

In September 2016, the Parliament of the United Kingdom (“UK”) enacted the Finance Act 2016 (the “Act”). Among other things, the Act requires that businesses with specific operations of a certain size within the United Kingdom publish a Tax Strategy Statement (“Statement”) disclosing (a) the approach of the group to risk management and governance arrangements in relation to UK taxation, (b) the attitude of the group towards tax planning (so far as affecting UK taxation), (c) the level of risk in relation to UK taxation that the group is prepared to accept and (d) the approach of the group towards its dealings with Her Majesty’s Revenue and Customs (“HMRC”).

The Act requires that the Statement cover the following types of tax: income tax, corporation tax, value added tax, amounts for which the company is accountable under PAYE regulations, diverted profits tax, insurance premium tax, annual tax on enveloped dwellings, stamp duty land tax, stamp duty reserve tax, petroleum revenue tax, customs duties, excise duties and national insurance contributions.

Qualcomm Incorporated and its subsidiaries (collectively, “Qualcomm”) operate in over 20 countries, including the UK. The Qualcomm’s UK subsidiaries (“Qualcomm UK”) perform research and development and sales support and marketing and have acquired the rights to sell Qualcomm’s connectivity products globally. Qualcomm UK has a UK footprint that requires publication of this Statement.

Qualcomm UK Tax Strategy Statement

This Statement is made on behalf of Qualcomm UK pursuant to section 10 of the Act and sets out to fulfil Qualcomm UK’s duty to publish a UK tax strategy. Consistent with Qualcomm’s Code of Business Conduct and Code of Ethics, our approach to UK tax is to manage and report in a manner which provides compliance across all taxes, consistently complies with legal and regulatory requirements governing public statements and reports, meets our internal control requirements and supports our business and commercial strategy.

As part of our continuous tax reporting and compliance cycle, we actively seek to identify tax risks with the aim of evaluating and managing such risks. We account for our tax risks in accordance with applicable accounting standards and have controls in place over our tax reporting processes. We monitor changes in tax legislation and practice and continuously assess the impact to Qualcomm UK.

Our tax planning aims to support the commercial needs of our businesses by seeking to conduct Qualcomm's business in a tax efficient manner.

Our tax function provides input into commercial decisions so that tax consequences are understood before a final decision is made. We seek to apply tax incentives, reliefs and exemptions contained within UK tax legislation where appropriate. We conduct transactions between Qualcomm entities at an arm's-length basis.

Qualcomm views itself as a high profile worldwide group that has responsibility to be a good employer and act as a responsible corporate citizen. We strive to pay the correct amount of taxes in the appropriate jurisdictions as defined by applicable law.

The level of risk we deem acceptable with regard to UK taxation is consistent with our overall objective to provide compliance across all taxes, to consistently comply with legal and regulatory requirements governing public statements and reports and to support our business and commercial strategy. All material positions taken in tax returns are appropriately reviewed and documented, and we may seek advice from external accounting or legal firms as part of this effort.

We engage with HMRC with an open attitude to build a transparent relationship based on mutual respect and integrity. We strive to inform the HMRC of significant UK transactions and changes to the business at the earliest appropriate stage. We seek to nurture a collaborative relationship through regular meetings, discussions and written communications. Pursuant to Qualcomm's Code of Business Conduct, we cooperate fully in any inquiries.