

# 2018 Sustainability Report

Qualcomm



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# Message from Our CEO

Over the more than 30 years since our founding, 2018 proved to be an unprecedented year in the history of Qualcomm. We successfully navigated through many challenges yet remained focused on execution and driving sustainable value. What's more, we accelerated our leadership on 5G, which will bring a new era of innovation like nothing that's come before. I believe this ability to remain intensely focused on the future is what not only allows us to persevere but continue to pioneer a new age of invention.

In a time when our breakthrough technologies are the foundation for life-changing products, experiences and industries, we believe we have a significant opportunity to positively change the world. But how we do this is what truly defines us. Qualcomm has a long-standing reputation for conducting business with unquestioned integrity, being a great place to work, developing solutions for a sustainable world and much more. And in 2018, we remained steadfast on our path to achieving our [2030 sustainability vision](#) in a number of ways.





We updated our [Code of Business Conduct](#) — The Qualcomm Way — to address today's ethical issues and introduced a refreshed set of company values that reinforce the behaviors and culture that build integrity into everything we do:

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### Purposeful Innovation

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### Passionate Execution

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### Collaborative Community

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### Unquestioned Integrity

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These four pillars further define the guiding principles that will help us foster a working environment that promotes creativity, invention, inclusion and respect among employees and stakeholders.

The successes of 2018 could not have been possible without the hard work and dedication of our employees. As such, we continued to prioritize inclusion throughout the Company. [As this report highlights](#), we introduced a new mandatory diversity and inclusion training for senior management and improved the transparency and employee ownership of our annual review process. I am especially proud of the great work that our 20+ employee networks do to foster an inclusive culture and celebrate diversity across the globe.

And, we continued to focus on cultivating tomorrow's workforce through our strategic science, technology, engineering and math (STEM) education programs. The [Qualcomm® Thinkabit Lab™](#) expanded its impact in 2018

by collaborating with over 30 institutions across the United States and abroad, serving over 47,000 students since its founding in 2014. Through our ongoing strategic collaboration with [FIRST®](#) (For Inspiration and Recognition of Science and Technology), we continued to provide hands-on experience with our technology to over 180,000 students from more than 25 countries.

Through our [Qualcomm® Wireless Reach™](#) initiative, we continued to broaden the impact of transformative technology in underserved communities throughout the world. In 2018 alone, programs to foster entrepreneurship, improve access to education and health care, aid in public safety and promote sustainable development helped enrich the lives of over 3 million people.

As we expand our operations and develop new products and technologies, we remain committed to minimizing our environmental impacts and meeting our [2025 greenhouse gas \(GHG\) reduction goal](#). To date, we have reduced our absolute Scope 1 and Scope 2 GHG emissions by over 15 percent.

As our innovative technologies transform the places where we live and work, sustainability is a key component of how we think about the future. It's important that our sustainability strategy not only reflects the world around us, but also prepares us for the world ahead. We remain committed to inventing breakthrough technologies that transform how the world connects, computes and communicates, enabling innovation that benefits many industries and billions of people.

**Steve Mollenkopf**

Chief Executive Officer

Qualcomm Incorporated



# About Qualcomm

We invent breakthrough technologies that transform how the world connects, computes and communicates. Our inventions have powered the smartphone revolution and connected billions of people across the world. We pioneered 3G and 4G technologies — and now, we have led the way to 5G. We have unlocked a fifth generation of connectivity that will be known as the one of accelerating progress and a new era of intelligent, connected devices.

Our products enable customers, transform industries and enrich lives. Our inventions help enable our customers and partners to compete, innovate and grow globally. We make industry-changing investments that customers harvest for their own innovation capacity. When we break through, the ecosystem leaps forward and the world benefits by the competitive options that emerge. Our products are revolutionizing industries, including automotive, computing and IoT, allowing connections between millions of devices in ways never imagined. Our inventions help create a renewed livelihood for many, and ultimately allow us the honor of enriching lives.

References in this report to “Qualcomm” may mean Qualcomm Incorporated, Qualcomm Technologies, Inc. and/or other subsidiaries or business units within the Qualcomm corporate structure, as applicable.

## Our QCT supply chain

Qualcomm CDMA Technologies (QCT) primarily utilizes a fabless production model. This means that we do not own or operate foundries to produce silicon wafers from which our chipsets are made. We rely on independent third-party suppliers to perform the manufacturing and assembly, and most of the testing, of our integrated circuits. These are die cut from silicon wafers that have completed the package assembly and test manufacturing processes. Our suppliers are responsible for the procurement of most of the raw materials used in the production of our integrated circuits. Most of our foundry, semiconductor assembly and test suppliers are in the Asia-Pacific region.

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**\$50b + invested in R&D and over 130,000+ patents and patent applications since 1985.**

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<sup>1</sup> The following is certain information that was originally filed with the Securities and Exchange Commission (SEC) on November 7, 2018 as part of our Annual Report on Form 10-K for our fiscal year ended September 30, 2018. We have not undertaken any updates or revision to such information since the date it was originally filed with the SEC. Accordingly, you are encouraged to review such financial information together with any subsequent information we have filed with the SEC and other publicly available information.

## Revenue in 2018<sup>1</sup>

**\$17.3b**

**QCT** **Qualcomm CDMA Technologies**  
QCT is a leading developer and supplier of chipsets (integrated circuits) and system software for use in mobile devices and in wireless networks.

**\$5.2b**

**QTL** **Qualcomm Technology Licensing**  
QTL grants licenses and provides rights to use portions of our intellectual property portfolio.

**\$187m**

**OTHER** **Businesses**  
Other businesses include our small cell and other wireless technology and service initiatives.

**\$100m**

**QSI** **Qualcomm Strategic Initiatives**  
QSI makes key investments that are focused on opening new or expanding opportunities for our technology while also supporting the design and introduction of new products and services for voice and data communications.



# Our Sustainability Priorities

## Focusing Our Resources, Programs and Reporting

We work with Business for Social Responsibility (BSR), a global nonprofit business network and consultancy dedicated to sustainability, to conduct materiality assessments. These exercises, which we have conducted with BSR since 2013, include both research and interviews with key leaders from across the Company. The findings help us prioritize the sustainability issues that are most important to our business and our key stakeholders. By identifying our top sustainability priorities, we can then focus our resources, programs and reporting on these core topics.

We regularly reevaluate our sustainability priorities to ensure we stay focused on topics that are vital to our stakeholders and to our business continuity and success. In 2018, we worked with BSR to conduct our third materiality analysis. The results will be integrated in our 2019 QSR report.



## Transformative Technology

Solutions for a sustainable world. Our innovations are helping empower people and enhance the quality of life around the globe.



## STEM Education

Cultivating tomorrow's workforce. We're working to promote and improve science, technology, engineering and mathematics (STEM) education at all levels and to expand opportunities for underrepresented students.



## Inclusion and Diversity

Creating a Company that reflects the world. We celebrate diversity among our employees and recognize that our varied backgrounds, experiences and ideas are critical to our success.



## Sustainable Product Design

Protecting people and the planet. We're focused on creating products in ways that don't harm individuals, communities or the environment and sustainably procuring materials and minerals.



## Privacy and Security

Promoting data protection across the mobile ecosystem. In our Company, in our products and in the mobile industry, we're working to process personal data responsibly and to make data more secure.



## Ethical Governance

Doing business "The Qualcomm Way." We're committed to doing business with the highest level of integrity, respecting our customers, business partners and each other.





## Supporting Our 2030 Sustainability Vision Through Streamlined Programs

Q&A with Angela Baker, Director of Corporate Responsibility  
Qualcomm Incorporated

### What is your role at Qualcomm?

I am looking at how our technology and programs help us create a more sustainable world, connected wirelessly. In 2018, we combined Qualcomm's wide-ranging social impact programs and the sustainability function into a unified Corporate Responsibility (CR) organization, which will streamline and strengthen our mission going forward. As Director, I think about how our strategic programs like Wireless Reach, Thinkabit Lab and Corporate Giving align with our business strategy. Additionally, I am responsible for the sustainability team that leads our work around reporting, materiality assessments and supports other divisions at Qualcomm that have responsibilities related to our corporate responsibility priorities.

### Qualcomm has a 2030 Sustainability Vision.

#### Could you tell us more about this vision and what Qualcomm is doing to achieve it?

For Qualcomm, sustainability is a strategy that drives long-term growth and profitability by including environmental, social and governance issues in our business decisions as they relate to our key spheres of influence: our workplace, our supply chain, local communities, our industry and the public policy realm. Our 2030 Sustainability Vision is our roadmap to inform strategic thinking on sustainability issues that are most important to our Company and helps us identify where we can collaborate with key stakeholders to create sustainability solutions. This vision helps us identify what success looks like for each of our six sustainability priorities.

### One of Qualcomm's sustainability priorities is Transformative Technology. What does this mean to you?

At Qualcomm, we invent the tech the world loves, and our inventions are enriching communities across the globe.

To us, "transformative technology" means using our inventions for good and to drive human and economic progress. Wireless Reach is our strategic initiative that brings Qualcomm® technology to underserved communities globally. Together with our partners, Wireless Reach has impacted over 15 million people since its creation in 2006. Programs like these continue to demonstrate the positive correlation between access to technology and improved social and economic outcomes.

### Similarly, STEM education is another sustainability priority area for Qualcomm. What is the motivation behind the focus on STEM-related initiatives?

Our STEM efforts are designed to increase the talent pipeline within STEM-related careers and nurture the next generation of inventors. As a technology leader, and a company of inventors, we are big believers in STEM education; it is part of who we are. That's why we invest in programs that impact students from kindergarten through college and beyond. Through programs like our homegrown Thinkabit Lab and our support of *FIRST*, we are committed to nurturing STEM, giving today's students the foundation they need to invent the future.

### Where do you see sustainability heading in the next couple of years? And in this light, what will be Qualcomm's sustainability focus in the near term?

Across the Company, we're excited for 5G, which will have a significantly greater impact on industries, communities and everyday lives than previous generations of cellular technology. Our vision is for everything and everyone to communicate and interact seamlessly. Within CR, we will continue to work towards meeting our 2030 Sustainability Vision; responsible supply chain management, privacy and security; and diversity and inclusion will remain important priorities. Our efforts in STEM education, centered around inspiring and engaging the next generation, will remain a key area of focus. We will also continue to work to leverage breakthrough Qualcomm® technologies for the economic and social development of communities across the globe.



# Key Accomplishments

What follows is a summary of our progress made on our sustainability priorities and key accomplishments towards achieving our 2030 sustainability vision and 2020 sustainability goals during fiscal 2018. We also highlight how our various programs and activities help support the United Nations (UN) Sustainable Development Goals (SDGs).



# Transformative Technology

Solutions for a sustainable world

Wireless Reach is a strategic corporate responsibility initiative that brings advanced wireless technology to where it is most needed. The goal of Wireless Reach is to create sustainable programs that use our technology as a transformative tool to foster entrepreneurship, aid in public safety, enhance the delivery of health care, enrich teaching and learning and improve the state of our environment. Our programs demonstrate that our technology can break down geographic, socioeconomic, educational and cultural barriers that obstruct progress in emerging regions.

## UN Sustainable Development Goals Addressed



Through Wireless Reach, we show new and innovative ways to use mobile technology to help achieve a number of the UN SDGs and the social and economic priorities of governments worldwide. Since 2006, our Wireless Reach portfolio has grown to include 119 collaborative programs in 47 countries, positively impacting over 15 million people.

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**With 119 programs in 47 countries, Wireless Reach has collaborated with more than 650 organizations to improve the livelihoods of many and ultimately, enriched lives across the globe.**

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## China: Wireless Heart Health

In China, despite drastic improvements in public health over the last 30 years and government action to prevent and manage cardiovascular disease (CVD), CVD-related morbidity and mortality has risen quickly and is the leading cause of death. Early detection, consistent monitoring and treatment can decrease CVD-associated health risks but reaching patients, particularly those in rural areas, efficiently and effectively remains a major challenge. As a result, most people in rural areas lack access to affordable screenings and don't know if they are at risk of, or have CVD.

Our Wireless Heart Health program uses 3G/4G enabled, purpose-built, electrocardiogram (ECG)-sensing smartphones to expand access to CVD screenings in rural, underserved

communities across China. To take a reading, a healthcare provider holds the device to a patient's chest for approximately 30 seconds while the three built-in sensors collect the heart data and the ECG waveform is displayed on the screen in real time. Data is stored in the patient's Electronic Health Record and sent immediately over the wireless network for analysis by a cardiac specialist at the Beijing Life Care Networks Call Center. The center is staffed 24/7 by more than 20 physicians.

The specialists provide local doctors with diagnostic and treatment recommendations within minutes, reducing barriers to CVD screening and treatment, bringing expert care to patients rapidly and for a fraction of the cost of conventional ECG machines. Since 2014, this solution has enabled more than 2,600 community doctors to benefit nearly 500,000 patients across 23 provinces.





## Senegal: Wireless Solutions for Fisheries

Fishing is critical for the livelihood and sustenance of many communities in Senegal. This industry employs 17 percent of the country's workforce and provides 70 percent of the animal protein to the population. Ninety percent of the fish consumed in Senegal are caught by artisanal fishers who sell their catch to wholesale fish markets and small-scale fish processing businesses, the latter of which are predominantly women-owned. With limited access to data on ocean and weather conditions, market price information and affordable loans and financial services, the artisanal fishers are unable to determine the best times to fish, and both the fishermen and fish processors cannot ascertain optimal pricing for their products or access the economic support they need to grow their businesses.

The Wireless Solutions for Fisheries (WISE) program, a collaboration between Qualcomm Wireless Reach and FHI 360, developed a mobile application (app) that allows fishers and fish processors to receive market data using mobile

phones, thus enabling these entrepreneurs to negotiate the best prices for their products. The mobile app also provides daily weather information, ocean state forecasts, GPS and navigational resources to help fishers improve their safety and productivity at sea, as well as fish processing best practices and offshore safety tips in video format. The WISE program collaborates with local microlending institutions to provide artisanal fishers and fish processors with access to affordable loans for expanding their businesses.

WISE has reached more than 4,000 Economic Interest Groups (EIGs) whose members include fish processors and fishers in the Dakar, M'Bour, Mballing and Joal regions of Senegal. After one year of using the mobile app, fishers and fish processors trained by WISE reported, on average, a 35 percent increase in income compared to the previous year. Additionally, the app and services provided by WISE have enabled the beneficiaries to increase their catch and fish processing volume. In early 2019, the WISE program will expand to more sites in Dakar, M'Bour and Joal, reaching an additional 50 EIGs and serving approximately 1,000 new people.

## Vietnam: DevelopHer- Empowering Women in Asia

Entrepreneurship is growing rapidly across Southeast Asia. In Vietnam, where women are one-third more likely than men to start a business, female entrepreneurs often face challenges in accessing the resources and support they need to develop, grow and sustain their businesses. Women's limited participation in the labor force perpetuates gender inequality, poverty and unequal economic growth.

The DevelopHer program, developed by Qualcomm Wireless Reach and the Cherie Blair Foundation for Women, uses a mobile learning app to help women entrepreneurs overcome business challenges and take their enterprises to the next level. The HerVenture mobile app provides an inexpensive and flexible means for

women who own micro and small businesses to access essential business training, tips and support to become successful business owners. Any woman entrepreneur in Vietnam can download HerVenture through the Google Play Store. To date, more than 1,000 women entrepreneurs have downloaded the app.

Through the Cherie Blair Foundation for Women's [Mentoring Women in Business Programme](#), the DevelopHer program also offers online mentoring support to 180 high-potential women entrepreneurs in Vietnam and across Southeast Asia. This program connects the participants with dedicated mentors around the world who provide one-on-one support to the women for one year. Through a bespoke online and mobile-enabled platform, the female entrepreneurs have access to business, leadership, mentoring and financial literacy trainings and resources.





## STEM Education

Cultivating tomorrow's workforce

We work to develop a diverse and inclusive workforce of the future by fostering opportunities for students in STEM education. As a technology leader and a company of inventors, we take this responsibility seriously by investing in STEM programs and collaborating with key community stakeholders as we strive to enable everyone to have access to these opportunities and that they remain sustainable for future generations.

UN Sustainable Development Goals Addressed

4 QUALITY EDUCATION



5 GENDER EQUALITY



8 DECENT WORK AND ECONOMIC GROWTH



10 REDUCED INEQUALITIES



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STEM Education supports the brainpower behind the inventions that we bring to life.

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“The Thinkabit Lab provides us an opportunity to expose younger students to the world of technology, beginning to crystallize in their own minds what role they may play as technologists, scientists and engineers.”

Julian Pate,  
Director of Michigan  
Engineering Zone

## Thinkabit Lab continues to spread across the world

Our Thinkabit Lab program is designed to inspire and engage students from all cultural and socioeconomic backgrounds. As part of this program, students are guided through our Qualcomm® World of Work career exploration activities to discover their unique talents and learn about concepts and careers in STEM fields such as IoT, robotics and invention. Students also participate in hands-on engineering experiences. They learn basic programming and strengthen their problem-solving, collaboration and creativity skills by designing and building their own robotic inventions. Together, our unique Qualcomm World of Work and engineering activities help students understand where they might fit in the future workforce and expose them to many aspects of building advanced wireless technology.

The original Thinkabit Lab operated at our San Diego headquarters from 2014 to 2018. During this time, we collaborated with 16 local school districts to serve more than 14,000 students and more than 2,500 teachers, parents and school administrators. This includes more than 2,900 students and more than 320 adults during the 2017-2018 academic year.

The Thinkabit Lab offered a free-of-charge, immersive summer camp program intended to introduce students to and solidify their interest in STEM. Every summer since 2014, we have engaged with others to bring engaging invention-based projects to more than 500 middle school boys and girls. Our key collaborators include the Institute of International Education, Children and Youth Science Center of China, American Association of University Women, Thinkabit Lab sites and local San Diego Districts.

Through collaborations, we’re expanding the impact of our Thinkabit Lab program to serve students and educators across the United States and beyond. For example, we collaborated with the University of Michigan College of

Engineering to introduce Thinkabit Lab to the Michigan Engineering Zone, which is known for its makerspace and high school robotics program. More than 2,500 students from more than 26 schools across five Detroit school districts participated. Overall, during the 2017-2018 school year, we expanded our program to include 24 more Thinkabit Lab sites at schools, universities, libraries and other types of organizations. We also grew regionally during this period, expanding from San Diego to the DC metro area, Detroit and California’s rural Central Valley.

In 2018, we expanded access to our Qualcomm World of Work career exploration activities to students and educators in Mexico and the United Kingdom (UK). In collaboration with the Institute of the Americas, our Thinkabit Lab instructional materials were translated into Spanish. In cooperation with our UK employees, these instructional materials were updated with UK labor data and used at various STEM events, such as Women in Engineering workshops which raise girls’ awareness about technology career pathways. Our UK employees also organized a STEM! 2018 event, which drew more than 250 students from eight participating schools. The students, ages 8-13, learned about making informed choices related to secondary education, post-secondary degrees and employment opportunities.

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Since its creation in 2014, the San Diego Thinkabit Lab collaborated with 16 local school districts to serve more than 14,000 students and more than 2,500 teachers, parents and school administrators.

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## Qcamp™ continues to generate interest in STEM among rural girls in China

Following the success of our first all-girls Qcamp program in San Diego, we collaborated with other organizations to expand Qcamp to serve students throughout the United States and China.

China Qcamp, a collaboration with Children & Youth Science Center of China Association of Science and Technology, aims to spark rural girls' interest in science and technology. In 2018, 24 middle school girls and six science teachers — all from rural areas — took part in the third annual China Qcamp. During this week-long camp adventure, students dedicated approximately 20 hours to learning scratch programming and built robotic crafts on an Arduino platform to help address the top socioeconomic challenges that cities face today. The students also participated in a guided tour of our Company's headquarters in China. They learned about our business culture and visited a modern testing lab and device certification lab to help them explore the inner workings of

a mobile phone. Since its inception, China Qcamp has directly impacted 125 girls and 19 science teachers from 14 provinces throughout China.

## Bridging the gender gap in STEM for women in India

In 2018, in association with United Way of Hyderabad and Swami Vivekananda Youth Movement, we launched a flagship project called Qualcomm® Aqriti™. Our project aims to improve enrollment of girls in schools, improve academic performance in STEM subjects and reduce female student drop-out rates at secondary school levels.

Aqriti focuses on providing STEM labs and learning tools to help students strengthen their understanding of concepts in science and math. The project facilitates technical mentorship and allied activities, such as special coaching and training in digital literacy, basic English and robotics. To motivate students and enhance their interest, Aqriti provides scholarships and rewards for top-performing students pursuing higher education in STEM-related fields.

In its first year, Aqriti has successfully impacted more than 25,000 children from more than 130 schools across Hyderabad and Bangalore. An estimated 40 percent of those students were females. More than 500 teachers have been trained through our project and have improved their teaching methods for science and math, benefitting approximately 12,000 additional students in Bangalore. In Hyderabad, our project has granted 41 female high school students scholarships for education in subjects such as math, biology, physics and chemistry. In Bangalore, 84 high school students and 68 college students were awarded similar scholarships.

Expansion plans for 2019 include working with 44 new schools in Hyderabad, 55 new schools in Karnataka and schools in new communities, including Mumbai and Chennai.

“We believe that helping to support the world’s next generation of innovators and increasing access to education and careers in engineering and technology is core to building up the brilliant minds who will help invent the technology the world loves and needs. We are excited to work with organizations like *FIRST* and see the impact of their programs on youth worldwide, especially in diverse and underserved populations.”

Brian Modoff, Executive Vice President of Strategy and M&A at Qualcomm Incorporated

## Increasing access to STEM for students around the globe through *FIRST*

2018 marked the 12th anniversary of our strategic collaboration with *FIRST*, an international not-for-profit K-12 organization founded to inspire young people’s interest and participation in science and technology while building their self-confidence, knowledge and life skills. Since its founding in 1989, *FIRST* has achieved significant global growth and impact through its programs. For example, *FIRST* alumni are now 2.6 times more likely than a matched comparison group of students to enroll in an engineering course during their freshman year of college, and 75 percent of *FIRST* alumni are engaged in a STEM field as a student or professional.

Our involvement as a [FIRST Strategic Partner](#), has focused on supporting K-12 students in all four *FIRST* programs, providing cutting-edge technology and expertise for *FIRST* Tech Challenge, while also helping to grow *FIRST* programs in global communities where access to STEM programs are either limited or do not exist. Through our support of *FIRST*, we are bringing innovation, collaboration and STEM education to students worldwide.

Through strategic investments and community outreach efforts, we’re increasing access to *FIRST* programs in eight countries including the United States, Canada, Mexico, China, Korea, Israel, Ireland and the UK. Our support for local student teams in these regions focuses on those in need from underserved communities and diverse teams.

This year also marked the third year of our technology integration in the *FIRST* Tech Challenge control system, which has provided more than 180,000 students from over 25 countries, hands-on experience with our Qualcomm® Snapdragon™2 mobile technology platform.

Our employees also donated their time and expertise to help *FIRST* students and teams around the globe, providing more than 10,000 hours of volunteer time during

2018. This led to an 85 percent increase in the number of employees mentoring *FIRST* teams from the year before.

We are excited to return as the *FIRST* Championship Presenting Sponsor in the 2019 season and continue to share our mutual goals of inspiring more students in STEM through mentor-based programs that spark interest, challenge students to solve big challenges and provide the skills necessary to pursue careers in STEM.

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**In 2018, our employees mentored 85 percent more *FIRST* teams than the year before. This increase reflects more than 10,000 hours of volunteer time to students across the globe.**

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<sup>2</sup> Qualcomm Snapdragon is a product of Qualcomm Technologies, Inc. and/or its subsidiaries.



# Inclusion and Diversity

Creating a Company that reflects the world

UN Sustainable Development Goals Addressed



Our commitment to inclusion and diversity remains one of our top sustainability priorities. We work to promote programs and improve internal policies and processes to demonstrate our steadfast commitment to building an inclusive and more diverse workforce. We foster inclusive practices across all of our departments worldwide to ensure that we remain a company that reflects the communities in which we do business.

Over the years, we have integrated our inclusion and diversity objectives into a growing number of Company programs, and we have established strong relationships with various internal and external stakeholders to help embed these values throughout our industry. We are proud of our accomplishments to date and know that we still have a lot of work to do in order to achieve our goals in the coming years.

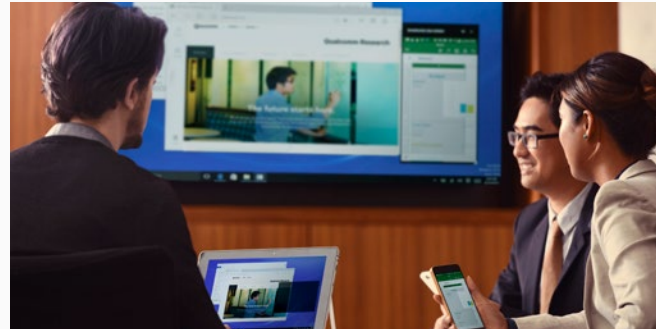
## Training on inclusion, diversity and leadership expectations

In 2018, our inclusion and diversity team led mandatory trainings for 1,339 senior directors and above across the Company, using content focused on the business imperative and values of diversity and inclusion. The objectives of each two-hour training were to highlight how the Company values its commitment to creating a diverse workforce and to shed light on different elements of diversity management and unconscious biases. These

trainings were available in-person and via livestream and/or a saved recording, making them easily accessible and convenient for participants.

We have developed initiatives and opportunities to empower our senior-level managers to think critically about their understanding and vision for their employees' development. These managers have a strong influence on their employees' day-to-day experiences, ultimately impacting retention and attrition within the Company. Our core expectations have focused on ensuring that these managers have the right tools and trainings to facilitate and guarantee mentorship opportunities for their employees and to create a team culture that is inclusive and fair.





**“Qualcomm remains a place where all individuals have the opportunity to achieve personal and professional goals.”**

Vicky Mealer-Burke, VP  
& Chief Diversity Officer

## Employee Networks bring inclusion to life

A sense of belonging and community is essential to building an inclusive Company culture that celebrates diversity. Our eight Employee Networks (ENs) are employee-led, enterprise-supported, promote professional growth and offer collaboration and encouragement among different employee groups. Our EN communities include: women; Africans and African Americans; Latin and Latin culture; military veterans; university graduates; millennials; lesbian, gay, bisexual and transgender (LGBT); and differently abled employees and those that are caregivers of individuals with special needs. At the end of 2018, we had more than 20 EN chapters worldwide. We’re working to continually and strategically expand these networks.

## 2018 inclusion and diversity highlights

- The former Qualcomm Women in Science and Engineering (QWISE) and Qualcomm Females Influencing Information Technology (QFINITY) ENs merged to become Qwomen — one unified EN for all of our women employees. The mission of Qwomen is to inspire a diverse organization by providing opportunities to encourage leadership, mentorship and career development for all of our women employees, regardless of their job type.

- Over 250 Qwomen members attended leadership and technical conferences in 2018 gaining access to industry trends, technical and leadership trainings and workshops and inspirational speakers. The conferences included: Grace Hopper, the largest conference of women in technology; Watermark and Texas Women leadership conferences; Institute of Electrical and Electronics Engineers (IEEE) Women in Engineering International Leadership Conference in New York and California; and the Women of Silicon Valley Conference.
- We participated in the Community of Practice meeting that had been organized within the framework of the Disability:IN “Inclusion Works” program. Disability:IN is the leading nonprofit resource for business disability inclusion worldwide. The meeting focused on recruiting, hiring and retaining employees with disabilities. Representatives from our AbilityQ EN joined other member companies to learn about best practices in hiring, accessibility and other important topics. The meeting and presentations were also live-streamed to employees.
- Members of our eQuality EN — together with our CEO Steve Mollenkopf, Chief Financial Officer George Davis, Executive Vice President of Human Resources Michelle Sterling and more than 400 employees, friends and family members — participated in the San Diego Pride Parade. Our strong showing demonstrated the Company’s firm support of efforts to celebrate differences and highlighted the Company’s commitment to equal treatment for all.
- We expanded our approach and activities to be more inclusive of all communities at Qualcomm. We organized events and programs celebrating Black History Month, Lunar New Year, International Women’s Day, Hispanic Heritage Month, Disability Employee Awareness Month and International Men’s Day.

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**20+ Employee Network Chapters across the Company.**

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## Adapting our policies and processes to better serve employees

In 2018, we worked on transforming some of our internal practices to adapt to the needs of our workforce and to promote transparency and consistency in our human resources processes. For example, employees worldwide have gained greater ownership of our annual review process and are now directly responsible for various aspects, such as soliciting 360 feedback from peers and colleagues or drafting goals for the next review cycle. We have also worked with an external expert to develop job leveling guides and detailed job descriptions that provide employees with guidance on the competencies and tasks required at each level of a job family as well as the responsibilities, scope and working conditions of each job. Our goal is to ensure full transparency of the expectations within each job category.

We recognize that our employees have important priorities outside of the workplace and we work to accommodate them. We updated a policy to proactively ask all new hires if they have any accommodation requests, making the onboarding experience more comfortable. In the United States, we also updated and adapted our policies around flexible work arrangements and family time off to better serve employees' needs.

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Employees worldwide have gained greater ownership in the performance review process and are now responsible for various aspects, like soliciting 360 feedback from colleagues or drafting goals for the next review cycle.

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**Key Accomplishments:**

Sustainable  
Product Design



# Sustainable Product Design

Protecting people and the planet

We focus on creating products that positively influence and impact individuals and society. We're achieving this by ensuring our direct operations integrate principles of sustainability and responsibility and by working closely with our supply chain.

## UN Sustainable Development Goals Addressed



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We want our products to be distinguished by their intelligence and by the care and attention we take in designing them.

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To date, we have reduced our greenhouse gas emissions by 15.6 percent.

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## Continuing our efforts in sustainable supply chain management

We require all of our semiconductor manufacturing suppliers to adopt either the Responsible Business Alliance (RBA) Code of Conduct or a similar code. By leveraging RBA tools, expertise and support to complement our supply chain management program, we can focus on conformance to high-level standards among all of our suppliers in relation to labor issues, health and safety, the environment, ethics and consolidated management systems.

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**One hundred percent of our suppliers that represent more than 90 percent of our total product-related spend complete the RBA Self-Assessment Questionnaire (SAQ) on an annual basis. More than 80 percent of these suppliers have completed Validated Audit Process (VAP) audits within the past two years.**

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The RBA Code of Conduct, which serves as our Supplier Code of Conduct, and The Qualcomm Way: Code of Business Conduct, have been cornerstones of our commitment to RBA and responsible supply chain management for many years.

In 2018, we continued to make responsibility and sustainability part of our innovation process. Notably, we achieved Full Member status in the RBA. As a Full Member, we have deepened our commitment to the RBA Code of Conduct and continuous improvement of our supply chain sustainability. We completed a risk profile and audit plan for our supply chain, completed SAQs, accepted

other member-initiated VAP audit reports for common suppliers and drove suppliers to close disqualifying priority findings. We published corporate responsibility data through our sustainability report and have been open and transparent about our progress.

Our participation in RBA enables us to leverage tools and receive support to engage our supply chain on sustainability issues. It also gives us the opportunity to work with our industry peers to continuously improve our industry's supply chains and to responsibly manage impacts on people and the planet.

## Environmental sustainability

We are committed to minimizing our environmental impact across our business, products and supply chain. We address the sustainability of our products through our Environmental Management System and various hazardous-substance elimination programs. We're also working to be a positive force in protecting the environment by continually looking for ways to conserve water, minimize energy consumption, lower emissions and reduce waste.

In 2018, we remained on track to meet our 2025 greenhouse gas (GHG) reduction goal to reduce absolute Scope 1 and Scope 2 GHG emissions from our global operations by 30 percent, compared to a 2014 baseline, by 2025. To date, we have reduced our emissions by 15.6 percent due primarily to space consolidations and operational efficiencies worldwide. Approximately 4.7 percent of this reduction is attributed to the purchase of CY2017 I-RECs and Carbon Offsets, contributing to low-carbon, sustainable development in China and India.

As we expand our operations internationally, we continue to look for new opportunities to reduce our global emissions. For example, in fiscal year 2018 we entered into a 10-year solar power purchase agreement in Bangalore, India for approximately 19.2 gigawatt hours annually.



## Key Accomplishments:

Sustainable  
Product Design

# Brazil: Drone Technology Development Program for Precision Agriculture

Brazil is a global agricultural superpower. Family farms dominate the country's agricultural landscape. They account for 85 percent of all rural properties and produce more than 70 percent of food consumed domestically.

With the world's population projected to reach 9 billion by 2050, agricultural demand globally is expected to grow by 70 percent. To meet this demand, farms — including those in Brazil — need to become more productive and more sustainable.

Brazilian farmers would greatly benefit from access to timely and accurate data about the health of their crops and fields. Having this information would allow them to take immediate actions to increase their crop yields while decreasing the environmental impact of their food production. Unfortunately, the family or smallholder farmers that dominate Brazil's agricultural industry are largely without access to the advanced technology, human and financial resources and knowledge that can help them improve their agricultural intelligence.

The Drone Technology Development Program for Precision Agriculture is a collaboration between our Company, the Brazilian Agricultural Research Corporation (Embrapa) and the Institute for Solidarity Socioeconomics (ISES) to innovate affordable drone technology that will be able to provide immediate, actionable agricultural intelligence to small and medium farmers. The on-board systems combine Embrapa's expertise in agriculture and image processing algorithms with our Qualcomm® Flight™<sup>3</sup> drone platform and advanced wireless technology to collect, process, analyze and transmit

accurate crop intelligence data to trained agronomists. The agronomists access the information using a 4G, Wi-Fi or LAN capable device, such as a smartphone, tablet or PC, with a user-friendly web interface. The agronomists then work with farmers to translate precise crop intelligence metrics into recommendations for taking specific actions, such as when and where to fertilize or spray agrochemicals. This solution allows for higher crop yields and reduces environmental degradation by pinpointing areas that require spot applications rather than whole-field treatments.

It is our shared belief that by developing more affordable and improved onboard systems for drones, this program will accelerate the widespread adoption of drone technology in the farming industry. We know that these innovations must be designed for more than industrial farmers. To make the necessary gains in productivity and to mitigate environmental degradation through the expansion of sustainable farming practices, the smallholder farmers who own more than 80 percent of the world's farms also need to have access to this improved technology.



<sup>3</sup> Qualcomm Flight is a product of Qualcomm Technologies, Inc. and/or its subsidiaries.



# Privacy and Security

Promoting data protection across the mobile ecosystem

A strong foundation of privacy and security is critical to the success of the wireless industry. Such a foundation supports user trust and the adoption of new and exciting mobile technology. We've made significant efforts to incorporate privacy and security measures across our products and services and the broader mobile industry.

UN Sustainable Development Goals Addressed

**9** INDUSTRY, INNOVATION AND INFRASTRUCTURE



**16** PEACE, JUSTICE AND STRONG INSTITUTIONS



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**In our Company, in our products and in our industry, we're working to process personal data responsibly and to make data more secure.**

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## Our six guiding principles for privacy and security

We believe that the collection of personal information should promote trust, respect individuals' privacy and rest on a foundation of responsible security and privacy practices. Our efforts to implement and enable responsible privacy and data security practices are informed by our guiding principles:

- 1** Transparency in the collection, use and sharing of personal information
- 2** Providing or enabling meaningful choices over the collection, use and sharing of personal information
- 3** Providing or enabling value to consumers when using their personal information
- 4** Safeguarding personal information from existing and emerging threats
- 5** Maintaining the accuracy, quality and integrity of the data we collect
- 6** Responsible stewardship of personal information including limiting our collection, use, sharing and retention of personal information

These guiding principles are the basis of our roadmap and actions regarding privacy and security matters. They are the foundation for our business and are integrated throughout our engineering and production processes.

## Safeguarding our intellectual property and employee data

To ensure strict compliance with our guiding principles and to manage or address any related issues regarding our products, services and intellectual property, we have hundreds of people dedicated to privacy and data security. These people specialize in product security, privacy, information security, risk management, application security, third-party security assessments, investigations and counter-threat analysis, security operations, physical security, privacy law and more.

Our efforts to safeguard our intellectual property and protect our employee data continue to have a strong focus on educating and training all employees about their critical role in keeping our business information safe. For several years, we have used education and strong management processes — in which our guiding principles are embedded — to build a culture of security across our Company. In 2018, we dedicated more than 330 hours to privacy and security trainings for our employees globally.

We strive to implement appropriate data protection for one of our most important assets: our employees. In 2018, we created an Internal Privacy Committee (IPC) which is made up of representatives from numerous departments, including human resources, information technology, employee relations, payroll, benefits, physical security personnel, data analytics and employment-related legal representatives. The IPC was created with several goals in mind. It serves as a platform to educate internal stakeholders

on new laws or regulations affecting the collection or use of personal data. It serves as an entity that aids in the identification of new collections or uses of personal data and helps develop applicable processes to perform privacy reviews on those new collections or uses. It provides a forum for discussion in cases where a privacy issue spans multiple groups. It also acts as the main internal body that proposes new policies and procedures or changes to existing policies and procedures.

## Federal privacy regulation and industry collaboration

In 2018, key pieces of privacy legislation were implemented, such as the General Data Protection Regulation in the European Union. Privacy laws were also passed in California, Brazil and numerous other places. We support and welcome smart, comprehensive federal policy legislation in the United States. Having such legislation would promote a harmonized approach to privacy and help create a legal framework for operation nationwide.

We work with our industry peers to raise awareness about the importance of privacy and security across our industry and to promote solutions. In this regard, we support organizations and forums that promote information privacy, such as the [Centre for Information Policy Leadership](#) and the [Future of Privacy Forum](#). Through these organizations and forums, we advocate for responsible information-privacy and data-security practices, including transparency and meaningful choices in the collection, use and sharing of personal information through a harmonized approach.

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**330+ hours dedicated to privacy and security trainings for our employees globally.**

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## Ethical Governance

Doing business “The Qualcomm Way”

UN Sustainable Development Goals Addressed

**8** DECENT WORK AND  
ECONOMIC GROWTH



**16** PEACE, JUSTICE  
AND STRONG  
INSTITUTIONS



We push the boundaries of what’s possible in mobile technology, but we never push the boundaries when it comes to conducting business with integrity. We consider ethical governance to be a core requirement of doing business, a competitive advantage and the right thing to do. By exercising ethical leadership, we inspire confidence in the Company’s future and create a safe and supportive work environment for our employees. In a dynamic global industry where innovation can create new ethical questions, our Code of Business Conduct guides how we responsibly conduct ourselves every day.

## Updating our policies

We are committed to doing business responsibly and sustainably, starting within our own walls. To ensure we operate with the highest ethical standards, we reinforce a culture of integrity and keep our policies up-to-date and accessible to all.

In 2018, we reviewed and updated internal policies and procedures related to our ethical governance programs and created new guidelines or procedures where needed. For example, we released our revised Code of Business Conduct in October 2018, accompanied by learning check-ins relating to relevant ethics and compliance topics such as conflicts of interest, protecting Company confidential information and treating each other with respect. We also enhanced our conflict of interest program to require affirmative disclosures annually from all Company vice presidents and senior vice presidents.



## Qualcomm's refreshed values

Our Company's values guide us in creating and maintaining an environment that fosters invention, encourages creativity and allows employees to thrive. In 2018, along with revising our Code of Business Conduct, we refreshed our corporate values and the supporting behaviors:



### Purposeful Innovation

- Raise the Bar
- Drive Technology Leadership
- Focus on the Customer
- Engage Curiosity



### Passionate Execution

- Ensure Total Quality
- Make Decisions Efficiently
- Exceed Expectations
- Empower People



### Collaborative Community

- Foster Inclusion and Diversity
- Communicate Openly
- Leverage Expertise
- Be Respectful



### Unquestioned Integrity

- Do the Right Thing
- Take Ownership
- Cultivate Trust
- Embrace Social Responsibility

## Fostering a Speak-Up culture

Our Code of Business Conduct sets out specific obligations for managers to act as leaders and role models of The Qualcomm Way and to promote an open-door environment in which all of their team members feel comfortable and safe raising questions or concerns.

In 2018, we strengthened our open-door policy and provided additional channels for communication around any issues that employees may experience. We promoted our Speak-Up campaign to highlight the importance of raising concerns as well as the Company's commitment to investigating and addressing those concerns while implementing remediating measures, as applicable. Through our open-door policy, we encourage constant and open communication with managers, direct engagement with Human Resources and voicing potential issues via our Business Conduct Hotline. The hotline is a 24-hour resource available to all employees. It is administered by a third party and allows employees to voice their concerns anonymously, where local country law permits. We have also designated specific individuals as points of contact. These people are part of the Company's management and located at our headquarters. They include local contact points for different geographic areas where we operate.

## Employee ethics education and communication

We actively engage our employees in our ethical governance programs to ensure they have a thorough understanding of what is expected of them. In 2018, we conducted 81 in-person FCPA and Anti-Corruption training sessions at our offices worldwide. New employees who joined the Company through recent acquisitions were among the participants.

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**80+ in-person FCPA and Anti-Corruption training sessions at our offices worldwide.**

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## Assessing and managing risk

We continue to assess risks in our business and take steps to ensure that employees Company-wide adhere to our ethics and compliance protocols. In 2018, we completed an enterprise-wide compliance risk assessment and shared the findings with our Ethics and Compliance Committee. We used the results of the risk assessment to help us prioritize our ethics and compliance objectives and focus areas for the coming year. We also continued to take a risk-based approach to ensuring that we are only collaborating with reputable companies that do not have a history of bribery, corruption or other misconduct. We conducted reputational screenings and due diligence on several third parties that could come into contact with a foreign government or government official on our behalf.





# Performance Summary

Our performance metrics gauge our progress during the past three years and enable us to report more transparently across a variety of sustainability topics.



## Our Company

		Units	2018	2017	2016
<b>Total Consolidated Revenues by Country (in millions)<sup>4,5</sup></b>	Total	\$	<b>22,732</b>	22,291	23,554
	China (including Hong Kong)	\$	<b>15,149</b>	14,579	13,503
	South Korea	\$	<b>3,175</b>	3,538	3,918
	United States	\$	<b>603</b>	513	386
	Other Foreign	\$	<b>3,805</b>	3,661	5,747
<b>Revenues by Reportable Segment (in millions)<sup>5</sup></b>	Total	\$	<b>22,732</b>	22,291	23,554
	QCT (Qualcomm CDMA Technologies)	\$	<b>17,282</b>	16,479	15,409
	QTL (Qualcomm Technology Licensing)	\$	<b>5,163</b>	6,445	7,664
	QSI (Qualcomm Strategic Initiatives)	\$	<b>100</b>	113	47
	Other	\$	<b>187</b>	(746)	434
<b>Total Capitalization (in millions)<sup>5</sup></b>	Stockholders' Equity	\$	<b>928</b>	30,746	31,768

## Our Products and Suppliers

		Units	2018	2017	2016
<b>Quantity of Products Shipped (in millions)</b>	Qualcomm <sup>®</sup> MSM <sup>™</sup> Qualcomm MSM is a product of Qualcomm Technologies, Inc. and/or its subsidiaries	# of products	<b>855</b>	804	842

<sup>4</sup>We report revenues from external customers by country based on the location to which our products or services are delivered, which for QCT is generally the country in which our customers manufacture their products, or for licensing revenues, the invoiced addresses of our licensees. As a result, the revenues by country presented herein are not necessarily indicative of either the country in which the devices containing our products and/or intellectual property are ultimately sold to consumers or the country in which the companies that sell the devices are headquartered. For example, China revenues could include revenues related to shipments of integrated circuits to a company that is

headquartered in South Korea but that manufactures devices in China, which devices are then sold to consumers in Europe and/or the United States.

<sup>5</sup>The following is certain information that was originally filed with the Securities and Exchange Commission (SEC) on November 7, 2018 as part of our Annual Report on Form 10-K for our fiscal year ended September 30, 2018. We have not undertaken any updates or revisions to such information since the date it was originally filed with the SEC. Accordingly, you are encouraged to review such financial information together with any subsequent information we have filed with the SEC and other publicly available information.

## Our Products and Suppliers (cont.)

		Units	2018	2017	2016
<b>Privacy &amp; Security</b>	Certified Information Privacy Professionals	#	8	11	11
	Privacy Training	# of hours	336.5	601.8	290.5
	Privacy Training Sessions Offered	#	16	21	18
	Targeted Security Training Campaigns	#	14	19	22
	Targeted Employees Trained in Security	#	9,298	12,235	11,753
<b>Supplier Metrics</b>	Suppliers (top 90% of total product-related spend) who complete the RBA SAQ <sup>6</sup>	%	100	100	100
	Suppliers (top 90% of total product-related spend) with All Low-Risk Manufacturing Facilities per RBA SAQ <sup>6</sup>	%	100	100	100
	Suppliers (top 90% of total product-related spend) who provided us with greenhouse gas emissions use data	%	100	100	100
	Suppliers (top 90% of total product-related spend) who provided us with water use data	%	100	100	100
<b>Conflict Free Minerals<sup>7</sup></b>	RMAP-Conformant Processing Facilities <sup>8</sup>	#	252	246	215
	RMAP-Conformant Processing Facilities <sup>8</sup>	%	82	73	71
<b>Supplier Diversity</b>	Diverse Suppliers Registered (U.S. only)	#	830	860	931
	Spending on U.S. Government Subcontract Work Directed at Diverse Businesses (U.S. only)	%	52	26	30

<sup>6</sup> Responsible Business Alliance (RBA) Self-Assessment Questionnaire (SAQ).

<sup>7</sup> Amount represents prior-year calendar year data as of January 31, 2018.

<sup>8</sup> Responsible Minerals Assurance Process (RMAP).

# Our Environment

		Units	2018	2017	2016
<b>Energy and Air Quality<sup>9</sup></b>	Electricity Avoided as a Result of Our Energy Saving Initiatives	Megawatt Hours	<b>53,501</b>	48,915	49,599
	Emissions Avoided as a Result of Our Energy Saving Initiatives	CO <sub>2</sub> e Metric Tons	<b>16,070</b>	14,325	15,009
<b>Greenhouse Gas (GHG) Emissions<sup>10</sup></b>	CO <sub>2</sub> e per Gross Square Foot of Facilities Space (Scope 1 & 2)	CO <sub>2</sub> e Metric Tons	<b>0.01864</b>	0.01848	0.0177
	Total Scope 1 – Direct GHG Emissions by Weight	CO <sub>2</sub> e Metric Tons	<b>73,832</b>	80,016	75,205
	Total Scope 2 (market-based: emission factors where available and purchased International renewable Energy Certificates and Emission Reduction Credits) - Indirect GHG Emissions by Weight	CO <sub>2</sub> e Metric Tons	<b>120,771</b>	129,440	147,681
	Total Scope 3 – Other Indirect GHG Emissions by Weight <sup>11</sup>	CO <sub>2</sub> e Metric Tons	<b>112,252</b>	112,252	112,252
<b>Direct Energy Consumption by Primary Energy Source<sup>10</sup></b>	Natural Gas (facilities)	MMBtu	<b>1,301,239</b>	1,405,156	1,292,102
	Jet Fuel (aviation related)	Gallons	<b>976,158</b>	919,403	924,220
	Vehicle Gasoline (shuttle/test vehicles)	Gallons	<b>45,296</b>	56,135	72,372
	Diesel Fuel (cars/trucks)	Gallons	<b>8,456</b>	9,792	17,642
	Diesel Fuel (generators)	Gallons	<b>17,625</b>	16,174	21,498
	Propane Vehicles (truck)	Gallons	<b>131</b>	182	438
<b>Indirect Energy Consumption by Primary Energy Source<sup>10</sup></b>	Electricity (purchased)	Megawatt Hours	<b>271,894</b>	267,027	301,944

<sup>9</sup> Annual avoided emissions of CO<sub>2</sub>e due to cumulative investments made for energy and water efficiencies for various owned and leased facilities.

<sup>10</sup> Amounts represent prior-year calendar year data for 100% of Qualcomm's global facilities.

<sup>11</sup> Amount is estimated based on prior-year calculation and represents employee business air travel, business car rental and employee commuting.

## Our Environment (cont.)

		Units	2018	2017	2016
<b>Significant Air Emissions<sup>12</sup></b>	NOx	Tons	7.95	8.92	8.82
	SOx	Tons	0.32	0.34	0.3
	VOC	Tons	0.67	0.75	0.89
<b>Waste Management<sup>13</sup></b>	Total Non-Hazardous Waste Generated	Metric Tons	3,678	10,895	9,425
	Total Non-Hazardous Waste Recycled	Metric Tons	1,517	3,639	2,777
	Total Hazardous Waste Generated	Metric Tons	63	58	62
	Total Hazardous Waste Recycled	Metric Tons	56	19	50
	Total Hazardous Waste to Landfill	Metric Tons	n/a	7	5
<b>Employee Engagement Events</b>	Personal Paper Shredding Collection Events for Employees	Tons	2.6	2.3	2.6
	Personal E-Waste Collection Events for Employees	Pounds	6,156	2,515	16,615
<b>E-Waste Collection</b>	E-Waste Collection	Pounds	533,925	450,801	658,308
<b>Water Management<sup>14</sup></b>	Total Water Usage	Million Gallons	161	165	168
	Potable Water – Building Water	Million Gallons	26	36	38
	Potable Water – Cooling Towers	Million Gallons	72	67	79
	Potable Water – Irrigation	Million Gallons	22	23	21
	Reclaimed Water – Cooling Towers	Million Gallons	30	28	22
	Reclaimed Water – Irrigation	Million Gallons	11	11	8
	Water Savings <sup>15</sup>	Million Gallons	22	22	18

<sup>12</sup> All NOx, SOx and VOC data is prior-year calendar year data for our San Diego Co-Generation facilities only.

<sup>13</sup> We revised how we report our waste management data beginning in 2016.

<sup>14</sup> Reported water usage and savings are for both owned and leased San Diego, CA facilities, plus owned and leased facilities in San Jose and Santa Clara, CA.

<sup>15</sup> Reflects potable water savings (does not include reclaimed water savings).

# Our Workplace

		Units	2018	2017	2016
<b>Workforce</b>	Total Employees	#	31,100	33,800	30,500
	Breakout by Region:				
	United States	%	46	52	57
	Non-United States	%	54	48	43
	Breakout by Employee Type:				
Regular Employees	%	90	90	88	
Temporary Employees	%	10	10	12	
<b>Inclusion and Diversity</b>	Nationalities Represented	#	113	116	111
	Languages Spoken	#	74	74	72
	Women – Overall	% of Total	19.0	18.8	18.7
	Leadership	% of Total	16.8	17.1	16.6
	Technical	% of Total	15.4	14.6	14
	Women on Board of Directors	% of Total	16.7	20	17
	Race and Ethnicity Statistics (U.S. only):				
	Minority Employees – Overall	% of Total	66.3	64.2	63.7
	American Indian/Alaska Native – Overall	% of Total	0.2	0.2	0.2
	Leadership	% of Total	0.2	0.2	0.1
	Technical	% of Total	0.1	0.1	0.1
	Asian – Overall	% of Total	58.2	56	54.9
	Leadership	% of Total	47.1	44.4	43.7
	Technical	% of Total	64.1	61.8	60.9
	Black/African American – Overall	% of Total	1.4	1.5	1.6
	Leadership	% of Total	1.1	1.1	1.1
	Technical	% of Total	1.2	1.2	1.3
	Hispanic – Overall	% of Total	4.4	4.3	4.8
	Leadership	% of Total	3.8	3.9	3.8
	Technical	% of Total	3.4	3.3	3.2

## Our Workplace (cont.)

		Units	2018	2017	2016
<b>Inclusion and Diversity (cont.)</b>	Native Hawaiian/Pacific Islander – Overall	% of Total	<b>0.3</b>	0.3	0.4
	Leadership	% of Total	<b>0.2</b>	0.1	0.2
	Technical	% of Total	<b>0.3</b>	0.2	0.3
	Two or More Minority Groups – Overall	% of Total	<b>1.9</b>	1.9	1.9
	Leadership	% of Total	<b>1.5</b>	1.5	1.3
	Technical	% of Total	<b>1.5</b>	1.5	1.5
	Disabled	% of Total	<b>1.6</b>	1.8	1.7
	Veterans	% of Total	<b>2.4</b>	2.6	2.9
<b>Employee Development</b>	Training Statistics				
	Classroom Training Course Enrollments	#	<b>87,188</b>	74,489	85,076
	Instructor-led Session	#	<b>1,178</b>	1,247	1,590
	Online Courses	#	<b>16,605</b>	26,030	11,685
	Training by Employee Group				
	Individual Contributor	Hrs/Employee	<b>14</b>	14	13
	Management	Hrs/Employee	<b>14</b>	14	13
Executive	Hrs/Employee	<b>11</b>	10	12	
<b>Ethical Employment</b>	Employee Voluntary Turnover Rate	% of Total	<b>8.6</b>	6.4	8.6
<b>Workplace Safety</b>	Lost Time Injury and Incident Rate	Per 200,000 hrs worked	<b>0.05</b>	0.04	0.06
	Total Recordable Incident Rate	Per 200,000 hrs worked	<b>0.4</b>	0.26	0.64

# Our Society

		Units	2018	2017	2016
<b>Philanthropy</b>	Employees Participating in Matching and Community Service Grant Programs	#	3,664	3,464	2,905
	Nonprofit Organizations Helped by Matching and Community Service Grant Programs	#	2,052	2,102	1,695
<b>Wireless Reach<sup>16</sup></b>	Stakeholders	#	660	660	655
	Projects	#	119	119	114
	Countries	#	47	47	46
	Beneficiaries (Direct and Indirect)	#	15,773,740	12,007,333	9,519,949

<sup>16</sup> Cumulative data since 2006.



# GRI Content Index

We report on our sustainability initiatives annually and in accordance with the Global Reporting Initiative (GRI) Sustainability Reporting Standards. This report has been prepared in accordance with the GRI Standards: Core option.



GRI Standard	Disclosure Number	Disclosure Title	Response
<b>General Disclosures</b>			
GRI 102: General Disclosures 2016	<b>102-1</b>	Name of the organization	Qualcomm Incorporated
	<b>102-2</b>	Primary brands, products, and services	<a href="#">Products; Solutions; 10-K/Annual Report</a>
	<b>102-3</b>	Location of headquarters	San Diego, CA
	<b>102-4</b>	Number of countries where the organization operates, and names of countries with significant operations	<a href="#">Offices and Facilities</a>
	<b>102-5</b>	Nature of ownership and legal form	Qualcomm is listed on the NASDAQ Stock Market under the ticker symbol QCOM. <a href="#">10-K/Annual Report</a>
	<b>102-6</b>	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries)	<a href="#">Our Performance Summary; 10-K/Annual Report</a>
	<b>102-7</b>	Scale of the reporting organization (overall)	<a href="#">Our Performance Summary; Offices and Facilities; 10-K/Annual Report</a>
	<b>102-8</b>	Scale of the reporting organization (employees)	<a href="#">Our Performance Summary</a>
	<b>102-9</b>	Organization's supply chain	<a href="#">Supply Chain Management; 10-K/Annual Report</a>
	<b>102-10</b>	Significant changes during the reporting period regarding size, structure, ownership or supply chain	We disclose all significant changes regarding size, structure or ownership in our periodic filings <a href="#">10-K/Annual Report</a>
	<b>102-11</b>	Whether and how the precautionary approach or principle is addressed by the organization	We practice the "precautionary principle" of identifying and taking preventative measures regarding chemicals, including 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.

GRI Standard	Disclosure Number	Disclosure Title	Response
GRI 102: General Disclosures 2016	<b>102-12</b>	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or which it endorses	Qualcomm participates in, subscribes to or endorses a wide range of different externally developed economic, environmental and social charters, principles and initiatives. Our approach is described at <a href="#">Sustainability</a> .
	<b>102-13</b>	List of main memberships of industry or other associations, and national or international advocacy organizations in which the organization is involved	<a href="#">Our Memberships and Industry Affiliations</a>
	<b>102-14</b>	Statement from the most senior decision-maker of the organization	<a href="#">Message from Our CEO</a>
	<b>102-16</b>	Organization's values, principles, standards and norms of behavior	<a href="#">The Qualcomm Way</a> ; <a href="#">Corporate Governance</a> ; <a href="#">RBA Code of Conduct</a>
	<b>102-17</b>	Internal and external mechanisms for seeking advice on ethical and lawful behavior	<a href="#">Code of Ethics</a> ; <a href="#">Ethical Governance</a> ; <a href="#">Business Conduct Hotline</a>
	<b>102-18</b>	Governance structure, including committees of highest governing body	The Governance Committee of our Board of Directors receives and reviews a report on our policies and programs concerning corporate citizenship and social responsibility, including charitable giving, annually. <a href="#">Corporate Governance</a> ; <a href="#">Governance Committee</a> ; <a href="#">Strategy</a>
	<b>102-40</b>	List of stakeholder groups engaged	<a href="#">Stakeholder Engagement</a> ; <a href="#">Strategy</a>
	<b>102-41</b>	Percentage of total employees covered by collective bargaining agreements	None of our United States employees are covered by collective bargaining agreements. Outside the United States, less than 25 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.
	<b>102-42</b>	Basis for identification and selection of stakeholders	<a href="#">Stakeholder Engagement</a> ; <a href="#">Strategy</a>
	<b>102-43</b>	Approach to stakeholder engagement	<a href="#">Stakeholder Engagement</a> ; <a href="#">Strategy</a>

GRI Standard	Disclosure Number	Disclosure Title	Response
GRI 102: General Disclosures 2016	<b>102-44</b>	Key topics and concerns raised through stakeholder engagement and organization's response	The materiality assessment described in <a href="#">Our Sustainability Priorities</a> incorporated key issues raised through stakeholder engagement. Our response to these issues is contained throughout this report and our <a href="#">Sustainability</a> website.
	<b>102-45</b>	Entities included in the organization's consolidated financial statements or equivalent documents	<a href="#">10-K/Annual Report</a>
	<b>102-46</b>	Process for defining report content and topic boundaries	<a href="#">Our Sustainability Priorities; About this Report</a>
	<b>102-47</b>	List of material topics identified in the process for defining report content	<a href="#">Our Sustainability Priorities; Priorities</a>
	<b>102-48</b>	Effect of any restatements of information provided in previous reports	<a href="#">Our Performance Summary; 10-K/Annual Report</a>
	<b>102-49</b>	Significant changes from previous reporting periods in list of material topics and topic boundaries	There have been no significant changes from previous reporting periods in the list of material topics and topic boundaries.
	<b>102-50</b>	Reporting period	<a href="#">About this Report</a>
	<b>102-51</b>	Date of most recent previous report	Our 2017 Qualcomm Sustainability Report covers events and highlights occurring in our 2017 fiscal year: from September 25, 2016 to September 30, 2017.
	<b>102-52</b>	Reporting cycle	<a href="#">About this Report</a>
	<b>102-53</b>	Contact point for questions regarding report	<a href="#">About this Report</a>
	<b>102-54</b>	"In accordance" option	<a href="#">About this Report</a>
	<b>102-55</b>	GRI Context Index	<a href="#">GRI Context Index</a>
	<b>102-56</b>	Policy and current practice with regard to seeking external assurance for the report	<a href="#">About this Report</a>

GRI Standard	Disclosure Number	Disclosure Title	Response
<b>Ethical Governance</b>			
GRI 103: Management Approach 2016	<b>103-1</b>	Explanation of material topic and its boundary	<a href="#">Our Sustainability Priorities</a> ; <a href="#">About this Report</a> ; <a href="#">Priorities</a> ; <a href="#">Ethical Governance</a>
	<b>103-2</b>	Management approach and its components	<a href="#">Strategy</a> ; <a href="#">10-K/Annual Report</a> ; <a href="#">Proxy Statement</a> ; <a href="#">Corporate Governance</a> ; <a href="#">The Qualcomm Way</a> ; <a href="#">Code of Ethics</a> ; <a href="#">RBA Code of Conduct</a>
	<b>103-3</b>	Evaluation of the management approach	<a href="#">Strategy</a>
GRI 205: Anti-corruption 2016	<b>205-1</b>	Operations assessed for risks related to corruption	At least annually, we evaluate our Company for risks related to corruption. We also assess additional risk areas on a case-by-case basis. <a href="#">The Qualcomm Way</a> ; <a href="#">Ethical Governance</a>
	<b>205-2</b>	Communication and training about anti-corruption policies and procedures	Qualcomm requires its employees and temporary workers to complete a policy training and certification process every 12-24 months that covers the Company's Global FCPA and Anti-Corruption Policy and Procedures. As of September 30, 2018, 99.99% of Qualcomm's employees and temporary workers completed the 2017 FCPA and Anti-Corruption Policy Training and Certification requirement, which was sent out to all employees and temporary workers on November 1st, 2017. In addition, 79 instructor-led training sessions on Qualcomm's FCPA and Anti-Corruption Compliance program were offered and attended by 2,049 employees in higher risk functional roles (Business Development, Marketing, Sales, Government Affairs, Procurement, etc.) in FY18. <a href="#">The Qualcomm Way</a> ; <a href="#">Ethical Governance</a>
	<b>205-3</b>	Confirmed incidents of corruption and actions taken	We disclose all material pending legal proceedings in our periodic filings <a href="#">10-K/Annual Report</a> .
GRI 206: Anti-competitive Behavior 2016	<b>206-1</b>	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	We disclose all material pending legal proceedings in our periodic filings <a href="#">10-K/Annual Report</a> .

GRI Standard	Disclosure Number	Disclosure Title	Response
GRI 415: Public Policy 2016	<b>415-1</b>	Political contributions	<a href="#">Disclosures Under Political Contributions and Expenditures Policy</a>
GRI 419: Socioeconomic Compliance 2016	<b>419-1</b>	Non-compliance with laws and regulations in the social and economic area	We disclose all material pending legal proceedings in our periodic filings <a href="#">10-K/Annual Report</a> .

## Privacy and Security

GRI 103: Management Approach 2016	<b>103-1</b>	Explanation of material topic and its boundary	<a href="#">Our Sustainability Priorities; About this Report; Priorities; Privacy and Security</a>
	<b>103-2</b>	Management approach and its components	<a href="#">Strategy; Privacy Principles; Privacy Policy; Privacy Public Policy Positions; The Qualcomm Way; RBA Code of Conduct</a>
	<b>103-3</b>	Evaluation of the management approach	<a href="#">Strategy</a>
GRI 418: Customer Privacy 2016	<b>418-1</b>	Substantiated complaints concerning breaches of customer privacy and losses of customer data	We did not receive any substantiated complaints regarding breaches of customer privacy or data in 2018 or in the three years prior.

## Sustainable Product Design

GRI 103: Management Approach 2016	<b>103-1</b>	Explanation of material topic and its boundary	<a href="#">Our Sustainability Priorities; About this Report; Priorities; Sustainable Product Design; Human Rights</a>
	<b>103-2</b>	Management approach and its components	<a href="#">Strategy; The Qualcomm Way; RBA Code of Conduct; Qualcomm's Commitment to Human Rights; Qualcomm Communication on Progress</a>
	<b>103-3</b>	Evaluation of the management approach	<a href="#">Strategy</a>
GRI 307: Environmental Compliance 2016	<b>307-1</b>	Non-compliance with environmental laws and regulations	Qualcomm received no significant monetary fines and no non-monetary sanctions for non-compliance with environmental laws and regulations in 2018.

GRI Standard	Disclosure Number	Disclosure Title	Response
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	<a href="#">Supply Chain Management</a>
	308-2	Negative environmental impacts in the supply chain and actions taken	<a href="#">Supply Chain Management</a>
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk	Qualcomm is unaware of any operations in which the right to exercise freedom of association and/or collective bargaining are at significant risk.
GRI 408: Child Labor 2016	408-1	Operations and suppliers identified as having significant risk for incidents of child labor	Qualcomm is unaware of any operations in which there is a significant risk for incidents of child labor.
GRI 409: Forced or Compulsory Labor 2016	409-1	Operations and suppliers identified as having significant risk for incidents 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.
GRI 410: Security Practices 2016	410-1	Security personnel trained in human rights policies or procedures	100 percent of security personnel are trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	Our approach to labor practices in the supply chain is described in <a href="#">Supply Chain Management</a> . Qualcomm is applying the <a href="#">RBA Membership Requirements</a> .
	414-2	Negative impacts for labor practices in the supply chain and actions taken	Our approach to labor practices in the supply chain is described in <a href="#">Supply Chain Management</a> . Qualcomm is applying the <a href="#">RBA Membership Requirements</a> .

GRI Standard	Disclosure Number	Disclosure Title	Response
GRI 416: Customer Health and Safety 2016	<b>416-1</b>	Assessment of the health and safety impacts of product and service categories	Qualcomm's approach to the health and safety impacts of products is found in <a href="#">Product Responsibility</a> .
	<b>416-2</b>	Incidents of non-compliance concerning the health and safety impact of products and services	Zero

## Inclusion and Diversity

GRI 103: Management Approach 2016	<b>103-1</b>	Explanation of material topic and its boundary	<a href="#">Global Inclusion and Diversity</a> ; <a href="#">Our Sustainability Priorities</a> ; <a href="#">About this Report</a> ; <a href="#">Priorities</a> ; <a href="#">Inclusion and Diversity</a>
	<b>103-2</b>	Management approach and its components	<a href="#">Strategy</a> ; <a href="#">Equal Employment Opportunity and Affirmative Action</a> ; <a href="#">Supplier Diversity Policy</a> ; <a href="#">The Qualcomm Way</a> ; <a href="#">RBA Code of Conduct</a>
	<b>103-3</b>	Evaluation of the management approach	<a href="#">Strategy</a>
GRI 405: Diversity and Equal Opportunity 2016	<b>405-1</b>	Composition of governance bodies and employees	<a href="#">Our Performance Summary</a>
GRI 406: Non-discrimination 2016	<b>406-1</b>	Incidents of discrimination and corrective actions taken	Qualcomm has never been found by a court to have unlawfully discriminated against any of our employees.

GRI Standard	Disclosure Number	Disclosure Title	Response
<b>STEM Education</b>			
GRI 103: Management Approach 2016	<b>103-1</b>	Explanation of material topic and its boundary	<a href="#">Our Sustainability Priorities; About this Report; Priorities; STEM Education</a>
	<b>103-2</b>	Management approach and its components	<a href="#">Thinkabit Lab; Strategy; Our Society</a>
	<b>103-3</b>	Evaluation of the management approach	<a href="#">Strategy</a>
<b>Transformative Technology</b>			
GRI 103: Management Approach 2016	<b>103-1</b>	Explanation of material topic and its boundary	<a href="#">Our Sustainability Priorities; About this Report; Priorities; Transformative Technology</a>
	<b>103-2</b>	Management approach and its components	<a href="#">Wireless Reach; Strategy</a>
	<b>103-3</b>	Evaluation of the management approach	<a href="#">Strategy</a>
GRI 203: Indirect Economic Impacts 2016	<b>203-1</b>	Infrastructure investments and services supported	<a href="#">Wireless Reach</a>
	<b>203-2</b>	Significant indirect economic impacts	<a href="#">Wireless Reach</a>





# Appendix

# Our Support of the UN Sustainable Development Goals (SDGs)

17 goals to transform our world

In September 2015, the UN established 17 SDGs aimed at achieving long-term sustainable development, elimination of poverty and an overall healthy planet by 2030. Designed with a bottom-up approach, the SDGs help focus government policy, programs, innovation and spending. They also help to highlight the need for private sector involvement and collaborations for achieving success. Each goal has specific targets to be achieved.

We support the SDGs. The SDG icons that appear throughout this report highlight the work we are doing across our Company to address these goals.



**1 NO POVERTY**



End poverty in all its forms everywhere.

**2 ZERO HUNGER**



End hunger, achieve food security and improved nutrition and promote sustainable agriculture.

**3 GOOD HEALTH AND WELL-BEING**



Ensure healthy lives and promote well-being for all at all ages.

**4 QUALITY EDUCATION**



Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.

**5 GENDER EQUALITY**



Achieve gender equality and empower all women and girls.

**6 CLEAN WATER AND SANITATION**



Ensure availability and sustainable management of water and sanitation for all.

**7 AFFORDABLE AND CLEAN ENERGY**



Ensure access to affordable, reliable, sustainable and modern energy for all.

**8 DECENT WORK AND ECONOMIC GROWTH**



Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

**9 INDUSTRY, INNOVATION AND INFRASTRUCTURE**



Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.

**10 REDUCED INEQUALITIES**



Reduce inequality within and among countries.

**11 SUSTAINABLE CITIES AND COMMUNITIES**



Make cities and human settlements inclusive, safe, resilient and sustainable.

**12 RESPONSIBLE CONSUMPTION AND PRODUCTION**



Ensure sustainable consumption and production patterns.

**13 CLIMATE ACTION**



Take urgent action to combat climate change and its impacts.

**14 LIFE BELOW WATER**



Conserve and sustainably use the oceans, seas and marine resources for sustainable development.

**15 LIFE ON LAND**



Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and reverse land degradation and halt biodiversity loss.

**16 PEACE, JUSTICE AND STRONG INSTITUTIONS**



Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.

**17 PARTNERSHIPS FOR THE GOALS**



Strengthen the means of implementation and revitalize the global partnership for sustainable.



**SUSTAINABLE DEVELOPMENT GOALS**  
17 GOALS TO TRANSFORM OUR WORLD

To learn more about all 17 SDGs, please visit the [UN Sustainable Development Goals website](#).

# About this Report

Since our founding in 1985, Qualcomm has been committed to bettering the societies where we live and work. We have been producing an annual sustainability report since 2006.



## Boundary and scope

This report covers our 2018 fiscal year: September 25, 2017 to September 30, 2018. In some instances, data is collected and reported on a calendar rather than a fiscal year basis. Such exceptions, as well as any other exceptions to the reporting period, are noted within the report. Financial data is reported in U.S. dollars. The information and data in this report includes Qualcomm Incorporated and its consolidated subsidiaries, unless otherwise stated.

## Disclosure and assurance

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core option.

The content of this report was developed using the GRI's "principles for defining report content": materiality, completeness, stakeholder inclusiveness and sustainability context. Our use of the materiality principle encompassed our whole value chain, both within and outside the Company, and is described further in the Sustainability Priorities section of this report.

Use of external assurance is noted in the report where it is used, though the report as a whole has not been externally assured.

Additional information about our operations and financial statements is available in our Annual Report on Form 10-K and subsequent quarterly reports on Form 10-Q and other filings with the United States Securities and Exchange Commission.

Additional information about sustainability at Qualcomm is available at [www.qualcomm.com/sustainability](http://www.qualcomm.com/sustainability).

We welcome your comments and feedback at [qsr@qualcomm.com](mailto:qsr@qualcomm.com).



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Qualcomm Incorporated includes Qualcomm’s licensing business, QTL and the vast majority of its patent portfolio. Qualcomm Technologies, Inc., a wholly-owned subsidiary of Qualcomm Incorporated, operates, along with its subsidiaries, substantially all of Qualcomm’s engineering, research and development functions, and substantially all of its product and services businesses, including its semiconductor business, QCT.

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