinner.

**HAIFA, ISRAEL** Volunteers joined kids in a chocolate-making workshop organized by the Tirat Carmel Community Foundation.



## EUROPE

**DUBLIN, IRELAND** QCares volunteers helped Habitat for Humanity Ireland renovate four housing units for families in need.

---



## NORTH AMERICA



**ATLANTA, GEORGIA** Our volunteers sorted hundreds of pounds of food for the Atlanta Community Food Bank.



**AUSTIN, TEXAS** Employees inspected, cleaned and boxed food donations at the Capital Area Food Bank.

**BOULDER, COLORADO** QCares volunteers painted and landscaped at the WOW!

**BRIDGEWATER, NEW JERSEY** Volunteers worked the concession stands at a Somerset Patriots baseball game and donated a portion of the proceeds to Operation Shoebox, New Jersey's Support a Soldier program.

**MARKHAM, ONTARIO** Employees joined Environmental Earth Angels and local students in revitalizing the garden area at a community center.

**OCALA, FLORIDA** Working with the Public Education Foundation of Marion County, our volunteers sorted and boxed school supplies and personal hygiene items for distribution to students in need.

**RALEIGH, NORTH CAROLINA** QCares volunteers sorted donated food and clothing and tackled several landscaping projects for InterAct, an organization supporting victims of domestic violence.



**SAN DIEGO, CALIFORNIA** Employees helped the San Diego River Park Foundation create and install a 360-foot community art piece along a fence line near the San Diego River.

**SAN JOSE, CALIFORNIA** Working with Habitat for Humanity, Bay Area volunteers constructed and painted two playhouses that were donated to families in need.

**WINDSOR, ONTARIO** Working alongside students, QCares volunteers transformed the schoolyard at a low-income school by adding new plants and shrubs.

# Letting employees take the lead

In addition to our QCares program, our employees contribute to their communities through our matching and community service grant programs and by lending their expertise to nonprofit organizations. The math is simple: by combining our resources with our employees’ passions, we’re able to accomplish more.

---

## SUPPORTING CAUSES OUR EMPLOYEES CARE ABOUT

Our employees are often our best connection to organizations making a difference. We support and enhance employee involvement through our matching and community service grant programs. With matching grants, we double employee monetary contributions by matching them dollar for dollar. Through community service grants, we donate \$250 to nonprofit organizations for every 15 hours of volunteer time an employee donates to the organization.

---

Matching and Community Service Grants in 2012



---

Since 2000

$$\begin{array}{rcl} & \$35 \text{ million} & \text{employee donations} \\ + & \$35 \text{ million} & \text{matching and} \\ & & \text{community service grants} \\ \hline = & \$70 \text{ million} & \text{to benefit nonprofit} \\ & & \text{organizations} \end{array}$$

---

## SHARING OUR KNOW-HOW

In addition to financial resources, nonprofit organizations can often benefit from professional expertise. So our employees also lend their experience and insight by serving on boards and committees of nonprofits. They share their knowledge of financial management, marketing, information technology and strategic planning, among other areas.

---

# 100%

of our executive leadership is active in the community.



# Helping to bridge the digital divide

Despite the rapid pace of technology, a digital divide still exists. For example, large disparities remain between mobile-broadband penetration in the developing (8 percent) and the developed world (51 percent).<sup>1</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 gross domestic product (GDP) by .81 percent.<sup>2</sup> A 10 percent increase in broadband penetration in those countries increases per capita GDP by 1.38 percent.<sup>3</sup>

Our strategic Wireless Reach<sup>TM</sup> initiative is helping to close the digital divide. With 73 projects in various stages of development in 31 countries, Wireless Reach brings Qualcomm 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 2012.

Wireless Reach initiative

73 projects

31 countries

helping to close  
the digital divide



## CHINA

Wireless heart health assists underserved patients with cardiovascular diseases



According to the World Health Organization, chronic diseases—like cardiovascular diseases (CVDs)—have placed a grave economic burden on countries.<sup>4</sup> CVDs are currently the leading cause of death in China, responsible for about 3 million deaths annually.<sup>5</sup> Wireless Reach, in collaboration with Life Care Networks and the Community Health Association of China, has worked to increase investment for the prevention and care of CVDs for underserved communities in China. Four community health clinics in Shandong, Anhui, Sichuan and Chongqing were given 3G-enabled electrocardiograph (ECG) monitors, which allow remote screening and monitoring of CVDs. The monitors send patient data through China

Telecom's EV-DO Network to a 24-hour call center in Beijing staffed by physicians. These doctors can then provide rapid feedback to the patient via text or phone call.

---



## EGYPT

### Using 3G mobile broadband to remotely diagnose patients



Working with the GSMA Foundation, the Ministry of Health, the Ministry of Communications and Information, and Mobinil, Wireless Reach launched a program to test a technology framework that enables dermatologists to use a 3G mobile network to diagnose skin conditions remotely. Physicians who are located in low-income clinics throughout Cairo take photographs of patient skin conditions and capture symptoms in text format using a 3G-enabled wireless device. This information is then sent via mobile broadband so doctors can swiftly obtain a diagnosis from specialists working elsewhere. During the pilot phase, both an on-site physician and a remote specialist diagnosed skin conditions, and the results were then compared to confirm the prognosis. To date, diagnosis comparisons completed during the pilot have demonstrated full agreement in 82.2 percent of cases examined.



## INDIA

*Sesame Radiophone* project provides early learning opportunities for underserved children



Wireless Reach joined with Sesame Workshop India to launch the *Sesame Radiophone* project, which focuses on addressing the educational and health needs of poor and disenfranchised urban children, particularly those in migrant working families. Sesame Workshop India runs the Galli Galli Sim Sim (GGSS) radio show, which integrates local voices and is broadcasted on the Gurgaon<sup>6</sup> community radio station. In addition, the radio show and GGSS-related content—videos, games and text—is offered on 3G mobile phones. Families are able to access the GGSS content using a preloaded shortcut on the phone, allowing parents to access fun and engaging educational content for their preschool-age children who otherwise lack access to schools and formal education. Early results of the pilot report families are making efforts to save water, practice better hygiene and dispose of garbage in dustbins.



## INDONESIA

Creating new entrepreneurial opportunities with mobile devices



Qualcomm’s Wireless Reach initiative, Grameen Foundation and Ruma, an Indonesian social enterprise, were selected as finalists for GSMA’s 2012 in Women Best Mobile Product or Service for Women in Emerging Markets and the American Chamber of Commerce’s 2012 Citizens Award in the Best International Ambassador category for the *Application Laboratory (AppLab)* project. The awards honored innovative programs that contribute to closing the mobile phone gender gap, as well as those that are the best corporate citizenship practices that can be implemented by corporate peers. *AppLab* delivers new products, information services and business opportunities tailored to the needs of the poor and poorest, and in ways that are specifically designed to increase their income. This program builds off of the *Mobile Microfranchising* project, which, as of September 2012, recruited more than 15,000 Ruma Entrepreneurs and serves approximately 1.5 million unique customers. The *Mobile Microfranchising* project creates sustainable businesses by offering a prepackaged kit that includes a mobile phone with a microfinance loan that allows entrepreneurs to resell “airtime minutes” to neighbors: an estimated 47 percent of entrepreneurs who stay in the portfolio for more than four months have moved above the poverty line, and 100 percent are profitable.

---



**JAPAN**

Demonstrating the effectiveness of smartphones in learning



The *3G Smartphone Digital Textbook* project provides 500 smartphones loaded with educational content to students at Renaissance Academy—a private correspondence high school in Daigo-cho, Ibaraki. Students are able to download educational applications and take lessons or tests anytime and anywhere. Offering smartphone-based courses is expected to help increase the rate of students completing programs while staying interested in learning. Having ubiquitous access to educational materials via 3G gives students an opportunity to study, catch up with lessons and take tests outside the hours of a typical school day. This flexibility is expected to help students as they work to obtain a diploma, which will help them secure a steady job.

---

<sup>1</sup>[International Telecommunications Union.](#)

<sup>2</sup>Figure 3.1: Growth Effects of ICT, Christine Zhen-Wei Qiang and Carlo M. Rossotto with Kaoru Kimura, “Economic Impacts of Broadband” in *Information and Communications for Development 2009—Extending Reach and Increasing Impact* (World Bank, 2009).

<sup>3</sup>Ibid.

<sup>4</sup>World Health Organization, “Rethinking ‘Diseases of Affluence’: The Economic Impact of Chronic Diseases,” 2005.

<sup>5</sup>[China CVD Report 2010](#), published by China National Center for Cardiovascular Diseases under the administration of the Ministry of Health.

<sup>6</sup>Gurgaon is a typical city center that sees continued economic activity but worsening poverty, resulting in increased disparities within a close geographic area.



# OUR ENVIRONMENT

FULL SECTION

Growing a business in a world of finite resources demands innovative thinking. We're exploring alternatives for making a maximum impact in the marketplace with a minimal impact on the planet.

AIR QUALITY



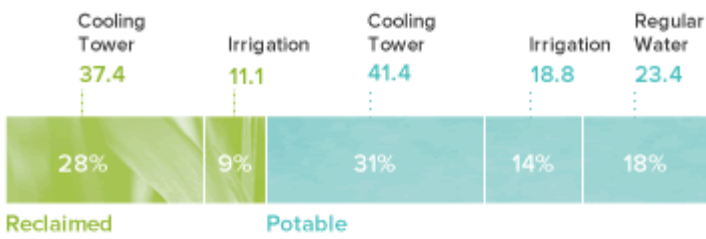
ENERGY



WASTE REDUCTION



WATER CONSERVATION



FACILITIES AND OPERATIONS

5 LEED-certified facilities globally



GLOBAL ENVIRONMENTAL INITIATIVES





# Our commitment to cleaner air

Our consumption of fossil fuels for energy and transportation contributes to greenhouse gas (GHG) emissions. Power generators at some of our U.S. facilities also emit relatively small amounts of nitrogen oxide, sulfur dioxide and volatile organic chemicals. Across our Company, we’re taking steps to reduce emissions of all kinds as we work collaboratively to confront the complex challenge of climate change.

## INCREASING TRANSPARENCY IN OUR REPORTING

Climate change is a serious environmental, social and economic issue that calls for concerted actions among all sectors of society. Growing our Company while increasing energy efficiency and minimizing GHG emissions is challenging but, we believe, crucial to both our sustainability and the sustainability of the planet.

In 2011, we began reporting GHG emissions for all of our facilities in North America. After receiving the designation of “Climate Action Leader” for eight consecutive years by the [California Climate Action Registry](#), we joined [The Climate Registry](#), which tracks emissions of businesses and other organizations in all of North America. Because data-gathering and subsequent third-party certification of this data is time-intensive, we generally report emissions data from the prior calendar year rather than the most recent fiscal year.

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

Item	2010	2011	2012
Direct	57,721	63,301	64,782
Indirect	39,824	50,591	49,216

\*2012 amount represents prior-year calendar year data for all of our North American facilities, or roughly 75 percent of our global square footage. 2011 amount represents prior-year calendar year data for all of our North American facilities, or roughly 80 percent of our global square footage during that timeframe. 2010 amount represents prior-year calendar year data for our California facilities only, which made up roughly 72 percent of our global square footage during that timeframe.

---

## CO<sub>2</sub> per Gross Square Foot of Facilities Spaces (CO<sub>2</sub> metric tons)\*

0.0203

0.0205

0.0191



2010

2011

2012

\*2012 amount represents prior-year calendar year data for all of our North American facilities, or roughly 75 percent of our global square footage. 2011 amount represents prior-year calendar year data for all of our North American facilities, or roughly 80 percent of our global square footage during that timeframe. 2010 amount represents prior-year calendar year data for our California facilities only, which made up roughly 72 percent of our global square footage during that timeframe.

---

We expect our total GHG emissions to increase as our operations expand. But we're taking steps to minimize our energy consumption and to decrease our GHG emissions per square foot, one key measure of efficiency.

---

**We've implemented energy efficiencies in our California facilities that save approximately 8,712 metric tons of GHG emissions every year—the equivalent annual emissions of 1,584 cars.**

---

## PARTICIPATING IN THE GLOBAL CONVERSATION ABOUT CLIMATE CHANGE

In December 2011, we participated as part of a designated observer delegation at the United Nations Framework Convention on Climate Change COP 17 meeting in Durban, South Africa. This was the third consecutive U.N. climate summit in which we've participated. In Durban, we collaborated with other delegations to define the role of information technology and strong intellectual property rights systems in addressing climate change.

In June 2012, we participated in the United Nations Conference on Sustainable Development—also known as Rio+20—at the invitation of the Brazilian Ministry of Communications. We presented highlights of our Wireless Reach *Fishing with 3G Nets* project, which demonstrates the use of Qualcomm technology to promote sustainable fishing in the Brazilian state of Bahia. In 2012, we also continued our participation in the International Conservation Caucus Foundation, which brings together leaders from government, business and nonprofit organizations to develop market-oriented solutions for conservation and sustainability worldwide.

In 2012, Steve Crout, our senior director of government affairs, continued chairing the Energy and

Environment working group of the [Information Technology Industry Council](#). The committee educates policymakers, journalists and members of the public about the critical role information technology plays in energy-saving efforts. It also advocates for policies enabling the technology industry to advance solutions for energy conservation and environmental sustainability.

We participate in many other organizations dedicated to addressing climate change and promoting smarter energy use, including the following:

- [The Business Council for Sustainable Energy](#)
- [The California Center for Sustainable Energy](#)
- [The Climate Registry](#)
- [The Digital Energy Solutions and Sustainability Campaign](#)
- [GridWise Alliance](#)
- [The San Diego Foundation Climate Change Initiative Advisory Committee](#)
- [U.S. Green Building Council](#)

## TRACKING OTHER EMISSIONS

In addition to GHG emissions, we also track emissions of nitrogen oxide (NO<sub>2</sub>), sulfur dioxide (SO<sub>2</sub>) and volatile organic chemicals (VOCs) generated as by-products of two 4.5-megawatt cogeneration turbine plants at our corporate headquarters. Fueled by natural gas, these highly efficient turbines enable us to produce some of our own electricity, reducing both costs and GHG emissions. We also capture heat generated from the turbines and use it to power two large chillers in our corporate campus air-conditioning system, further saving electricity and the carbon emissions associated with producing it.

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

Item	2010	2011	2012
NOx	28.79	32.20	29.70
SOx	0.20	0.20	0.20
VOC	1.17	1.17	1.10

\*San Diego, CA, facilities only

# Building energy efficiency into our future

Using less energy makes our Company more sustainable by helping us minimize our carbon footprint and cut costs. As we strive to consume less energy, we're also contributing to a more energy-efficient world as part of the effort to develop smart grids and other kinds of energy-savings technology.

---

## AIMING TO SAVE KILOWATTS AS OUR COMPANY GROWS






We track energy consumption for all of our facilities in North America. In 2012, our North American energy use increased as a result of our Company's continued growth.

As our business expands, we are continually looking for ways to use energy more efficiently. Among other efforts, we are striving to maximize data center efficiency. We're constructing several of our new facilities according to LEED specifications. And we're replacing existing computer monitors and printers with more efficient models.

In 2012, we resurfaced two rooftops totaling 105,000 square feet at our San Diego corporate headquarters using highly efficient "cool roof" technology—materials that reflect the sun's energy and dramatically reduce both the roof's surface temperature and the amount of heat transferred to the building below. Cool roofs help reduce energy costs by reducing the need for air conditioning. They improve comfort for building occupants, cut maintenance costs, increase the lifecycle of the roof and reduce the urban heat-island effect, which contributes to the creation of smog.

Qualcomm was awarded the "Clean Transportation Award" from SDG&E for being a leader in championing the installation of electric vehicle charging stations for use by our employees and campus visitors. We installed 17 electric vehicle charging stations at San Diego sites, in addition to the five Raleigh, NC, sites that were implemented in 2011.

## Direct Energy Consumption\*

	Primary Energy Source	2010	2011	2012
	<b>Natural Gas (MMBtu)</b> (facilities)	895,712	965,349	991,255
	<b>Jet Fuel (Gal.)</b> (aviation related)	988,469	1,176,173	1,127,478
	<b>Vehicle Gas (Gal.)</b> (shuttle/test vehicles)	47,494	49,442	56,891
	<b>Diesel Fuel (Gal.)</b> (cars and trucks)	7,341	8,220	10,284
	<b>Diesel Fuel</b> (generators)	1,485	8,230	12,156

\*2012 amount represents prior-year calendar year data for all of our North American facilities, or roughly 75 percent of our global square footage. 2011 amount represents prior-year calendar year data for all of our North American facilities, or roughly 80 percent of our global square footage during that timeframe. 2010 amount represents prior-year calendar year data for our California facilities only, which made up roughly 72 percent of our global square footage during that timeframe.

## Indirect Energy Consumption\*

	Primary Energy Source	2010	2011	2012
	<b>Electricity (MW-h)</b> (purchased)	120,676	145,925	139,882

\*2012 amount represents prior-year calendar year data for all of our North American facilities, or roughly 75 percent of our global square footage. 2011 amount represents prior-year calendar year data for all of our North American facilities, or roughly 80 percent of our global square footage during that timeframe. 2010 amount represents prior-year calendar year data for our California facilities only, which made up roughly 72 percent of our global square footage during that timeframe.

---

At our California facilities, our energy-efficiency initiatives resulted in:

27.5 million kilowatt hours saved annually

= \$ 3.6 million saved in energy costs

=  8,712 metric tons of GHG emissions saved

=  annual emissions avoided from 1,584 cars

---

## HELPING TO PUT THE “SMART” IN SMART GRIDS

We’re contributing to the global evolution toward more efficient energy by enabling the wireless components in smart grids—digitally enabled electrical grids that use wireless networks and information technology to distribute energy more efficiently, saving costs and reducing greenhouse gas (GHG) emissions in the process.

Our acquisition of Atheros Communications substantially expanded our portfolio of smart-grid-related products, including power-line technologies and low-power WiFi solutions. (Read more about Qualcomm Atheros’s smart grid solutions here.) We also have a department focused on growing our cellular chipset business in the Internet of Everything space, with initial focus on smart automotive and energy solutions.

---

CPS Energy of Texas showed that using Qualcomm-enabled smart grid solutions to power 140,000 homes could save 145,000 metric tons of CO<sub>2</sub> emissions annually and delay the need to build a new power plant.

Source: *Wireless and The Environment: A Review of Opportunities and Challenges*, BSR and CTIA, October 2011.

---

We helped advance smart grid technologies in other ways this past year as well:

- Mark Klerer, our senior director of technology, was vice chair of the Smart Grid Interoperability Panel (SGIP). The SGIP is a public-private partnership that coordinates standardization activities for U.S. smart grid standards and has developed a number of plans to address reduction of the nation's carbon footprint via the use of plug-in electric vehicles and renewable energies like wind.
- We participated in state, federal and international government rule-making and public-comment opportunities regarding smart grids.
- We sponsored and presented at the National Association of Regulatory Utility Commissioners (NARUC) annual meetings, which are key events for businesses, utilities and policymakers focused on smart grid technologies. We also conducted various webinars on the role of cellular communications in the smart grid, as shown in this video.
- We continued our membership in the GridWise Alliance, an organization representing virtually the entire energy supply chain and aimed at making the U.S. energy grid sustainable.
- We continued to invest in Consert, Inc., a provider of home energy management systems. Consert leverages our 3G cellular technology in solutions that enable residential energy users to better manage their power consumption through an online portal.
- We participated in the Electricity Subgroup of the Future Transportation Fuels Study, a study of America's energy diversification led by the National Petroleum Council and commissioned by former Secretary of Energy Samuel Bodman.

We also collaborated on energy-related initiatives related to carbon emissions and climate change. Read about those here.





## THINKING AHEAD

### Deploying more energy-efficient data centers

Data centers—buildings that house and protect large numbers of computer servers—are essential for any business that, like ours, is IT-intensive. But powering and cooling data centers also requires large amounts of energy. In our continuing efforts to manage energy consumption and greenhouse gas emissions as our Company grows, we are utilizing creative solutions as we deploy new data centers at our San Diego, California, headquarters.

In 2010, we deployed our first HP Performance Optimized Data Center, or POD. Housed in a shipping container, the POD's design dramatically reduces the amount of real estate and power needed to operate a large number of computing systems; it contains more than 1,000 servers in just 320 square feet. A traditional data center would require more than 5,000 square feet to support the same power and heat load. The performance results of our first POD were so impressive that we commissioned a second, even more efficient POD in October 2012. The new POD is expected to save 1 million kilowatt hours and \$130,000 annually.

In 2013, we plan to deploy a prefabricated modular data center, or MOD. Produced at a factory and assembled on our campus, MODs are more cost-effective than traditional brick-and-mortar data centers, in part because they reduce deployment time. Like PODs, they enable us to house more servers in a smaller space.



“Qualcomm is growing, and so is our demand for computing power and IT services. Modular data centers (MODs) are allowing us to meet these computing needs by increasing capacity while also significantly lowering energy consumption and associated costs.”

—Norm Fjeldheim, Senior Vice President & Chief Information Officer

We have further increased energy efficiency by pairing several of our data centers with our natural gas-powered co-generation plants. The turbines in our co-generation plants run around the clock every day—a perfect match for our data centers’ requirement for reliable, 24/7 power. Also, we capture the heat produced as a by-product of power generation and convert its energy to cool our data centers, reducing the burden on the electric chillers and avoiding additional electricity usage. Finally, by placing our data centers as close as possible to our co-generation plant, we enable more efficient energy transfer. We expect that pairing a MOD with a co-generation plant at just one of our San Diego facilities will allow us to avoid consuming more than 4 million kilowatt hours annually. We will also avoid 66 percent of the greenhouse gas emissions associated with conventional data center use.

In sum, deploying PODs and MODs along with our co-generation plants enables us to use about 30 percent less energy to cool our servers, lowering our Power Usage Effectiveness (PUE) to 1.18—a level below federal targets for data center efficiency.

Because there are limits to the returns that can be gained by minimizing data centers, we will continue to look beyond PODs and MODs to other solutions for maximizing computing capacity per watt of energy. Among them is Platform as a Service (PaaS) for cloud provisioning, which employs infrastructure-virtualization and application orchestration technology to support more computing with fewer hardware resources.

# Working smarter, wasting less

Being mindful of waste today helps ensure that we’ll have the resources we need in the years to come. Our employees are recycling everything from water bottles to e-waste and discovering ways to use materials more efficiently.

## MORE RECYCLING, LESS LANDFILLING

Three of our major locations in California employ a mixed recycling program, which enables employees to dispose of recyclables in a single container rather than separate bins for glass, aluminum, paper and plastic. That simplification has enabled us to substantially increase our recycling rate. In 2012, our per capita landfill disposal rate was 0.15 pounds per person—a 99 percent reduction from our 2011 rate and far below the average of 6.07 pounds per person for a San Diego business.

We’re recycling beyond our offices as well. During construction projects on our campuses, we recycle as much debris as possible. One example: In the process of adding cool roofs to two of our San Diego buildings, we diverted 80 tons of gravel from local landfills to be used for road construction. Overall, our 2012 building projects surpassed San Diego County requirements for recycling construction debris.

Total Weight of Waste and Disposal Methods (tons)\*

Item	2010	2011	2012
Recycled Material	1,313	1,049	2,086
Landfill Waste	1,723	1,355	421
Solid Waste Generated	3,036	2,404	2,507

\*Amounts represent data for our major California facilities only, which make up roughly 51.4 percent of our global square footage.

# PROPERLY DISPOSING OF HAZARDOUS WASTE

We currently track hazardous waste generation at our facilities in San Diego, San Jose and Santa Clara, California, which account for nearly 52 percent of our global square footage. At those facilities, we produce a variety of waste classified as hazardous under local, state or federal regulations. Paint, lacquer, inorganic solids, flammable liquids, diesel fuel and the ethylene glycol we use in our air-conditioning chillers are examples of the kinds of hazardous wastes we produce. Whenever we produce such waste, we take measures to dispose of it in accordance with local and national regulations, and we recycle it whenever possible.

In 2012, our levels of hazardous waste returned to normal levels after a steep increase in 2011 that was caused by the decommissioning of an air-conditioning chiller at our San Diego headquarters.

We are pleased to report that 100 percent of the hazardous waste we disposed of in 2012 was recycled.

## Hazardous Waste\*

Item	2010	2011	2012
Generated (tons)	56.5	92.0	52.3
Recycled (%)	73%	77%	100%

\*Amounts represent data for our major California facilities only, which make up roughly 51.4 percent of our global square footage.

Fiscal Year 2012 Hazardous Waste Final Disposition\*

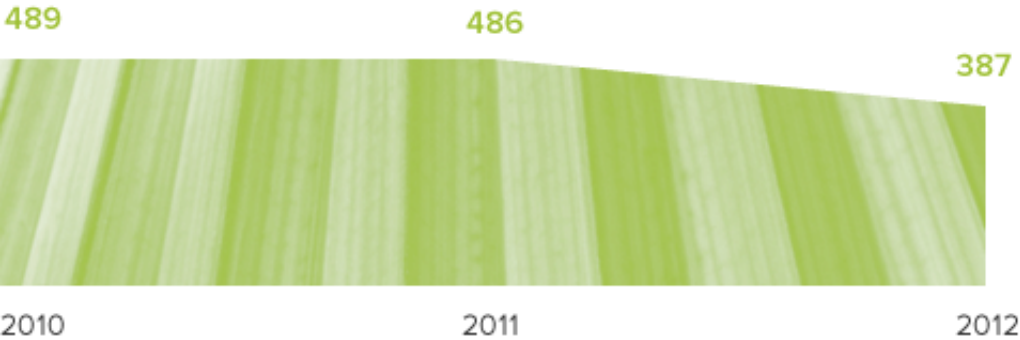
Final Disposition	San Diego Amount (lbs)	San Jose Amount (lbs)	Total (tons)
Reclamation and Recovery <div><div></div></div> 83.63%	3,800	96,279	50.0
Treatment Prior to Disposal <div><div></div></div> 16.37%	4,530	0	2.26
	104,609		52.26

\*Amounts represent data for our major California facilities only, which make up roughly 51.4 percent of our global square footage.

PITCHING IN TO REDUCE E-WASTE

In addition to Company-generated e-waste recycled through our waste disposal program, we collected personal e-waste from employees through monthly interoffice collection efforts and through quarterly e-waste recycling events. Such events encourage employees to drop off personal electronics for reuse or recycling.

e-Waste Collection (1,000 pounds)\*



\*Amounts represent prior-year calendar year data for our United States' facilities only

# Using water more efficiently

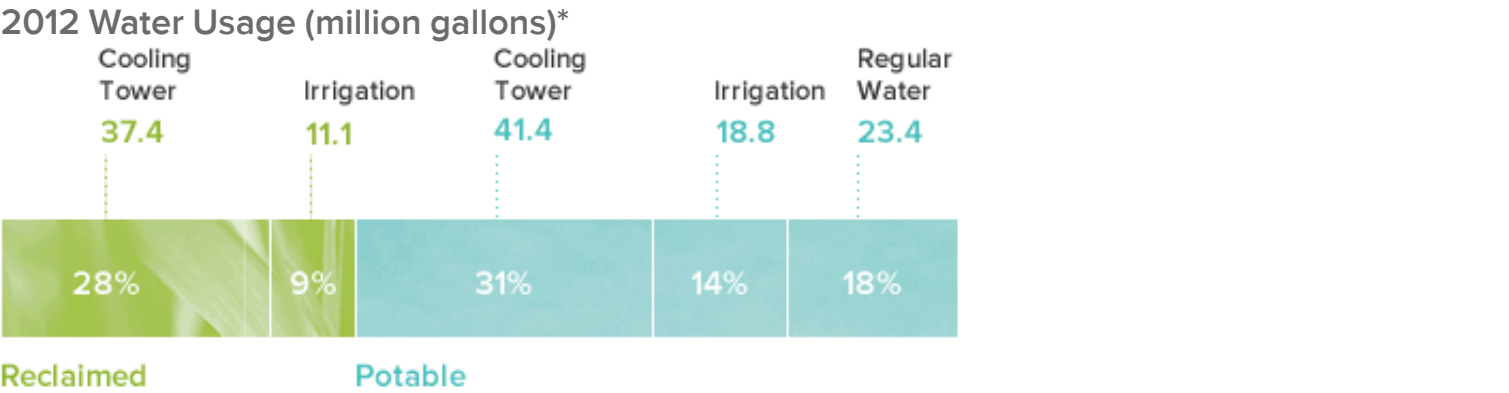
As water sources around the world become increasingly stressed, we're acutely aware of the need to treat water as the precious resource it is. We're conserving water, particularly in California, the home of our headquarters and a state perennially challenged by water scarcity.

---

## CONSERVING WATER IN CALIFORNIA

At our San Diego facilities, we make our greatest gains in water conservation by utilizing reclaimed water instead of potable water for irrigation and air conditioning. As we construct new buildings and renovate existing facilities, we intend to use as much reclaimed water as local infrastructure allows. We are working with the City of San Diego to find a cost-effective solution for extending so-called purple pipes for reclaimed water to more of our facilities. Additionally, at our San Diego facilities where we do not have access to reclaimed water for our cooling towers, we avoid consuming another 11.5 millions gallons of potable water annually, by carefully managing the treatment of the water, enabling us to use it longer before having to flush the system and refill it.

At our San Jose and Santa Clara operations, we saved approximately a quarter of a million gallons of water per year by using a reverse osmosis/deionized water system that produces less wastewater. Of the wastewater the system did produce, we recycled more than a million gallons by diverting it into the cooling towers for our air-conditioning system, thus significantly decreasing the amount of water from the city water system we would have otherwise used to fill the towers.



\*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](#).

## CONSIDERING OUR WATER FOOTPRINT

As we rely on suppliers to manufacture our chipsets and other products, we are concerned with the adverse impacts that the manufacturing process may have on the environment. Water consumption and its impact on the environment are one area of concern. Therefore, we want our suppliers to be as efficient with their water use as possible. QCT currently requires its manufacturing suppliers to conserve, recycle and reuse water through its Supplier Code of Conduct. We are in the process of further articulating our expectations of suppliers with regard to water and exploring ways that we can work with them to use water more efficiently.



## THINKING AHEAD

### Assessing our water challenges

Water may not be the first thing you think of when you consider a high-tech company like ours. But water is essential to our business—both in the operation of our facilities and in our semiconductor supply chain facilities.

Given the increasing pressure on water sources worldwide, in 2012 we assessed potential long-term water challenges for our business. We employed the World Business Council for Sustainable Development Global Water Tool in our evaluation and also consulted the Global Environmental Management Initiative Local Water Tool.

Our analyses confirmed our understanding that our California facilities, especially our San Diego headquarters, are located in areas that may be subject to long-term water scarcity. In response, we are continuing efforts to use water as efficiently as possible, focusing mainly on reusing water at our San Diego facilities, which account for about 55 percent of our global square footage. We are also engaged in local water conservation efforts, working with municipalities, regulators and other businesses to develop solutions for ensuring water security for San Diego, and other communities where we do business, for years to come.

Looking beyond our California facilities, we also considered the long-term water challenges that our primary foundry suppliers for semiconductors may face. Because semiconductor processing is water-intensive, we encourage and support water efficiency, conservation and disclosure efforts by our semiconductor manufacturing suppliers. To that end, we are engaging with our suppliers, communicating our expectations and assisting them in their efforts related to water-conservation and reporting.

As disclosed in our Annual Report on Form 10-K for the fiscal year ended September 30, 2012, the primary foundry suppliers for our various digital, analog/mixed-signal, radio frequency (RF) and

power management (PM) integrated circuits are Global Foundries Inc. (Global Foundries), International Business Machines Corporation (IBM), Samsung Electronics Co. Ltd. (Samsung), Semiconductor Manufacturing International Corporation (SMIC), Taiwan Semiconductor Manufacturing Company (TSMC) and United Microelectronics Corporation (UMC). All of these suppliers include disclosures about water on their websites or social responsibility reports. Additionally, three of these six suppliers were asked, and responded to, the 2012 Carbon Disclosure Project (CDP) Water Disclosure, including IBM, Samsung and TSMC.

In 2012, we became an applicant member of the Electronic Industry Citizenship Coalition, which will allow us to work with others in the electronics industry to improve water practices across the overall electronics supply chain by encouraging more detailed and transparent water reporting and responsible management of water sources. By working together as an industry, we believe we can be more effective in creating workable solutions for adequate long-term water sourcing.

Moving forward, our goal is to seek additional practical methods to enhance water conservation and sustainability practices in our own operations and in those of our suppliers.



# Increasing sustainability from the inside out

As a Company focused on employee health, environmental stewardship and cost-efficiency, we want our facilities to be as sustainable as possible. So as we design, build and operate our facilities, environmental performance is top of mind.

---

## EXPANDING OUR COMMITMENT TO BUILDING GREEN



As we expand our operations around the world, we continue to implement the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) methodology. We choose green building materials wherever possible—including low-VOC paint and recycled products, which are further recyclable, such as ceiling tiles, vinyl composition floor tile, systems furniture, carpet, fabrics and more. By sourcing, designing and building with sustainable products, we minimize waste and help reduce greenhouse gas emissions. In all, we have earned LEED certification for five of our buildings.

In 2012, we achieved LEED Silver—Commercial Interiors Certified status for our 9,300-square-foot expansion space in Shenzhen, China. This is our second building in China to earn this distinction. Our first was the Qualcomm Kerry Centre in Beijing.

We also achieved LEED Gold Certification for construction of our new 1.3 million-square-foot facility in Longtan, Taiwan. Our other LEED Gold facilities are our 127,000-square-foot office tower in Bangalore, India (which was upgraded from LEED Silver status), and our 1 million-square-foot campus in San Diego, California, which was certified LEED Gold in 2008.

---

## OUR FACILITIES AND BIODIVERSITY

Five of our San Diego office sites are adjacent to Los Peñasquitos Canyon Preserve, protected home to more than 500 plant species, 175 types of birds and a variety of reptiles, amphibians and mammals. We work closely with the City of San Diego and San Diego County to ensure that we have minimal impact on this important sanctuary.

---

## MORE EFFICIENT DISTRIBUTION IN SINGAPORE

Improved packaging and material handling at our Singapore distribution center continued to reduce waste and carbon emissions. Reuse of pallets and boxes, recycling of corrugated cardboard and replacement of disposable pallets and cartons with steel cages and trolleys are just some of the ways we're cutting waste.

Since our Singapore distribution center introduced slimmer shipping boxes for our integrated circuit (IC) products in 2008, we've saved thousands of metric tons of cardboard. We also expect to reuse more than 30,000 cartons per year, further reducing our consumption.

---

**1,200** of cardboard saved at  
**METRIC TONS** our Singapore distribution  
center in 2012

---

## CUTTING WASTE FROM IT OPERATIONS

As an engineering company, we depend on a robust information technology (IT) infrastructure. We take steps to minimize energy consumption and waste in our IT system, keeping both costs and environmental considerations in mind. Our Green IT Committee meets regularly to look for opportunities to cut waste, such as using their procurement teams to leverage consolidated purchasing to reduce the number of shipments we receive, saving transportation fuel and encouraging vendors to minimize packing materials.

The following are some of our new and continuing measures:

<b>SERVER VIRTUALIZATION</b>	<b>Enables a single computer to do the work of multiple machines, saving energy and carbon emissions. We increased our virtual servers by 30 percent in 2012.</b>
<b>INCREASED TELECONFERENCING</b>	<b>Teleconferencing reduces our carbon footprint by reducing travel for our employees. We increased our number of teleconference systems to 24 in 2012, with more systems scheduled for implementation in 2013.</b>
<b>WIRELESS BACKHAUL</b>	<b>We use wireless backhaul wherever feasible. Wireless backhaul—the use of wireless solutions to connect with wired networks—saves wasteful trenching of city streets for network cable installation.</b>
<b>POWERING DOWN PRINTERS</b>	<b>All of our printers automatically power down after hours and print double-sided by default. We’re replacing older printers with more energy-efficient models and buying toner that yields higher page volume.</b>
<b>MONITOR UPGRADES</b>	<b>We now purchase LED-backlit displays instead of CCFL displays, thereby reducing power usage and increasing lifespan. Additionally, these types of panels no longer include any mercury content.</b>
<b>MODULAR DATA CENTERS</b>	<b>As our Company grows, so does our demand for computing power and IT services. Modular data centers allow us to efficiently meet those demands by increasing capacity while significantly lowering energy consumption and associated costs.</b>

---

## ISO-CERTIFIED BUILDING SERVICES TEAM

We strive to keep our buildings exceptionally clean and to minimize the use of chemicals as we do so. In 2012, our San Diego Building Services Team earned ISO 9001:2008 certification from the International Organization for Standardization (ISO). In awarding the certification, the third-party auditor called our team a “benchmark of excellence.”

---

In buildings at our Company headquarters, our janitorial team employs QualClean, a program that reduces chemical use, water consumption and waste while helping to ensure consistency in cleaning and a healthier workplace for our employees.

---

The program delivers cost efficiencies as well. Among our “green” cleaning practices:

- A system for reducing potential for cross contamination that exceeds requirements for Occupational Safety and Health Administration (OSHA) compliance.
- Two Green Seal Certified chemicals of three daily-use cleaning products.
- Use of three of four neutral pH (@ +/-7) carpet-cleaning chemicals listed by OSHA as having zero toxic hazard, zero flammable hazard, zero reactive hazard and zero corrosive hazard.
- Limited use of hydrochloric, sulfamic and oxalic acids.
- Use of an ergonomic, four-level filter vacuum system proven to reduce dust particles to virtually no detectable emission.
- Use of flat microfiber mops and two-sided buckets that reduce water usage for cleaning by 75 percent.
- A just-in-time inventory system for cleaning products that reduces the amount of product disposed.
- Use of chemical cleaning concentrates that has reduced waste sent to landfills by 97 percent.

---

All six cafés at our corporate headquarters are Green Restaurant Association Certified Green Restaurants™.

# Growing greener around the globe

Making our Company more environmentally sound is an all-hands effort, and we believe commitment, ingenuity and new habits on the part of our people have more impact than a corporate edict. Here are some of the ways Qualcomm employees at our facilities worldwide put their hearts and minds into minimizing our footprint.

---



## ASIA

**CHINA** Employees in Beijing hosted representatives of the Green Living Center, who presented solutions for low-carbon living, and employee volunteers in Shanghai helped clean and protect a 1,400-square-meter wetland.



**HONG KONG** As part of the World Wildlife Fund's annual Earth Hour event, employees in Hong Kong produced a two-minute video encouraging their colleagues to conserve energy. "The Wireless Warriors," a team of our employees, planted 30 seedlings in an annual endurance event that combines tree-planting with a 13-kilometer hike.

**INDIA** Qualcomm India celebrated Earth Day by promoting the use of natural, rather than plastic, bags. An on-site sale of bags made from jute benefited Save the Children India.

**KOREA** Employees collected and recycled used mobile phones and printer cartridges, using the funds generated to support Child Fund Korea’s work with disadvantaged children. Qualcomm Korea also donated used event banners to Eco Party Mearry, which makes handbags, wallets and other goods from recycled materials.

**TAIWAN** All Qualcomm offices held an “earth hour” on Earth Day, shutting off all lights for 60 minutes and encouraging employee ideas for reducing energy use and waste.

---



## MIDDLE EAST



**ISRAEL** Our office in Haifa distributed reusable produce bags to employees in celebration of Earth Day.



## NORTH AMERICA



**ONTARIO** Employees joined Environmental Earth Angels in a schoolyard tree-planting. Our Markham office teamed with Smart Commute to help provide employees with sustainable transportation options. Employees also took part in the “20-Minute Makeover,” a communitywide effort to clean up litter in greater Toronto.



**CALIFORNIA** Our annual Earth Day Celebration at our San Diego headquarters surpassed last year’s event, with dozens of booths sponsored by employees and outside organizations, attendance exceeding 2,000 people and a keynote address by our Chairman and CEO, Dr. Paul Jacobs. Employees showed off their electric cars, promoted recycling, participated in Bike to Work Day and volunteered in a hands-on activity to promote the planting of native plant species, among other attractions.

**GEORGIA** Our Atlanta office celebrated Earth Day with a week of trivia games, new reusable coffee mugs and water bottles, and an e-waste drive.

**NORTH CAROLINA** At our Raleigh offices, where vehicle-charging stations have been installed since 2011, employees took part in an event promoting electric vehicle awareness.



**TEXAS** Employees collected a pallet of used batteries from their offices and composted food scraps. Many employees bike to work regularly.





GLOBAL REPORTING INITIATIVE

# CONTENT INDEX

## MEASURE AND REPORT OUR ECONOMIC, ENVIRONMENTAL AND SOCIAL PERFORMANCE.

The 2011–2012 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).

We have self-assessed our reporting to be Application Level B. A GRI Content Index is provided below as a cross-reference to the report content.

Strategy and Analysis		
Indicator	Description	Response
1.1	Statement from the most senior decision-maker of the organization.	Leadership Messages
1.2	Description of key impacts, risks, and opportunities.	Governance
Organizational Profile		
Indicator	Description	Response
2.1	Name of the organization.	Qualcomm Incorporated
2.2	Primary brands, products, and/or services.	Products and Services
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	Businesses and Organizations
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.	Worldwide locations
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 customers/beneficiaries).	Performance Summary, Additional information available in 10-K/Annual Report
2.8	Scale of the reporting organization.	Performance Summary, Additional information available in 10-K/Annual Report
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	There were no significant changes during the reporting period.
2.10	Awards received in the reporting period.	Memberships and Awards, Awards and Recognition
Report Parameters		
Indicator	Description	Response
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	Our 2011–2012 QSR Report covers events and highlights occurring from September 27, 2010, to September 30, 2012, and coincides with our corporate 2011 and 2012 fiscal years. 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 2010 QSR Report covers events and highlights occurring from September 28, 2009, to September 26, 2010, and coincides with our corporate 2010 fiscal year.

\*Partially covered in report

Report Parameters (continued)		
Indicator	Description	Response
3.3	Reporting cycle (annual, biennial, etc.)	Bi-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:qsr@qualcomm.com">qsr@qualcomm.com</a>
3.5	Process for defining report content.	Governance, Leadership Message
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers).	This report includes Qualcomm Incorporated and its consolidated 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 2011–2012 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 strategy and are of utmost importance to our stakeholders. 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.	During the third quarter of fiscal 2012, the Company's subsidiaries in India that were established to operate a wireless network on the broadband wireless access (BWA) spectrum (BWA subsidiaries) issued noncontrolling interests to Bharti Airtel Limited (Bharti), an Indian wireless network operator. As a result, the Company's ownership interest in each of those subsidiaries was reduced from 74% to 51%. In addition, Bharti purchased the outstanding shares of those subsidiaries that were held by two third-party Indian investors. However, this change did not result in a change in control, and as a result, the Company's consolidated financial statements continue to include the assets, liabilities and operating results of those subsidiaries. The Company's agreement with Bharti provides that Bharti's ownership interest will increase over time to 100% if certain conditions are met. Starting in the fourth quarter of fiscal 2012, the assets and liabilities of the BWA subsidiaries were presented as held for sale. Additional information available in 10-K/Annual Report
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. Explain any decisions not to apply, or to substantially diverge from, the GRI Indicator Protocols.	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 were no such restatements during the reporting period. Additional information available in 10-K/Annual Report
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 2011–2012 QSR Report.
3.12	Table identifying the location of the Standard Disclosures in the report.	GRI Content Index
3.13	Policy and current practice with regard to seeking external assurance for the report.	External verification of specific content is noted throughout our 2011–2012 QSR Report. Our 2009 and 2010 QSR Reports were externally assured by an independent third-party. Based on stakeholder feedback and cost/benefit analysis of available assurance options, we have not conducted a separate third-party verification of our 2011–2012 QSR Report.

\*Partially covered in report

Governance, Commitments, and Engagement		
Indicator	Description	Response
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.	Governance, Governance Principles and Practices
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	Governance, Governance Principles and Practices
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.	Governance, Governance Principles and Practices
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	Governance, Governance Principles and Practices
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).	Ethical Employment
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	Governance Principles and Practices
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.	Corporate Governance
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.	Governance, Ethics and Integrity, The Qualcomm Way: Our Code of Business Conduct
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.	Governance, Corporate Governance
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	Governance, Governance Principles and Practices
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	Product Responsibility
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	Ethics and Integrity, Public Policy, Product Responsibility, Supplier Management, Energy, Facilities and Operations, Air Quality, Memberships and Awards
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization: <ul style="list-style-type: none"> <li>* Has positions in governance bodies;</li> <li>* Participates in projects or committees;</li> <li>* Provides substantive funding beyond routine membership dues; or</li> <li>* Views membership as strategic.</li> </ul>	Memberships and Awards
4.14	List of stakeholder groups engaged by the organization.	Stakeholder Engagement
4.15	Basis for identification and selection of stakeholders with whom to engage.	Stakeholder Engagement
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	Stakeholder Engagement
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.	Stakeholder Engagement

\*Partially covered in report

Disclosures on Management Approach		
Indicator	Description	Response
DMA	Economic	Our Company, 2012 Proxy Statement, Corporate Governance, The Qualcomm Way: Our Code of Business Conduct, Code of Ethics, Supplier Diversity Policy
DMA	Environmental	Our Environment, Environmental Policy, The Qualcomm Way: Our Code of Business Conduct
DMA	Social: Labor Practices and Decent Work	Our Workplace, Health and Safety, The Qualcomm Way: Our Code of Business Conduct
DMA	Social: Human Rights	Our Workplace, Global Workforce Inclusion, The Qualcomm Way: Our Code of Business Conduct
DMA	Social: Society	Our Company, Our Community, The Qualcomm Way: Our Code of Business Conduct, Community Involvement, Wireless Reach
DMA	Social: Product Responsibility	Our Company, Responsible Product Design, The Qualcomm Way: Our Code of Business Conduct
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.	Performance Summary, Additional information available in 10-K/Annual Report
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.	Ethical Employment, General entry wage level information provided
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	Supplier Management, Supplier Diversity Policy
EC8*	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	Our Community, General public benefit information provided
EC9*	Understanding and describing significant indirect economic impacts, including the extent of impacts.	Our Community, General indirect economic impact information provided
Environmental		
Indicator	Description	Response
EN1*	Materials used by weight or volume.	Product Responsibility
EN2*	Percentage of materials used that are recycled input materials.	Product Responsibility, Facilities and Operations
EN3	Direct energy consumption by primary energy source.	Energy
EN4	Indirect energy consumption by primary source.	Energy
EN5	Energy saved due to conservation and efficiency improvements.	Our Environment
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	Product Responsibility, Energy, Products and Services, Responsible Product Design, Smart Energy
EN7*	Initiatives to reduce indirect energy consumption and reductions achieved.	Air Quality, Energy, Facilities and Operations, Global Environmental Initiatives
EN8*	Total water withdrawal by source.	Water Conservation, Water usage for Headquarters provided
EN10*	Percentage and total volume of water recycled and reused.	Water Conservation, 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.	Facilities and Operations
EN13	Habitats protected or restored.	Facilities and Operations, Global Environmental Initiatives
EN16	Total direct and indirect greenhouse gas emissions by weight.	Air Quality

\*Partially covered in report

<b>Environmental (continued)</b>		
<b>Indicator</b>	<b>Description</b>	<b>Response</b>
EN17*	Other relevant indirect greenhouse gas emissions by weight.	Air Quality
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	Our Environment
EN20	NOx, SOx, and other significant air emissions by type and weight.	Air Quality
EN22	Total weight of waste by type and disposal method.	Waste Reduction
EN23	Total number and volume of significant spills.	Qualcomm experienced no significant spills in 2012 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.	All hazardous waste generated by Qualcomm U.S. operations is recycled or treated in the United States by Certified Treatment, Storage and Disposal Facilities.
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	Product Responsibility, Supplier Management
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 2012.
<b>Social: Labor Practices and Decent Work</b>		
<b>Indicator</b>	<b>Description</b>	<b>Response</b>
LA1*	Total workforce by employment type, employment contract, and region.	Performance Summary, Total workforce by region and employment type provided
LA2*	Total number and rate of employee turnover by age group, gender, and region.	Ethical Employment, 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.	Ethical Employment
LA4	Percentage of employees covered by collective bargaining agreements.	Ethical Employment
LA5*	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.	Ethical Employment, 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.	Workplace Safety, General information provided
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region.	Workplace Safety
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	Workplace Safety, Global Emergency Management
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.	Employee Development
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	Employee Development, Ethical Employment
LA12	Percentage of employees receiving regular performance and career development reviews.	81.70%, Ethical Employment
LA13*	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity.	Global Workforce Inclusion, Performance Summary, General information provided
LA14*	Ratio of basic salary of men to women by employee category.	Ethical Employment, General information provided

\*Partially covered in report

Social: Human Rights		
Indicator	Description	Response
HR2*	Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken.	Supplier Management, Ethical Employment
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.	17,874, Workplace Safety, Ethics and Integrity, Ethical Employment
HR4	Total number of incidents of discrimination and actions taken.	Qualcomm has never been found to have unlawfully discriminated against any of our employees. Ethical Employment
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.	Qualcomm is unaware of any operations in which the right to exercise freedom of association and/or collective bargaining are at significant risk. Ethical Employment
HR6	Operations identified as having significant risk for incidents of child labor, and measures taken to contribute to the elimination of child labor.	Qualcomm is unaware of any operations in which there is a significant risk for incidents of child labor. Ethical Employment
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.	Qualcomm is unaware of any operations in which there is a significant risk for incidents of forced or compulsory labor. Ethical Employment
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.	Ethics and Integrity, The Qualcomm Way: Our Code of Business Conduct
SO3	Percentage of employees trained in organization's anti-corruption policies and procedures.	Ethics and Integrity, The Qualcomm Way: Our Code of Business Conduct
SO4	Actions taken in response to incidents of corruption.	There has never been any legal case of corruption brought against our employees or our Company. We disclose all material legal proceedings in our periodic filings. Ethics and Integrity, Additional information available in 10-K/Annual Report
SO5	Public policy positions and participation in public policy development and lobbying.	Public Policy
SO6*	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	Public Policy, 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.	Product Responsibility, Supplier Management, 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 significant products and services subject to such information requirements.	Product Responsibility
PR6*	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	Ethics and Integrity, The Qualcomm Way: Our Code of Business Conduct, General information provided
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	We did not receive any substantiated complaints regarding breaches of customer privacy or data in 2012 or in the two years prior. Ethics and Integrity
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	In 2012, we had no fines for non-compliance with laws and regulations concerning the provision and use of our products and services. Product Responsibility

\*Partially covered in report



# PERFORMANCE SUMMARY



## PERFORMANCE SUMMARY

### OUR COMPANY

	Units	2012	2011	2010
<b>Total Consolidated Revenues by Region* (in millions)</b>				
Total	\$	19,121	14,957	10,982
China	\$	7,971	4,744	3,194
South Korea	\$	4,203	2,887	2,913
Taiwan	\$	2,648	2,550	1,360
United States	\$	967	897	555
Other Foreign	\$	3,332	3,879	2,960
<b>Revenues by Segment** (in millions)</b>				
Total	\$	19,121	14,957	10,982
QCT	\$	12,141	8,859	6,695
QTL	\$	6,327	5,422	3,659
QWI	\$	633	656	628
Other	\$	20	20	0
<b>Total Capitalization (in millions)</b>				
Stockholders' Equity	\$	33,545	26,972	20,858
<b>Quantity of Products Provided</b>				
QCT Mobile Station Modem (MSM™) Integrated Circuits	# of Products Provided	590,000,000	483,000,000	399,000,000
<b>Supply Chain</b>				
Number of Diverse Suppliers Registered, Global	# of	759	682	563
Spending on Subcontract Work directed at Diverse Businesses (U.S. only)	% of Overall Spending	13%	12%	14%

\* 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. Fiscal 2010 revenues have been adjusted for discontinued operations.

\*\* Fiscal 2010 revenues have been adjusted for discontinued operations.

## PERFORMANCE SUMMARY

### OUR WORKPLACE

	Units	2012	2011	2010
<b>Number of Employees</b>				
Total Employees, Worldwide	# of	26,600	21,200	17,500
Breakout by Region:				
United States	%	65%	71%	77%
Non-United States	%	35%	29%	23%
<b>Breakout by Employee Type</b>				
Regular Employees	%	89%	90%	90%
Temporary Employees	%	11%	10%	10%
<b>Global Workforce Inclusion</b>				
Diversity:				
Minority Employees*	% of Total	59%	56%	55%
Nationalities Represented	# of	118	109	107
Languages Spoken	# of	67	66	66
Women in the Workforce:				
Women on the Board of Directors	% of Total	25%	15%	15%
<b>Education and Training</b>				
Training Statistics:				
Classroom Training Course Enrollments	# of	65,224	49,400	45,400
Instructor-led Sessions	# of	356	660	600
Online Courses	# of	2,000	700	700
<b>Training by Employee Group</b>				
Individual Contributor	Hrs/Employee	31	19	24
Management	Hrs/Employee	73	27	27
Executive	Hrs/Employee	23	13	18
<b>Ethical Employment</b>				
Employee Voluntary Turnover Rates	% of Total	3.8%	5.1%	4.0%
<b>Workplace Safety</b>				
Total Injury and Illness Incident Rate (U.S. only)	Per 100 Full-time Employees	0.7	1.6	1.8
Total Lost Time Injury and Illness Rate (U.S. only)	Per 100 Full-time Employees	0.03	0.1	0.1
<b>Environmental Health and Safety Training</b>				
Total Hours Provided	# of	2,764	4,384	2,610
Employees Trained	# of	3,221	2,902	1,808
Trainings Led	# of	1,737	2,128	1,276
Ergonomic Assessments Led	# of	3,184	1,956	1,039

\* U.S. employees only

## PERFORMANCE SUMMARY

### OUR COMMUNITY

	Units	2012	2011	2010
<b>Qualcomm Foundation and Qualcomm Incorporated Grants</b>				
Educated Communities	% of Total	79%	59%	68%
Healthy Sustainable Communities	% of Total	18%	33%	27%
Culturally Vibrant Communities	% of Total	3%	8%	5%
<b>Matching Grants and Community Service Grants</b>				
Educated Communities	% of Total	47%	43%	43%
Healthy Sustainable Communities	% of Total	45%	49%	47%
Culturally Vibrant Communities	% of Total	8%	8%	10%
Employees Participating in Matching Grant and Community Service Grant Programs	# of	2,990	2,967	2,900
Nonprofit Organizations Helped by Matching Grant and Community Service Grant Programs	# of	1,642	1,575	1,583
<b>Wireless Reach™</b>				
Wireless Reach Partners	# of	250+	200+	100+
Wireless Reach Projects	# of	73	64	56
Wireless Reach Project Countries	# of	31	27	28

## PERFORMANCE SUMMARY

### OUR ENVIRONMENT

	Units	2012	2011	2010
<b>Green IT</b>				
E-Waste Collection*	Pounds of Waste	387,000	486,480	489,932
<b>Greenhouse Gas (GHG) Emissions**</b>				
CO <sub>2</sub> per Gross Square Foot of Facilities Space	CO <sub>2</sub> Metric Tons	0.0191	0.0205	0.0203
Total Direct GHG Emissions by Weight	CO <sub>2</sub> Metric Tons	64,782	63,301	57,721
Total Indirect GHG Emissions by Weight	CO <sub>2</sub> Metric Tons	49,216	50,591	39,824
<b>Direct Energy Consumption by Primary Energy Source**</b>				
Natural Gas (facilities)	MMBtu	991,255	965,349	895,712
Jet Fuel (aviation related)	Gallons	1,127,478	1,176,173	988,469
Vehicle Gasoline (shuttle/test vehicles)	Gallons	56,891	49,442	47,494
Diesel Fuel (cars/trucks)	Gallons	10,284	8,220	7,341
Diesel Fuel (generators)	Gallons	12,156	8,230	1,485
<b>Indirect Energy Consumption by Primary Energy Source**</b>				
Electricity (purchased)	Megawatt Hours	139,882	145,925	120,676
<b>Significant Air Emissions***</b>				
NOx	Tons	29.70	32.20	28.79
SOx	Tons	0.20	0.20	0.20
VOC	Tons	1.10	1.17	1.17
<b>Total Weight of Waste and Disposal Method†</b>				
Recycled Material	Tons	2,086	1,049	1,313
Landfill Waste	Tons	421	1,355	1,723
Solid Waste Generated	Tons	2,507	2,404	3,036
<b>Hazardous Waste†</b>				
Generated	Tons	52.3	92.0	56.5
Recycled	%	100%	77%	73%
<b>Water Conservation***</b>				
Water Savings	Million Gallons	18.90	18.04	18.08

\* Amounts represent prior-year calendar year data for our United States' facilities only

\*\* 2012 amount represents prior-year calendar year data for all of our North American facilities, or roughly 75 percent of our global square footage. 2011 amount represents prior-year calendar year data for all of our North American facilities, or roughly 80 percent of our global square footage during that timeframe. 2010 amount represents prior-year calendar year data for our California facilities only, which made up roughly 72 percent of our global square footage during that timeframe.

\*\*\* San Diego, CA, facilities only

† Amounts represent data for our major California facilities only, which make up roughly 51.4 percent of our global square footage.