

RESOLVED: Shareholders request QUALCOMM adopt absolute, time-bound quantitative, company-wide targets, taking into consideration the most recent Intergovernmental Panel on Climate Change (IPCC) guidance for reducing total greenhouse gas (GHG) emissions, and issue a report by May 2015, at reasonable cost and omitting proprietary information, on its plans to achieve these goals.

Supporting Statement

In order to mitigate the worst impacts of climate change, the IPCC estimates that a 50 percent reduction in GHG emissions globally is needed by 2050 (relative to 1990 levels) to stabilize global temperatures, entailing a U.S. target reduction of 80 percent.

The costs of failing to address climate change are significant and could lead to a 5% loss of global GDP (Stern Review, 2006). *Risky Business*, a recent analysis of climate change impact, finds serious economic effects including property damage, shifting agricultural patterns, reduced labor productivity, and increased energy costs. These effects could substantially impact a company's business operations, revenue, or expenditure."

Setting GHG emission targets is widespread among U.S. companies and can have positive financial outcomes. Presently, 60 percent of Fortune 100 companies have GHG reduction commitments, renewable energy commitments, or both. A report published by WWF, Carbon Disclosure Project (CDP), and McKinsey & Company, *The 3% Solution: Driving Profits Through Carbon Reduction*, found that companies with GHG targets achieved an average of 9% better return on investment than companies without targets. Additionally, 79% of companies in the S&P 500 that report to CDP earn a higher return on their carbon reduction investments than on their overall corporate capital investments. Among the 53 Fortune 100 companies reporting on climate and energy targets to CDP, they are saving \$1.1 billion annually through their emission reduction and renewable energy initiatives. These goals enable companies to reduce costs, build resilient supply chains, and manage operational and reputational risk.

We are concerned QUALCOMM may be lagging behind industry peers. Cisco, Motorola Solutions, Nokia, and other tech companies like Intel, AMD have already demonstrated the feasibility of reducing GHG emissions by setting targets and some are already realizing savings. For example, Cisco has set a science-based target and by 2017 plans to reduce absolute Scope 1 and 2 GHG emissions by 40% and reports savings of more than \$100 million per year."

Investors with \$92 trillion in assets have supported the CDP which received responses from 81% of companies in the Global 500 in 2013. QUALCOMM's response to date on how it is managing risks and opportunities related to climate change falls short. QUALCOMM has not publicly set carbon emissions reductions or renewable energy targets. We believe this may have negative consequences for QUALCOMM and that it should address these issues with consideration of IPCC guidance.