Qualcomm®

2013 Qualcomm Sustainability Report

From Our Executive Chairman

When Qualcomm was founded in 1985, sustainability wasn't the ubiquitous word it is today. Nevertheless, it was an idea inherent throughout our Company. We set out to build a thriving business while acting with the greatest integrity. We aspired to work in a way where we would be conscious of our impact on people and the environment, and we imagined that our technologies and ideas could help improve life everywhere. All of those ideals still describe our vision today.

Over the past year, we have focused on prioritizing the sustainability issues most relevant to our business and our stakeholders. One of those issues is designing our products responsibly, which includes both sharing our sustainability goals with and soundly managing our global supply chain. We engage our suppliers to advance their sustainability efforts and transparency, including promoting efficient energy and water uses. Our full membership in the Electronic Industry Citizenship Coalition, which we achieved in 2013, will prove invaluable in that effort.

Another priority area for us is privacy. Under the leadership of our Privacy Steering Committee, with clear privacy policies and principles in place, and with an increasing number of privacy experts in our ranks, we're fostering trust among mobile users by designing products that enable our customers to meet their privacy and data security commitments. We're also fully engaged in our industry's ongoing conversation about privacy.

As a company of innovators, we also are especially excited about contributing to sustainability through our products, which are helping to shape a more sustainable future by enabling "smart" energy infrastructure, efficient transportation, cost-effective health care and more. For example, the Qualcomm Life 2net™ Platform is an award-winning solution that allows biometric sensor data to be reliably captured, aggregated and seamlessly transmitted to the cloud for integration with virtually any system, application or portal. Qualcomm Halo™ Wireless Electric Vehicle Charging technology makes electric car-charging easier and more accessible for drivers, which we believe can speed adoption of electric vehicles. We also continue to improve lives and local economies through Qualcomm Wireless Reach™, an initiative which invests in projects that foster entrepreneurship, aid in public safety, enhance the delivery of health care, enrich teaching and learning, and improve environmental sustainability.

As transformative as mobile technology can be, it's no substitute for caring about the communities where we live and work. I'm proud that sustainability at Qualcomm still means donating our time and resources. Qualcomm Incorporated and the Qualcomm Foundation have contributed over $240 million in combined cash donations since 2000 to nonprofit organizations. And Qualcomm employees donated thousands of hours to their communities in 2013 through nonprofit board service, volunteer projects and our company-wide month of volunteerism, QCares Experience.

Today, as much as ever, sustainability is part of Qualcomm's DNA. It's not just something we do—it's the way we do business. Few things in the mobile industry stay the same for long, but our commitment to sustainability is steadfast. We simply can't imagine the future without it.

Dr. Paul E. Jacobs
Executive Chairman
Chairman of the Board of Directors

From Our Chair, QSR Leadership Committee

We established our Qualcomm Sustainability and Reporting (QSR) governance structure in 2010 to better facilitate accountability, transparency and ongoing improvement in our sustainability efforts. Our intent was to more deeply ingrain sustainability throughout our Company by embedding sustainability governance within our existing corporate structure. Today, our QSR structure is doing just that and more, and we continue to shape it to best meet the evolving needs of our businesses and stakeholders.

In 2013, we took an important step in our journey by working with BSR, a global nonprofit business network dedicated to sustainability, to conduct a materiality assessment of the sustainability topics that touch our business. Our goal was to identify and prioritize those areas where our business strategy, our commitment to be a more sustainable company and our key stakeholders' concerns intersect so that our sustainability programs and reporting can be as meaningful as possible. Our highest priority areas (listed on page 5 of this report) are where we will focus our resources and programs in the coming years.

In addition to completing our materiality assessment, we continued to make progress on our sustainability focus areas and goals. Ethical governance is among them. As a result, in 2013, we revised *The Qualcomm Way: Our Code of Business Conduct* and strengthened our anti-corruption policy and practices. Another focus area is our commitment to maintain a fair, progressive and rewarding workplace where diversity and innovation thrive. A testament to this is Qualcomm earning a place among *FORTUNE* magazine's list of "100 Best Companies to Work For" in America consecutively since 1999.

We're also working to promote and improve science, technology, engineering and math (STEM) education at all levels and to expand opportunities for underrepresented students. In 2013, we increased our financial support for FIRST Robotics competitions in the United States and abroad, and more of our employees volunteered as mentors for FIRST teams. We'll continue to grow our support of STEM education in the coming years, which we believe is crucial for society to meet its most urgent challenges.

A full summary of our 2013 sustainability goals and progress begins on page 8 of this report. Credit for our accomplishments goes not only to members of our QSR committees, but also to all of our employees. They know that sustainably is part of everyone's job here at Qualcomm, and they work hard each day to embed it in their jobs and throughout our Company.

We'll continue to regularly assess our priorities and modify our QSR governance and programs to keep pace with our business, industry and stakeholders. On behalf of our QSR Leadership Committee, Board of Directors, executives and all of us at Qualcomm, it is my pleasure to present this 2013 report on our sustainability progress.

At Qualcomm, we define sustainability as a strategy that drives long-term growth and profitability through the inclusion of environmental, social and corporate governance issues in our business model; specifically as they relate to our key spheres of influence: our workplace, supply chain, and local communities, as well as the marketplace and public policy realm.

Dr. Daniel L. Sullivan
Executive Vice President, Human Resources
Chair, QSR Leadership Committee

Sustainability Governance and Strategy

Over the past year, we have continued to assess and strengthen our approach to sustainability. We conducted our first materiality assessment, expanded our QSR governance and reporting structure to reflect our top priorities and continued our ongoing conversations with our stakeholders. All of these efforts were essential in assuring that our sustainability strategy aligns with the current needs of our business and meets the expectations of the people, organizations and communities that have an interest in our Company.

Assessing materiality

Our business involves many sustainability-related areas that, like our business itself, are dynamic and continually evolving. The concerns of our stakeholders change over time as well. In 2013, to prioritize the areas that are currently most important to our business and stakeholders, we worked with consultants from BSR to conduct a materiality assessment—a careful analysis of sustainability areas intended to help us determine priorities and set our near-term sustainability agenda. We're using the results of that analysis to shape our QSR programs and disclosures going forward.

Our assessment helped us answer several important questions, including:

→ Which sustainability areas matter most to Qualcomm?
→ How can we better align our sustainability initiatives with our business strategy?
→ Which of our products, services and solutions offer the greatest potential for both business growth and sustainable development?
→ How can we better communicate with stakeholders about our sustainability work?

Key business drivers:

→ Employee attraction and retention
→ Future growth strategy
→ Innovation
→ Meeting customers' needs
→ Supply chain management

Key stakeholders:

→ Communities and nonprofit organizations
→ Employees
→ Governments
→ Investors
→ Suppliers and customers

Through a process that included interviews with key Qualcomm leaders, executives and subject matter experts and a collaborative workshop, we identified over 30 sustainability areas that are most relevant to our Company. We further prioritized these areas by asking two questions:

→ How significant is a given issue to our key business drivers?
→ How significant is it to our key stakeholders?

From this, we developed a materiality matrix, which showed how these sustainability areas are prioritized from low to high and the areas of overlap between our business success and our stakeholders' interests.

Determining priorities

Ultimately, our materiality assessment identified six sustainability areas that are of highest importance to our business success and our key stakeholders. These areas are where we plan to focus our resources, programs and reporting efforts in the coming years:
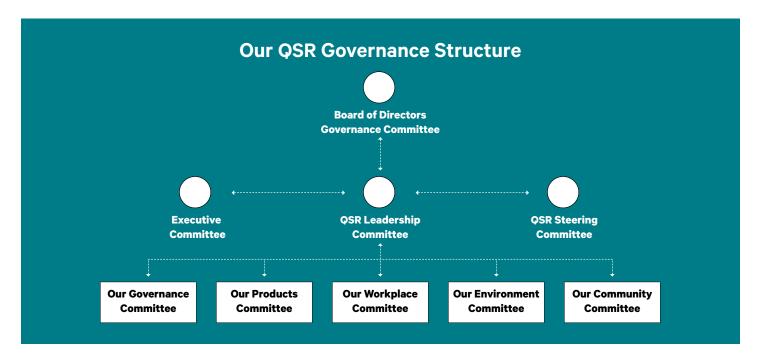
Diversity and Inclusion	We celebrate the diversity among our employees and recognize that our varied backgrounds, experiences and ideas are critical to our success as individuals and as a company. We encourage the exchange of unique ideas and perspectives. We do not tolerate unlawful discrimination or harassment.
Ethical Governance	We are committed to doing business with the highest level of integrity, respecting our customers, business partners and each other. We collaborate to accomplish our goals together while holding ourselves individually and collectively responsible for our work and accountable for our actions.
Privacy and Security	We strive to foster consumer trust in the use of wireless technology by helping to enable responsible information privacy and data security practices. We have dedicated global privacy and security programs to engage our engineers early in the product development lifecycle to identify, evaluate and mitigate potential privacy or data security issues in our products and services.
STEM Education	Science, technology, engineering and math (STEM) education aren't just critical to our business, they're also essential to meeting many of the world's most pressing challenges. We're working to promote and improve STEM education at all levels and to expand opportunities for underrepresented students.
Sustainable Product Design	We're focused on creating products in ways that don't harm individuals, communities or the environment. We are committed to sustainable practices in our products and supply chain. We monitor the processes and materials that go into our products to make them as sustainable as technically and commercially possible.
Transformative Technology	Our products are helping to empower people and enhance quality of life around the globe. They're enabling economic development, "smart" urban infrastructure, efficient transportation, cost-efficient health care and more.

Applying the results, looking ahead

The results of our materiality assessment will facilitate decision-making on sustainability issues and help guide our focus to the areas where we can have the most substantial impact. They will also help us confirm priority issue areas, mobilize internal support, gather input for future QSR goal setting and strategy development efforts and align QSR priorities with our broader business goals and objectives. Because our priorities will continue to change over time along with our industry, our business strategy and our stakeholders' concerns, we will revisit our priorities and conduct additional materiality assessments periodically.

Expanding governance to reflect our priorities

At Qualcomm, sustainability is integrated across our businesses and embedded in our daily operations. It begins with our Board of Directors and extends to all of our people and operations worldwide. Our sustainability initiatives are overseen and implemented 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 help ensure that sustainability is a key component of our business strategy.

Our QSR Governance Structure

Board of Directors
Governance Committee

Executive
Committee

QSR Leadership
Committee

QSR Steering
Committee

Our Governance Committee	Our Products Committee	Our Workplace Committee	Our Environment Committee	Our Community Committee

Our QSR Committees oversee each area of focus and implement directives from our QSR Leadership Committee into companywide practices. In 2013, guided by our materiality assessment, we expanded our governance structure to include a fifth area of focus, Our Products Committee, which oversees our product-related sustainability initiatives.

Our QSR Committees include senior management and other subject-matter experts from across the Company who represent the following areas:

→ Corporate governance and ethics
→ Diversity and inclusion
→ Energy and air quality
→ Facilities and operations
→ Government affairs and public policy

→ Human rights
→ Investor relations
→ Legal
→ Philanthropy and volunteerism
→ Privacy and data security

→ Responsible product design
→ Supply chain management
→ Waste reduction
→ Water management
→ Workplace safety

Transparency and reporting

We report on our sustainability initiatives annually according to the Global Reporting Initiative (GRI) G3 Sustainability Reporting Guidelines. GRI reporting guidelines set the principles and indicators that organizations use to voluntarily measure and report their economic, environmental and social performance. We have self-assessed our reporting to be Application Level B. Our 2013 GRI Content Index can be found on our website.

In addition to this report, we publish information about our QSR programs on our sustainability website. We participated in the 2013 Carbon Disclosure Project surveys for both water and energy. As part of our commitment to the United Nations Global Compact (UNGC), we communicate our progress on the UNGC principles. We also produce an annual Global Diversity and Inclusion Summary Report.

Stakeholder Engagement

To be effective, our sustainability efforts must be collaborative and consider all relevant perspectives. In 2013, we continued to seek the input and opinions of those who have a stake in our Company and its actions. We maintain ongoing communications with a diverse range of people who shape and influence our sustainability policies and initiatives. The following are examples of the ways we stay connected with our key stakeholders.

Employees

- Our open-door policy enables employees to bring concerns to management—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, tradeshows 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 email.
- 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 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.
- New employees immediately learn about our sustainability efforts via a "welcome" email and at new employee orientation.

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 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 tradeshows and meet regularly with investors at "roadshows" and in our corporate offices.
- Our investor relations team engages with investors to answer their questions 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.
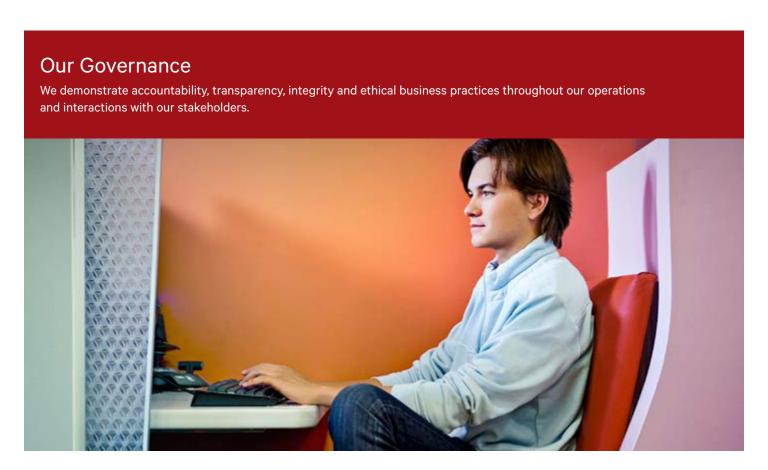- We advocate in support of small and diverse businesses.

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.
- Qualcomm Wireless Reach is committed to helping local governments reach their Information and Communications Technology (ICT) and universal service goals including increasing teledensity and Internet penetration, as well as using technology to meet education, environment and health care objectives.

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.
- Our employees serve on boards and committees of nonprofit organizations.
- Qualcomm Wireless Reach works with 375 stakeholders on strategic wireless technology projects with positive social and economic impact on global underserved communities.

Each year, we set specific sustainability goals to focus our efforts, gauge our progress and report more transparently. Following are the priorities and goals we pursued in each of our QSR focus areas in 2013, along with a summary of the progress we made toward achieving each of them.

Our Governance

We demonstrate accountability, transparency, integrity and ethical business practices throughout our operations and interactions with our stakeholders.

→ Strong governance is the foundation of a sustainable company. In 2013, through our QSR governance structure and clear code of conduct, we continued to enhance our sustainability programs, with a particular focus on ethics. We revised *The Qualcomm Way: Our Code of Business Conduct* to ensure that our ethical guidelines remain aligned with our always-evolving business environment. We also strengthened our ethical behavior practices by updating our Foreign Corrupt Practices Act (FCPA) and Anti-Corruption Policy.

Our Governance: Goals and FY13 Progress

Corporate Governance

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

- The Company's Board of Directors and/or a Committee thereof reviewed, evaluated and/or approved, among other items, the Company's corporate governance principles and practices.

QSR Governance

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

- We completed a materiality assessment to better determine and prioritize sustainability areas that are most important to our key stakeholders as well as our business success.
- We researched data collection systems to facilitate our QSR reporting and tracking of key metrics.

Ethical Behavior

Goal: Require employees to review and acknowledge our Code of Business Conduct and our Foreign Corrupt Practices Act (FCPA) and Anti-Corruption Policy, as applicable

- We revised *The Qualcomm Way: Our Code of Business Conduct* to ensure it continues to be a comprehensive representation of the Company's expectations for ethical behavior. It will be distributed to all employees in FY14.
- We updated our FCPA and Anti-Corruption Policy. Our employees are required to complete a certification process that covers our FCPA and Anti-Corruption Policy and procedures. With respect to the FY13 certification, nearly 100 percent of all employees have completed the process.

Stakeholder Engagement

Goal: Foster ongoing, transparent communication with our key stakeholders

- Our employees held leadership positions on a number of key trade associations and industry partnerships throughout the world.
- We met regularly with policymakers globally to discuss relevant public policy issues.
- We engaged with numerous key public policy organizations, including the World Economic Forum, USAID, Clinton Global Initiative, 4G Americas and the United States Council for International Business.
- We worked with investors and research firms to continue enhancing openness, transparency and accountability in a timely manner.
- We improved transparency and disclosure of various sustainability areas, including our political contributions and greenhouse gas emissions data.
- We participated in cross-industry forums to help us identify, adopt and contribute to the development of best practices in sustainability topics..
- We took part in discussions about relevant methodologies for tracking, evaluating and reporting environmental performance.
- Our employees attended conferences and events on a variety of sustainability topics from conflict minerals to volunteerism.

100% of all employees are required to acknowledge reading our Code of Business Conduct.

Our Products

We meet or exceed industry standards for product responsibility and supplier management.

→ In 2013, we continued to make responsibility and sustainability part of our innovation process. We became a full member of the Electronics Industry Citizenship Coalition (EICC), which will further enable us to collaborate with our peers to improve sustainability and transparency in the global electronics supply chain. In our ongoing effort to ensure that the tantalum, tin, tungsten and gold used in our products do not contribute to armed conflict in the Democratic Republic of the Congo (DRC) or an adjoining country, we determined that the tantalum in our semiconductor products is DRC conflict free.

We continued to design products that support the protection of information privacy and data security, adding more Certified Information Privacy Professionals among our employees and expanding our privacy trainings. And, as has been the case for many years, 100 percent of our products were subject to our environmental management system or our various programs for eliminating hazardous substances.

Our Products: Goals and FY13 Progress

Product Responsibility

Goal: Develop products taking into account environmental and social impact considerations

- ➔ We converted lead-containing semiconductors for our telecommunications infrastructure products to be lead-free.

- ➔ We became a full member of the Electronics Industry Citizenship Coalition (EICC).

- ➔ We continued to design new semiconductor products lead free, bromine-and-chlorine free.

- ➔ We continued to promote our technology solutions for the smart grid and our Qualcomm Halo Wireless Electric Vehicle Charging system for wireless electric vehicle charging.

Privacy and Security

Goal: Enhance efforts to build a comprehensive privacy and information security program

- ➔ We increased the number of Certified Information Privacy Professionals across our business.

- ➔ We delivered monthly privacy trainings to identified employees that manage privacy implications within our internal operations, products and services.

- ➔ We presented at the Federal Trade Commission Mobile Malware workshop.

- ➔ We participated in recognized and influential privacy and security conferences, including the International Conference of Data Protection and Privacy Commissioners.

- ➔ We developed and published Privacy Public Policy Positions in addition to existing Privacy Guiding Principles.

- ➔ We celebrated International Privacy Day and National Cyber Security Awareness Month with internal and external initiatives.

- ➔ We supported privacy- and security-related organizations, such as the Center for Democracy and Technology, the Future of Privacy Forum and the International Association of Privacy Professionals.

- ➔ We held our biannual "Qualcomm Security Summit" and hosted regular "Short Subjects in Security" speakers to educate employees on product security issues.

- ➔ We continued ongoing standardization efforts related to security elements in wireless communications.
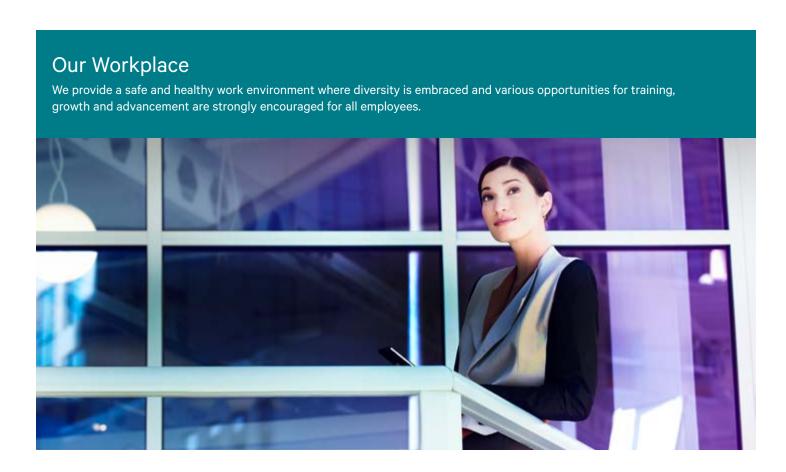
Supplier Management

Goal: Engage suppliers to advance sustainability efforts and transparency, including promoting efficient energy and water uses

- ➔ We adopted the EICC Code of Conduct as our Supplier Code of Conduct.

- ➔ We continued to implement and expand supplier sustainability initiatives.

- ➔ We assessed water risk in our semiconductor business supply chain.

- ➔ We encouraged semiconductor suppliers to participate in the CDP water and energy surveys and/or the EICC Environmental Reporting Initiative.

- ➔ We engaged with our top suppliers by spend on sustainability areas including but not limited to water, energy, hazardous materials usage, conflict minerals and human rights.

Goal: Encourage DRC conflict free sourcing of materials used in products

- ➔ We achieved DRC conflict free sourcing of tantalum for our semiconductor products' supply chain.

- ➔ We engaged with our direct manufacturing suppliers to share our Conflict Free Minerals Policy and Supplier Requirements, as well as collect supply chain information on the origin of tin, tantalum, tungsten and gold in our products.

- ➔ We assessed our direct manufacturing suppliers' conflict minerals usage and performed due diligence on the conflict status of smelters and refiners in our supply chain, including inquiries regarding our suppliers' preparedness for achieving DRC conflict free status.

- ➔ We required our manufacturing suppliers to promote the use of the Conflict Free Smelter Program (CFSP) certified smelters and encouraged non-certified smelters to participate in the CFSP.

- ➔ We continued active participation in the Conflict Free Sourcing Initiative (CFSI), including participating in CFSP pre-audit smelter and refiner visits.

- ➔ We joined the International Tin Industry's Supply Chain Initiative (iTSCi) on conflict minerals.

- ➔ We actively participated in the Public-Private Alliance for Responsible Minerals Trade to further our commitment to improving the working conditions and responsible sourcing initiatives in the DRC and adjoining countries.

- ➔ We participated in IPC conflict minerals standards development activities.

Our Workplace

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.

→ Our greatest asset is the mix of innovative minds that develop our products and operate our businesses. Maintaining a safe, fair, progressive and rewarding workplace is essential to our employees' success—and to ours.

In 2013, we deepened our commitment to protecting human rights in our workplace by joining the United Nations Global Compact and continuing to participate in BSR's Human Rights Working Group. We also developed our "Commitment to Human Rights" statement to formalize our commitment to respecting human rights. In our ongoing efforts to maintain a diverse and inclusive workplace, we provided all employees the opportunity to achieve their professional goals. In 2013, 2,000 employees participated in diversity-related workshops and presentations.

Diversity and Inclusion

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

→ Our college and recruiting teams partnered on a number of events focused on women and underrepresented minorities to provide visibility and exposure to potential career opportunities at Qualcomm to aspiring engineers.

→ We supported professional development programs, external diversity outreach organizations and networking opportunities targeting women and traditionally underrepresented minorities such as Society of Hispanic Engineers, National Society of Black Engineers and Society of Women Engineers.

→ We offered internships and fulltime positions to engineering students with diverse backgrounds and perspectives through our college outreach programs.

Goal: Support transition of United States military veterans into corporate workforce

→ We offered a new management training course on Post Traumatic Stress Disorder and Traumatic Brain Injury.

→ REBOOT is a San Diego, CA-based organization that offers workshops that assist hundreds of veterans in their transition from military to civilian life. We financially supported this organization and sponsored and hosted REBOOT's 52nd graduation class.

→ Our deployed employees serve in various operations and areas around the world. We support them by staying in touch, sending care packages and providing each with a comprehensive reintegration plan upon their return.

→ We were recognized as one of the Top 100 Military Friendly Employers® for a second consecutive year.

→ Through our rotational experience, Qualcomm Corporate Integration Program for Warrior Veterans (QCIP-Warriors), we helped 81 percent of the participants gain fulltime employment or internships at Qualcomm or elsewhere, after completion of the program.

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

→ We held an inaugural "Accessible Technology Showcase" at our headquarters. Employees from various Qualcomm divisions demonstrated innovative technologies they are developing to help improve the lives of people with disabilities. Employees were able to learn about and try these unique prototypes.

→ We installed ClearCaptions, a service that assists our employees who have difficulty hearing on the telephone.

→ Qualcomm Wireless Reach and Project RAY collaborated on the trial and commercial launch of the first smartphone developed for blind and visually impaired users in 2013. Poised to become the gold standard in accessibility tools, the RAY device is an always-on, easy-to-use, multi-function smartphone with a user interface optimized for eye-free interaction.

Workplace Safety

Goal: Maintain injury rates below industry average

→ Our illness and injury rate was 68 percent lower than the industry average, and our rate of lost time due to injury and illness is significantly lower than the industry average. Our low incident rates are a direct reflection of our increased employee safety training and strong ergonomics program.

120+ nationalities are represented in our workforce.

Ethical Employment

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

- There was a 44 percent total increase in the utilization of our Qualstar recognition program from the prior year, while international utilization nearly doubled.

Goal: Provide employees with increased visibility to their total compensation and benefits package (Total Rewards Profile)

- The Total Rewards Profile is available to all employees located in the United States, China, India and Latin America; over the next few years, all employees worldwide will have access.

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

- We joined the United Nations Global Compact and continued active participation in BSR's Human Rights Working Group.

- We developed "Qualcomm's Commitment to Human Rights," a statement to formalize our commitment to respecting human rights and avoiding complicity in any human rights abuse throughout our Company, our operations and our communities.

- One hundred percent of our security personnel are trained in human rights policies and procedures.

- Our annual assessment of human rights compliance and risks was conducted by a cross-divisional team of our legal, finance, employee relations and internal audit staff.

Employee Development

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

- We offered many on-site health programs to our employees throughout the year, including weekly Weight Watchers meetings, quarterly blood drives and a domestic flu awareness campaign.

- We promoted employee wellness through health challenges and teambuilding competitions, along with observing world health days such as World Diabetes Day, hosting three learning sessions on healthy sleep habits and launching new health programs at our offices in Singapore, Mexico and Brazil.

- We launched the Qualcomm Self-Check pilot program, an anonymous service that enhances employee well-being by helping employees identify and address stress, anxiety, depression and other issues that can interfere with work, social and personal functioning.

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

- We worked with our training providers to change the way our Learning Center classes are conducted; we've incorporated technology and new learning theories such as social media-based learning opportunities and the use of telepresence rooms and webcam-enabled conference rooms that provide an interactive in-class experience for students in many remote locations simultaneously.

- We developed the Qualcomm Employee App Store, which is filled with many informational and educational apps, both Qualcomm-created and licensed from external vendors. App topics include engineering, management, leadership, Qualcomm history, short tip videos on how to search Qualcomm's library resources and many more.

Our Environment

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

→ Perhaps the greatest business challenge of the 21st century is to grow a global company while reducing greenhouse gas emissions and consuming fewer resources. We're bringing our innovative thinking to bear on our efforts to do more with less.

In 2013, we continued to build green, designing multiple efficiencies into the new 278,000 square-foot building at our headquarters, which qualified for Gold designation under the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) program. We increased transparency in our environmental reporting by disclosing both our water use and greenhouse gas emissions through the 2013 Carbon Disclosure Project and by including, for the first time, our owned facilities in India and Taiwan when reporting our energy use and greenhouse gas emissions in our data. We also reduced the amount of waste we send to landfills by launching a food-composting program in our dining facilities at our headquarters.

Our Environment: Goals and FY13 Progress

Energy

Goal: Seek innovative and practical methods to improve our energy efficiency

- Our new headquarters' combined heat and power plant, our third such power plant, helps us self-generate nearly 80 percent of the electricity we utilize, resulting in overall reduced energy usage and greenhouse gas emissions.

- The new 278,000 square-foot building at our headquarters utilizes a computer-based control system that monitors the building's mechanical and electrical equipment loads, including ventilation, lighting, power systems, wire systems and security systems, enabling us to manage and optimize building operations and save energy.

- In addition to low wattage lighting in our new building in San Diego, CA, centrally placed skylights bring in natural light to the building core and daylight zones have dimmable fixtures to allow for a smooth transition in light levels in response to daylighting. Lighting power density achieved was approximately 35 percent below the already strict California Title 24 requirements.

- Over 90 percent of the equipment deployed by our IT (Information Technology) Division is Energy Star rated, including computers, monitors and server equipment.

Goal: Increase our contribution to the development of the smart energy ecosystem

- We engaged in cross-industry forums and dialogue on environmental and energy issues, such as the Business Council for Sustainable Energy, the Smarter Cities Council, the International Caucus Conservation Foundation and the Industrial Environmental Association.

- We participated in various stakeholder working groups on smart energy.

- We presented at and sponsored the Smart Energy Summit.

- We introduced Qualcomm technology-enabled smart parking meters, which identify available parking spaces and reduce traffic congestion, as well as municipal trash cans that alert drivers when the bins are full so they can retrieve waste and reduce carbon emissions. Additionally, our semiconductors are used to enable smart electric meters to support third-party solar monitoring for solar investment firms.

- We became an Official Founding Partner of the FIA Formula E Championship, the new international championship featuring race cars powered exclusively by electric energy. For the inaugural 2014 season, the Formula E race safety cars will be equipped with Qualcomm Halo™ Wireless Electric Vehicle Charging technology.

Water Management

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

- We incorporated various water sustainability and conservation measures in our newly constructed 278,000 square-foot building in San Diego, CA that will save over 776,000 gallons of water annually, including drip irrigation; drought-tolerant landscaping; ultra-low-flow and high-efficiency water fixtures; a bio-retention system that removes contaminants from storm-water runoff; and a green roof that reduces runoff and encourages biodiversity.

- We use the QualClean Green Cleaning System, a program that reduces chemical use, water consumption and waste.

Goal: Increase transparency on water use in our operations and our supply chain

- We completed the Carbon Disclosure Project Water Survey and asked our key suppliers to do the same.

- We publicly reported water usage at our owned California facilities and both owned and leased headquarters' facilities.

- We used the World Resource Institute Aqueduct Tool to further assess water risk in our supply chain.

Air Quality

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

- We expanded electric vehicle (EV) charging access in San Diego, CA by providing 190 locations for our employees to charge, in addition to the 22 EV charging stations that were implemented in 2012 (17 in San Diego, CA and 5 in Raleigh, NC).

- We expanded our greenhouse gas emissions reporting to include owned international facilities in India and Taiwan, in addition to our North American emissions reporting.

- We continued to encourage mass transportation and alternative commuting, including company-organized carpools and vanpools and expanded bike lockers/shower facilities at our new buildings to encourage bicycle commuting.

- We earned the 2013 City of San Diego EARTH Award for Environmental Excellence in recognition of our efforts to control and monitor VOCs and our overall commitment to reduce our carbon footprint.

Waste Reduction

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

- We achieved an 80.4 percent diversion from landfill to recycle from our construction debris.
- We implemented a certified food composting program in our San Diego, CA kitchens to reduce landfill waste.
- We donated used office furniture to a nonprofit organization that repurposes surplus items back into the community via schools and other nonprofits.
- In our San Jose, CA facility, we are replacing a wet bench sink with a solvent spray tool used for wafer polymer residual removal process. Switching from a large dip bath to a solvent recirculating spray tool will significantly lower the usage of the solvent, which will also lower the amount of hazardous waste generated from the process.
- We earned the 2013 City of San Diego "Recycler of the Year" Award.
- The interior of our new building in San Diego, CA incorporates a variety of managed wood products from responsibly harvested and sustainable sources, as well as salvaged and reused wood products to minimize waste.

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

- We collected over 21,000 pounds of personal e-waste at quarterly employee collection events.
- We donated 386 computers and 403 monitors to organizations assisting in-need youth.
- We conducted outreach to plan a personal e-waste event for employees at our Bangalore, India office.

Facilities and IT Operations

Goal: Consider design factors that enhance energy efficiency and sustainable construction

- We completed construction of a new, highly-efficient 4.5 megawatt cogeneration facility at our headquarters, utilizing the lowest emitting turbine generator of its power range.
- We completed construction of 278,000 square feet of office, lab, data center and central plant space designed to LEED GOLD standards at our headquarters, utilizing cradle-to-cradle components and multiple sustainability attributes to ensure the best possible indoor air quality for our employees.
- We continued our commitment to sustainability initiatives in our San Diego, CA kitchens and cafés by attaining an additional level of achievement in maintaining our Green Restaurant Certification™ by implementing food composting.

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

- We completed capacity of a second energy-efficient POD, with an estimated cost savings of $230,000 and energy savings of 1.7 megawatt-hours per year.
- We completed construction of a new modular data center facility at our headquarters to accommodate a 1.88 megawatt data center.

Employee Initiatives

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

- We hosted an on-site Earth Day Fair and special LED lighting promotion for employees' home use. We engaged employees with over 35 exhibits focused on a wide variety of sustainability initiatives. We held a video contest via mobile devices, where employees shared how they promote sustainability.
- We included information about our sustainability efforts and opportunities for employee engagement in reusable water bottles distributed to new hires at our San Diego, CA campus.

Worldwide, we have built nearly 2.6 million sq. ft. of LEED-certified office and lab space.

Our Community

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

→ Contributing to the vitality of the places where we live and work is good business and good citizenship. In 2013, our philanthropy and volunteerism efforts continued to do just that.

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. We also support employees' commitments to our global communities through various programs, including our volunteerism initiatives and employee engagement grants. Between 2000 and 2013, Qualcomm Incorporated and the Qualcomm Foundation have contributed more than $240 million in combined cash donations to nonprofit organizations.

Philanthropy

Goal: Expand our philanthropic support toward areas of need in alignment with Qualcomm's growth

- We broadened our philanthropy to support new nonprofit organizations in North America, Europe, Asia and India.

- The Qualcomm Foundation and Qualcomm Incorporated gave a combined $20 million in grants to support and strengthen communities worldwide.

- We partnered with universities around the world in support of robotics competitions, scholarships and innovative research.

- Increased financial support and engaged more Qualcomm volunteer mentors for the FIRST Robotics competitions in California, North Carolina and Tel Aviv, and was the 2013 FIRST Championship Official Sponsor.

Volunteerism

Goal: Increase employee volunteerism through innovative programs with local nonprofit organizations globally

- We held our third annual companywide volunteerism month, QCares Experience, in 32 Qualcomm locations worldwide, enabling more than 2,100 employees to volunteer over 8,000 hours during the workday.

- Introduced a new intern volunteer initiative allowing over 200 interns in offices across the U.S. to volunteer together during the workday.

- In partnership with five nonprofit organizations, our legal team launched the Qualcomm Pro Bono Program, giving Qualcomm attorneys and other legal professionals the opportunity to address the legal needs of underrepresented citizens and the community.

- Hosted an online system for nonprofit organizations to promote and encourage board and committee service opportunities directly to our employees.

Qualcomm Wireless Reach™

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

- In 2013, Qualcomm Wireless Reach had 88 projects in various stages of development in 34 countries.

- Qualcomm Wireless Reach collaborated with more than 40 new organizations in 2013, bringing our overall total to 375. These organizations include non-governmental organizations, universities and government institutions, nonprofits, development agencies and other private sector companies.

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

- In 2013, Qualcomm Wireless Reach invested in programs that specifically target the following UN Millennium Development Goals: universal education, gender equality and child and maternal health.

- Millennium Development Goals 2 and 3: Universal Education and Gender Equality: Qualcomm announced our participation in the Clinton Global Initiative's Women Enhancing Technology (WeTech) program. WeTech aims to build a steady pipeline of girls and women in science, technology, engineering and math (STEM) and address the technology industry's need for more professionals with technical knowledge.

- Millennium Development Goals 4 and 5: Child and Maternal Health: Qualcomm Wireless Reach is participating in the mPowering Frontline Health Workers program, which seeks to improve the lives of mothers and babies by strengthening the skills and performance of frontline health workers through scalable mobile technologies and creative multimedia health content.

100% of our executive leadership is active in the community.

Performance Summary

Our Company

	Units	2013	2012	2011
Total Consolidated Revenues by Region[1] (in millions)	Total	$	24,866	19,121	14,957
	China	$	12,288	7,971	4,744
	South Korea	$	4,983	4,203	2,887
	Taiwan	$	2,683	2,648	2,550
	United States	$	805	967	897
	Other Foreign	$	4,107	3,332	3,879

	Units	2013	2012	2011
Revenues by Segment (in millions)	Total	$	24,866	19,121	14,957
	QCT	$	16,715	12,141	8,859
	QTL	$	7,554	6,327	5,422
	QWI	$	613	633	656
	Other	$	(16)	20	20

	Units	2013	2012	2011
Total Capitalization (in millions)	Stockholders' Equity	$	36,087	33,545	26,972

[1] 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 revenues, the invoiced addresses of its licensees.

Our Products

	Units	2013	2012	2011
Quantity of Products Shipped (in millions)	QCT Mobile Station Modem (MSM™) Integrated Circuits	# of Products Shipped	716	590	483

	Units	2013	2012	2011
Supplier Diversity	Number of Diverse Suppliers Registered, Global	# of	830	759	682
	Spending on Subcontract Work directed at Diverse Businesses (U.S. only)	% of Overall Spending	11%	13%	12%

Our Workplace

	Units	2013	2012	2011
Number of Employees				
Total Employees, Worldwide	# of	31,000	26,600	21,200
Breakout by Region:				
United States	%	66%	65%	71%
Non-United States	%	34%	35%	29%
Breakout by Employee Type:				
Regular Employees	%	88%	89%	90%
Temporary Employees	%	12%	11%	10%
Diversity and Inclusion				
Minority Employees[1]	% of Total	61%	59%	56%
Nationalities Represented	# of	122	118	109
Languages Spoken	# of	67	67	66
Women on the Board of Directors	% of Total	23%	25%	15%
Employee Development				
Training Statistics:				
Classoom Training Course Enrollments	# of	161,665	65,224	49,400
Instructor-led Sessions	# of	543	356	660
Online Courses	# of	2,000+	2,000	700
Training by Employee Group:				
Individual Contributor	Hrs/Employee	48	31	19
Management	Hrs/Employee	73	73	27
Executive	Hrs/Employee	25	23	13
Ethical Employment				
Employee Voluntary Turnover Rates	% of Total	3.8%	3.8%	5.1%
Workplace Safety				
Total Injury and Illness Incident Rate (U.S. only)	Per 100 Full-time Employees	0.5	0.7	1.6
Total Lost Time Injury and Illness Rate (U.S. only)	Per 100 Full-time Employees	0.04	0.03	0.1
Environmental Health and Safety Training				
Total Hours Provided	# of	7,187	2,764	4,384
Employees Trained	# of	6,265	3,221	2,902
Trainings Led	# of	402	1,737	2,128
Ergonomic Assessments Led	# of	4,135	3,184	1,956

[1] U.S. employees only

Our Environment

		Units	2013	2012	2011
E-Waste Collection	E-Waste Collection[1]	Pounds of Waste	390,136	387,000	486,480
	Personal E-Waste Collection Events for Employees[2]	Pounds of Waste	21,099	35,489	44,514
Greenhouse Gas (GHG) Emissions[3]	CO_2 per Gross Square Foot of Facilities Space	CO_2 Metric Tons	0.02276	0.0191	0.0205
	Total Direct GHG Emissions by Weight	CO_2 Metric Tons	65,935	64,782	63,301
	Total Indirect GHG Emissions by Weight	CO_2 Metric Tons	121,098	49,216	50,591
Direct Energy Consumption by Primary Energy Source[3]	Natural Gas (facilities)	MMBtu	1,039,757	991,255	965,349
	Jet Fuel (aviation related)	Gallons	948,133	1,127,478	1,176,173
	Vehicle Gasoline (shuttle/test vehicles)	Gallons	91,518	56,891	49,442
	Diesel Fuel (cars/trucks)	Gallons	14,521	10,284	8,220
	Diesel Fuel (generators)	Gallons	26,275	12,156	8,230
	Propane Vehicle-truck	Gallons	541	N/A	N/A
Indirect Energy Consumption by Primary Energy Source[3]	Electricity (purchased)	Megawatt Hours	270,469	139,882	145,925
Significant Air Emissions[4]	NOx	Tons	29.70	29.70	32.20
	SOx	Tons	0.20	0.20	0.20
	VOC	Tons	1.10	1.10	1.17
Total Weight of Waste and Disposal Method[5]	Recycled Material	Tons	3,985	2,342	1,049
	Personal Paper Shredding Collection Events for Employees[6]	Tons	3.9	N/A	N/A
	Landfill Waste	Tons	2,965	1,967	1,355
	Solid Waste Generated	Tons	6,951	4,309	2,404
Hazardous Waste[7]	Total Generated	Tons	58.7	52.3	73.7
	Reclamation and Recovery	%	32%	4%	22%
	Incineration—Thermal Destruction	%	64%	94%	76%
	Treatment and Disposal	%	5%	1%	2%
Water Conservation[8]	Water Savings	Million Gallons	14.55	11.53	18.04

[1] 2013 amount includes select United States' and International facilites only; 2012 and 2011 amounts include select United States' facilities only.

[2] San Diego and Santa Clara, CA facilities only

[3] 2013 amount represents prior-year calendar year data for all of our North American facilities plus our owned international facilities in Taiwan and India. 2012 and 2011 amounts represent prior-year calendar year data for all of our North American facilities.

[4] San Diego, CA facilities only; 2013 amounts are estimates.

[5] Amounts represent data for our major California facilities only. We have revised our reported waste disposal data and reporting categories to conform with EPA's waste reporting protocol.

[6] San Diego, CA facilities only

[7] Amounts represent data for our major California facilities only.

[8] 2013 amount includes San Diego and San Jose, CA facilities only; 2012 and prior amount includes San Diego, CA facilities only. 2012 and 2013 amounts reflect potable water savings; 2011 amount includes reclaimed water avoidance.

Our Community

		Units	2013	2012	2011
Qualcomm Foundation and Qualcomm Incorporated Grants	Educated Communities	% of Total	56%	79%	59%
	Healthy Sustainable Communities	% of Total	37%	18%	33%
	Culturally Vibrant Communities	% of Total	7%	3%	8%
Matching Grants and Community Service Grants	Educated Communities	% of Total	45%	47%	43%
	Healthy Sustainable Communities	% of Total	45%	45%	49%
	Culturally Vibrant Communities	% of Total	10%	8%	8%
	Employees Participating in Matching and Community Service Grant Programs	# of	3,663	2,990	2,967
	Nonprofit Organizations Helped by Matching and Community Service Grant Programs	# of	1,743	1,642	1,575
Qualcomm Wireless Reach™	Stakeholders	# of	375+	250+	200+
	Projects	# of	88	73	64
	Countries	# of	34	31	27

There's more to our story.

Download our GRI Content Index and
find additional sustainability information at

www.qualcomm.com/qsr

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