

# 2014 CORPORATE RESPONSIBILITY REPORT

# LETTER FROM THE CEO

In a year of significant change for Motorola Solutions, our commitment to sustainability continued in all areas of our business.

As a company, we embrace these practices for compelling reasons. It starts with our products, which help save lives and protect communities and businesses to operate more efficiently. We also take corporate citizenship seriously, working on all fronts to limit our carbon consumption and overall footprint. And we see immediate returns from the important investments we make in our employees and our communities.

Our company adapts to an evolving marketplace, and that includes changing our own strategic focus. We divested our enterprise business in 2014 and are now singularly focused on mission-critical communications products, solutions and services for our public safety and commercial customers around the world. What remains the same is our commitment to operating sustainably and responsibly.

Engineering our professional-grade products to use less power and be built with fewer raw materials—while still lasting for decades—shows that running a sustainability-minded business is good for the planet as well as our bottom line. A technology company must approach product innovation with both sustainability and customer needs in mind, as we are in an industry where “being green” is merely expected of those who hold a leadership role in mission-critical communications.

## Operating milestones in 2014

We continued to make progress in reducing the environmental footprint of our operations. Through ongoing efficiency measures, purchase of green energy credits and reducing our real estate footprint, we saw a 36 percent reduction in our carbon impact compared to 2013 levels.

Our employees are our most valuable resource, and we expanded our investment in them in 2014 by investing \$9.2 million globally in learning and development, compared with \$7.5 million in 2013. We focused on self-directed training tools that enable employees to build the skills, knowledge and behaviors needed for our company to grow, compete and succeed well into the future.

Work also continues in environmental responsibility in our product design, use and disposal. In 2014 we collected 572 tons of electronic equipment waste for recycling through take-back programs.

In our supply chain, we strengthened our supplier code of conduct to align it with our human rights policy and now provide more detailed guidance for our suppliers, an effort that extended beyond manufacturing to our field service suppliers that install and maintain equipment for our customers.

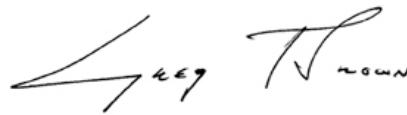
We continued our leadership in building solutions to the issue of minerals sourced from the Democratic Republic of Congo. We continue to work with our industry peers along with private and public sector parties to trace the smelters in our supply chain and encourage their verification as “conflict free,” assuring their revenues do not fund regional wars and violence.

## Investing in tomorrow’s innovators

In the places where we live and work, we focus our community outreach on having a positive impact on science and technology education around the world, as well as helping public safety first responders and their families. Our employees take pride in being active and visible in our communities, having donated more than 80,000 hours of service to help schools and charitable organizations.

The company and Motorola Solutions Foundation contributed more than \$14.5 million in cash and product donations in 2014, including \$6 million in grants supporting educational programs. In North America alone, about a million students and teachers will receive an average of 80 hours of science, technology, engineering and math (STEM) education as a result of Motorola Solutions Foundation.

It is a testament to the dedication of our employees that, in a year of significant change, our corporate responsibility efforts continued across the board. We are committed to being a trusted partner, responsible neighbor and positive force in the many places we operate. The business case for these practices remains strong, and it complements our determination to become more sustainable in everything we do as a company.



**Greg Brown**  
Chairman and CEO  
Motorola Solutions

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# OUR APPROACH

## CORPORATE RESPONSIBILITY AT MOTOROLA SOLUTIONS

Motorola Solutions is a leading provider of mission-critical communication solutions for government and commercial customers. Our innovations mobilize and connect people in the moments that matter.

Our approach to corporate responsibility is guided by three drivers: operate ethically, protect the environment and support the communities where we live and work.

Our 2014 Corporate Responsibility Report demonstrates our global commitment to corporate responsibility and highlights key areas of progress from the year.

## CORPORATE RESPONSIBILITY MANAGEMENT

Our management structure and strong principles guide Motorola Solutions' approach to corporate responsibility. Our corporate responsibility team manages the global responsibility programs according to the commitments set out in our corporate responsibility business principles outlined here.

Our corporate responsibility business principles help us meet the needs of our customers and shareholders, protect the environment and create an inclusive, safe and healthy workplace. They guide our actions to support the educational, environmental and social needs in the communities where we operate, and to ensure our suppliers operate in compliance with applicable laws and standards of fairness and human decency. These principles are supported by our

[Code of Business Conduct](#), our [Environment, Health and Safety Policy](#), our [Human Rights Policy](#) and our [Supplier Code of Conduct](#).

To manage the execution and implementation of our corporate responsibility strategy, our team establishes performance indicators, sets goals for improvement and reports progress to our stakeholders. We have developed corporate responsibility metrics by gathering input from external stakeholders, referring to the Global Reporting Initiative Guidelines and adhering to best practices in reporting. Metrics help us measure our progress and assess challenges we face in executing our strategy as well as ensuring we are meeting or exceeding our corporate responsibility goals.

Our environment, health and safety management system works to reduce the environmental impact of our products throughout their life cycles. Our

supply chain corporate responsibility team assesses suppliers' compliance with our business conduct expectations, including labor and environmental standards.

We communicate frequently with our employees about corporate responsibility, sharing updates via the company's intranet page, leadership messages, employee meetings and employee emails.

## OUR CORPORATE RESPONSIBILITY BUSINESS PRINCIPLES

|   |  |  |
|---|--|--|
| <b>INNOVATIVE PRODUCTS, CUSTOMER DELIGHT AND QUALITY</b><br>We create innovative products and solutions with quality and performance that meet or exceed our customers' expectations.   | <b>ETHICS AND TRANSPARENCY</b><br>We operate with transparency and according to high standards of ethics and the law in directing and managing the company for all stakeholders. | <b>ENVIRONMENTAL QUALITY</b><br>We foster sustainable use of the earth's resources in our products and operations, and we strive to design environmentally conscious products.                         |
| <b>DIVERSITY AND INCLUSION</b><br>We create an engaged workforce that can contribute its full potential in an inclusive work environment.   | <b>SAFE AND HEALTHY WORKFORCE</b><br>In cooperation with our employees, we work to maintain a safe and healthy workplace and support employees' work-life integration.           | <b>ECONOMIC OPPORTUNITIES AND GROWTH</b><br>We work to create wealth, economic opportunities and growth in regions where we do business, through our products, services, relationships and operations. |
| <b>SUPPLIER RELATIONSHIPS</b><br>We set expectations for our suppliers and work with them to conduct their operations in compliance with applicable laws and accepted standards of fairness and human decency. We promote supplier diversity. | <b>COMMUNITY SUPPORT</b><br>We support educational, environmental and social needs in the communities where we operate.  | <b>SHAREHOLDER VALUE</b><br>We strive to achieve strong financial results and long-term success through sustained profitable growth, technological innovation and market leadership.                   |

## MATERIALITY

We focus our management and reporting of corporate responsibility on the issues most material to our business and to keep issues under regular review. In March 2014, we conducted a materiality assessment to garner external and internal feedback on the corporate responsibility issues most material to our business. We started

by consulting 22 external stakeholders from academia, business, non-governmental organizations (NGOs), government and socially responsible investment funds to understand their views on the most material corporate responsibility issues for Motorola Solutions.

Following the external stakeholder engagement, we conducted an internal workshop to analyze the

potential impact—positive or negative—of a wide range of corporate responsibility issues on our business. The workshop participants received a summary of the findings from the external stakeholder engagement and took these into account.

The priorities of external stakeholders and our company’s materiality assessment are summarized in the chart below.

The assessment revealed a high degree of consensus between external stakeholders and our own judgments. The three most material issues identified were:

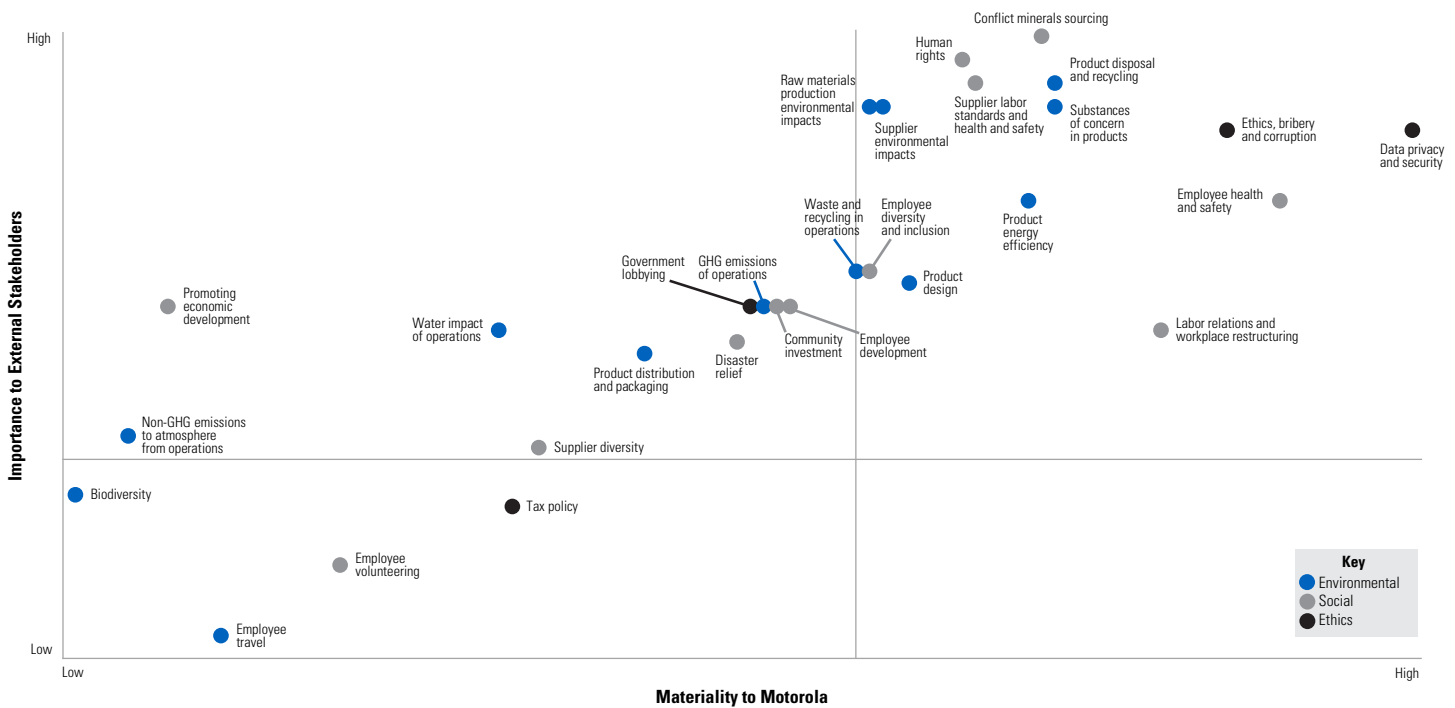
- Data privacy and security
- Employee health and safety
- Ethics, bribery and corruption

The assessment also demonstrated the wide range of social, environmental and ethical subjects viewed as significant to Motorola Solutions, including:

- Labor relations and workplace restructuring
- Product disposal and recycling

- Substances of concern in products
- Conflict minerals sourcing
- Product energy efficiency
- Supplier labor and health and safety standards
- Human rights
- Product design
- Supplier environmental impacts
- Raw materials production environmental impacts
- Employee diversity and inclusion
- Waste and recycling in operations
- Employee development
- Community investment
- Greenhouse gas emissions of operations
- Disaster relief
- Government lobbying

We will review the output from the materiality assessment in planning our future reporting. Broadly, the assessment confirmed our understanding of the issues and reinforced the significance to our business of our ethics, community, employment, environmental, supply chain and green design programs.



## **STAKEHOLDER ENGAGEMENT**

Garnering input from external stakeholders for our materiality assessment is only one component of our engagement with stakeholders throughout the year. Ongoing engagement strategy is an important part of our corporate responsibility strategy, undertaken at the global, regional and local levels in three main ways:

- Responding to specific requests for information
- Participating in multi-stakeholder relationships
- Initiating our own engagement

### **ACTIVITY IN 2014**

#### **Non-Governmental Organizations**

Non-governmental organizations (NGOs) are important stakeholders to our business. Their level of understanding of key issues impacting our supply chain, local communities and the broader global community helps us operate ethically and responsibly.

#### **Suppliers**

During 2014, we continued to engage with our suppliers on corporate responsibility by:

- Monitoring suppliers through our self-assessment and audit programs to foster compliance with our Supplier Code of Conduct
- Working with suppliers to resolve corporate responsibility issues identified by audits
- Implementing a new corrective and preventative action system that requires suppliers to address issues in three categories and helps to eliminate their future recurrence
- Holding four training events for suppliers in Asia to help them understand our expectations and standards, and provide guidance on establishing internal monitoring programs for their own supply chains

#### **Government and Regulators**

We engage with government officials and regulators directly and through our participation in industry associations. The purpose is to provide our insights on key policy priorities affecting our industry, including spectrum allocation, tax reform and free trade agreements, and to lobby for policies that will promote sound, balanced social and environmental sustainability and business success. Please see [Government Affairs](#) for more information on our engagement during 2014.

#### **Customers**

Our commercial and government customers are increasingly interested in our company's corporate responsibility performance. We communicate and engage with them in many ways to share our corporate responsibility progress.

#### **Employees**

We aim to ensure our workplace is one where our Code of Business Conduct is upheld at all times. Employees report suspected violations anonymously, where permitted by law, using the Motorola Solutions global EthicsLine. We also encourage employees to go to their managers or our business conduct champions if they suspect ethical violations in the workplace (see [Business Conduct](#)).

We strive for our employees to participate in our company's corporate responsibility efforts and for all employees to be informed of our corporate responsibility progress. We share our progress and achievements through the company intranet, employee emails, internal TV systems and posters throughout our offices. We engage our employees in environment, health and safety programs through on-site posters, employee emails and awareness events, such as Earth Day celebrations. In addition, the Motorola Solutions Service Corps provides a vehicle through which employees can volunteer and give back to the communities where they live and work (see [Community](#)).



## Sustainability Indices and Recognition

Our corporate responsibility performance was recognized by a number of socially responsible indices and external rankings, including:

### Sustainability Indices

- Dow Jones Sustainability Index
- Maplecroft Climate Innovation Indexes
- Calvert Social Index

### External Recognition

- *Corporate Knights'* Global 100 Most Sustainable Companies
- *CR Magazine's* 100 Best Corporate Citizens
- U.S. Environmental Protection Agency's Green Power Partnership *Fortune* 500 Partners List
- *Newsweek's* 2014 Green Rankings

## Toward the Elimination of Conflict Minerals

We support the sourcing of conflict-free minerals from the Democratic Republic of the Congo (DRC) and neighboring countries through our actions and industry-wide engagement. We are proud to lead efforts toward eliminating the extraction of conflict minerals, while continuing trade with the DRC. Through our efforts, we have engaged widely with peer companies, the U.S. government, NGOs and other stakeholders in the region. In 2014, we expanded Solutions for Hope to the province of North Kivu, a conflict-prone

area of the DRC. For more information, please see [Conflict Minerals](#).

## BUSINESS CONDUCT

We are committed to conducting our business with integrity, which is essential to earning the trust of our stakeholders.

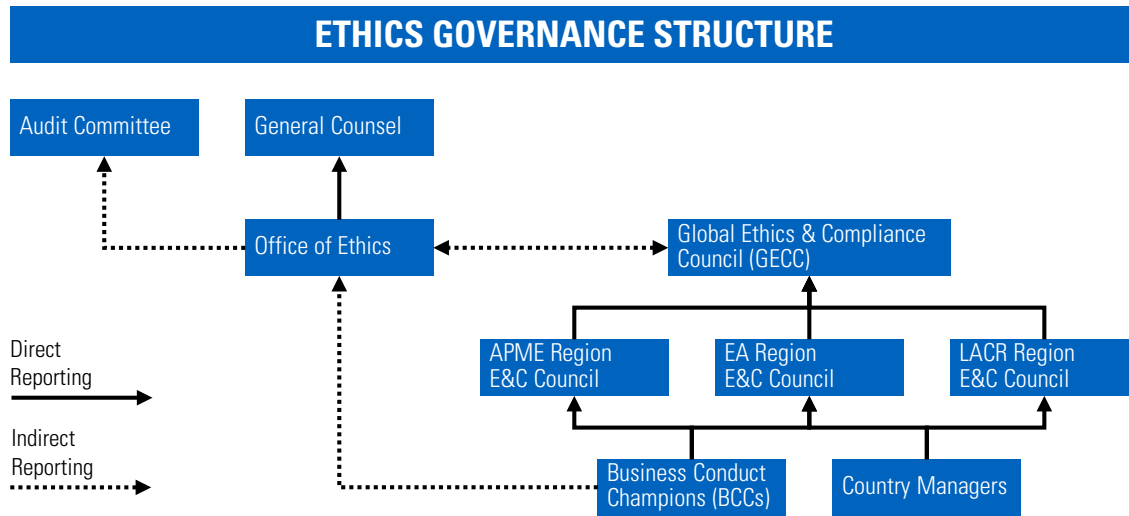
Our [Code of Business Conduct](#) is available in 13 languages and describes the ethical standards that we require from our employees. The code requires all employees to:

- Obtain and conduct business legally and ethically
- Build quality relationships with companies that share our values
- Treat the investment of our shareholders as if it were our own
- Make business decisions based on the best interests of Motorola Solutions
- Report business conduct concerns immediately

We raise awareness of our standards so that employees understand our values and encourage employees and third parties to report ethical concerns using a variety of channels. We investigate all allegations of ethical misconduct and take appropriate actions where claims are substantiated—for example, process improvements or disciplinary actions, up to and including dismissal.



**MANAGEMENT OVERSIGHT**



The audit committee of our board of directors has overall responsibility for compliance with our Code of Business Conduct. The Office of Ethics manages our ethics program for the company and works with our internal ethics councils and business teams to monitor legal compliance and business risk. The office also works closely with our procurement team to ensure compliance with our supplier policies.

Our business conduct champions (BCCs) are local resources who provide guidance to employees on our ethics policy and Code of Business Conduct questions or concerns. BCCs work together with country managers, who are responsible for country governance and compliance.

**COMMUNICATION AND TRAINING**

In 2014, the Office of Ethics expanded its employee outreach program designed to increase awareness of our ethics initiatives by:

- Delivering personalized ethics communications to more than 3,500 employees hired or promoted in 2014
- Conducting one-on-one briefings with every new vice president by the Chief Ethics Officer

- Providing live trainings to more than 250 employees on the company’s due diligence system for sponsorship of government travel
- Presenting live anti-corruption training to more than 500 employees globally

**DUE DILIGENCE**

We have robust due diligence policies and processes for assessing prospective business partners, including third-party sales representatives and third-party service providers, as well as certain high-risk business opportunities. In 2014, we:

- Performed due diligence reviews on more than 1,000 of our third-party sales representatives
- Completed live anti-corruption trainings with more than 50 partners globally
- Performed monthly reviews to ensure compliance with the due diligence policy
- Provided quarterly briefings to senior management concerning business compliance with the due diligence process
- Delivered training materials to partners operating in more than 100 countries

## ADDRESSING CONCERNS

In 2014, employees, customers, suppliers and others made 150 reports to the Office of Ethics. They included questions or concerns regarding the Code of Business Conduct, Human Resources-related queries and allegations of misconduct. We want people who contact us with ethical concerns to be confident that we will respond quickly and handle their requests discreetly. Calls received by the EthicsLine are not recorded, and we have no systems or devices to identify the caller or the telephone number from which the call was placed.

### Reports to Office of Ethics in 2014

|                                 |     |
|---------------------------------|-----|
| Total reports submitted         | 150 |
| Reports requiring investigation | 36  |
| Investigations substantiated    | 24  |
| Investigations closed*          | 64  |
| Resulting disciplinary actions  | 35  |

### Disciplinary Action\*

|                 |    |
|-----------------|----|
| Separation**    | 28 |
| Written warning | 5  |
| Counseling      | 2  |

\* Includes reports opened prior to 2014

\*\* Includes both resignations and terminations

### Reports by Topic\*\*\*

|                            |    |
|----------------------------|----|
| Human resources            | 45 |
| Product related            | 4  |
| Allegations of impropriety | 49 |
| Code of Business Conduct   | 43 |
| Audit and accounting       | 7  |
| Other                      | 24 |

\*\*\* More than one topic may apply to a single report

## Reporting Channels Used

|                                  |    |
|----------------------------------|----|
| EthicsLine (telephone and email) | 59 |
| EthicsLine interactive (online)  | 30 |
| Business conduct champions       | 12 |
| Audit activity                   | 0  |
| Other                            | 47 |

## BUSINESS CONDUCT GOALS

### Goals for 2014

- Drive awareness of our Government Affairs policy by increasing outreach and training activities to ensure compliance
- Enhance online compliance e-tools used to manage Motorola Solutions sponsored travel by government customers
- Conduct global best practices forum for business conduct champions to facilitate collaboration, increase effectiveness and enhance visibility

### Progress in 2014

- Provided live Government Affairs policy trainings to key audiences, including senior leaders, and numerous train-the-trainer sessions for the Government Affairs and Commercial Legal teams
- Implemented a new online system to manage the review and approval of Motorola Solutions-sponsored government travel
- Held quarterly meetings with 28 BCCs and a two-day workshop with our North America and Latin America BCCs and other compliance professionals to share best practices

### Goals for 2015

- Deliver live ethics training to high impact audiences including 100 senior leaders
- Enhance the online system used for conducting third-party sales representative due diligence
- Strengthen the conflicts of interest and board membership policy

## HUMAN RIGHTS POLICY

The Motorola Solutions [Human Rights Policy](#) governs all activities regarding our employees in our facilities worldwide. The policy is based on our long-standing key belief in uncompromising integrity and constant respect for people. It is consistent with the core tenets of the International Labour Organization (ILO) conventions and the United Nations Universal Declaration of Human Rights and is informed by other internationally recognized standards—including those held by the Electronic Industry Citizenship Coalition of which we are a member.

### I. ANTI-DISCRIMINATION

We employ people on the basis of their ability to do the job and we prohibit discrimination based on employees' personal characteristics, conditions or beliefs.

### II. FREELY CHOSEN EMPLOYMENT

We do not use forced, slave, prison or indentured labor, including debt bondage. We ensure that terms of employment of our employees and contract or migrant workers are voluntary. If we recruit contract or migrant employees, we pay agency recruitment fees and ensure there are no unreasonable employment or relocation expenses. We do not require any employee or contract or migrant worker to remain in employment for any period of time against his or her will, or engage in practices that restrict his or her ability to terminate employment. We do not require employees, contract or migrant workers to lodge "deposits" or hand over government-issued identification, passports or work permits as a condition of employment, unless required by applicable law.

### III. NO CHILD LABOR

Our hiring practices conform to the International Labor Organization (ILO) conventions for minimum age (convention 182). Employees under the age of 18 should not perform hazardous work and should be restricted from night work.

### IV. FAIR WORKING HOURS

We manage operations to ensure that overtime does not exceed levels that create inhumane working conditions. We do not require employees to work more than the maximum hours of daily labor set by local law. We do not require, on a regularly scheduled basis, work in excess of 60 hours per week or in excess of six consecutive days without a rest day.

### V. WAGES AND BENEFITS

Our employees are paid at least the minimum legal wage or, where no wage law exists, the local industry standard. We pay for overtime that at least meets the local legal requirement. In any event, we provide wages and benefits to our employees to at least meet basic needs. For each pay period, we provide employees with an understandable wage statement that includes sufficient information to verify accurate compensation for work performed. We do not make deductions from wages as a disciplinary measure.

### VI. FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

We recognize the right of our employees to join associations of their own choosing or to refrain from joining, and the right to collective bargaining, unless otherwise prohibited by law. In all cases, we respect employees' rights to open communication, direct engagement and humane and equitable treatment. We do not discriminate or retaliate against employees for engaging in union organizing and collective bargaining activities, or in other forms of collective representation.

### VII. SAFE AND HEALTHY WORKING CONDITIONS

We provide a safe and healthy work environment for employees. In cases where we provide housing or dining facilities, we operate and maintain them in a safe, sanitary and dignified manner.

## VIII. NO HARSH OR INHUMANE TREATMENT

The safety and security of employees at our facilities are key priorities. We prohibit physical abuse and harassment of employees, as well as the threat of either.

### PRIVACY AND INFORMATION PROTECTION

Motorola Solutions believes that people have the right to control their personal information and determine how it is collected and used. We are committed to safeguarding the personal information of our employees, customers and business partners—whether handled by us or on our behalf.

### MANAGEMENT

We adhere to the principles of transparency and choice, which are key elements for protecting personal data. We also design products and services with advanced security features that enhance security and protect confidential information.

Our privacy compliance efforts are coordinated jointly by our law and information security teams. Our employees play a key role in protecting information and in the company's broader compliance efforts. We also work closely with third parties handling personal information on our behalf to ensure that our privacy and information protection practices meet or exceed industry and legal standards. Employees who violate our information protection policies are subject to disciplinary action, including dismissal. Agents and subcontractors face contractual penalties and/or termination.

We maintain an interactive email address, where employees, customers and consumers can direct questions, concerns and complaints about privacy-related issues or practices: [privacy1@motorolasolutions.com](mailto:privacy1@motorolasolutions.com). All inquiries, concerns and complaints reported through Privacy1 are answered, investigated and/or resolved.

## COMMUNICATION AND TRAINING

We communicate our privacy policies and practices to employees in a variety of ways, including a range of training activities:

- Our privacy compliance team is a cross-functional, global team of legal, marketing and IT professionals, supported by information security staff and business security managers. It provides awareness about our privacy regulations, policies and practices, advice and assistance to employees and enforcement of information protection and privacy policies.
- All employees are required to take courses for privacy protection every two years, and for information protection annually. Our mandatory online privacy course, "Privacy Directions 101: Awareness for Motorola Solutions," also informs employees about international privacy legislation.
- Subject matter experts provide customized, instructor-led training to business teams and functions responsible for handling personal information.
- Detailed privacy and security documentation and tools, including training modules and issue-specific privacy reference guides, are available to employees and contractors whose jobs involve handling personal information.

## PERFORMANCE AND GOALS

We comply with Binding Corporate Rules (BCRs), authorized by data protection regulators in the European Union. The BCRs ensure that personal data of covered individuals in the European Union is protected while being processed by any of our affiliates around the world.

We also comply with the U.S.-EU Safe Harbor Framework and the U.S.-Swiss Safe Harbor Framework as set forth by the U.S. Department of Commerce. Signing up for these voluntary schemes is a statement that we adhere to certain practices regarding the collection, use and retention of personal information from European Union member countries and Switzerland.

Our goal is always for no breaches of personal data. There were three reportable breaches of personal data in 2014.

A reportable breach occurs when unencrypted personal information<sup>†</sup> is believed to have been accessed or acquired by an unauthorized person or entity. Our third-party provider which holds in trust the assets of the Motorola Solutions Pension Plan and provides payment services to plan participants, reported that data files containing the personal data of 34,080 MSI Pension Plan participants were potentially exposed to unauthorized online access. While the exposure in question was inadvertent and non-malicious in nature, all MSI participants received notices from the third party, as well as one year of pre-paid credit monitoring services. To prevent recurrence, we confirmed that a root cause analysis was performed and appropriate remediation steps were taken by the third party.

There were two additional incidents of a small scale involving two other third-party partners. The incidents were promptly investigated, notification was provided (where required) and root cause analysis was performed to prevent recurrence.

Aside from obtaining EU regulators' authorization of our BCRs in 2013, we were recognized with the highest mark (96/100) in the category of "Privacy Protection" in the 2014 Dow Jones Sustainability Index Company Benchmark Report for our industry sector. We have been recognized with this ranking for two consecutive years.

In 2014, as part of our ongoing commitment to compliance with data privacy laws, we licensed RADAR, an industry-recognized incident response management software solution used by leading organizations to reduce risk and simplify compliance with data breach laws. We continue to refine our privacy and information security program and incident response capabilities through self-assessments, training and intrusion drills.

## PRIVACY POLICY



**Our Information Protect policy, IP-01, and related control standards commit our employees and third parties working for Motorola Solutions to protect the personal information of our employees, customers, consumers and additional third parties.**

Motorola Solutions' IP-01 policy requires us to:

- Inform customers and consumers about the types of information we collect about them and how we intend to use this information
- Allow customers and consumers to choose whether their personal information is used for marketing purposes or shared with third parties
- Collect, process, transfer and store personal information in accordance with local laws
- Ensure the security of personal information so that it remains accurate, is not accessed without authorization and is used appropriately
- Provide customers, consumers and employees with the ability to access, correct, amend and/or delete their personal information where appropriate

<sup>†</sup> "Personal information" refers to a person's last name paired with a first name or first initial and one or more of the following identifiers: a U.S. Social Security or equivalent national identification number; a driver's license or equivalent identification number; or a number from a bank account, credit card or debit card, along with a password or security code that would give access to the account.

Read our [Privacy Statement](#), which applies to personal information collected through our websites.

## GOVERNMENT AFFAIRS

Motorola Solutions engages with governments and regulators on issues of significance to our company. We promote policies proposed in legislation or regulations that further our business objectives and benefit our customers.

We work within applicable laws wherever we operate. Employees who interact with government employees or officials must complete a Motorola Solutions government relations course. This course clarifies our standards, policies and practices regarding ethical conduct and government relations, helping to ensure that employees and third parties protect the company from reputation and legal risks.

## LOBBYING POLICIES

Motorola Solutions is committed to participating in the political process as a good corporate citizen. In this regard, we have developed policies for the appropriate disclosure and oversight of lobbying activities and are committed to complying with all laws governing lobbying activities, including registration and reporting.

We require employees who wish to engage in lobbying on behalf of the company to first obtain written approval from the Government Affairs organization, which reviews all proposed activities. Further, any employee who wishes to retain an independent contractor as a lobbyist must consult with Government Affairs to first obtain written approval.

We conduct trainings on applicable laws and the company's lobbying policies and processes for independent contractors and employees who engage in lobbying. The Government Affairs organization is also responsible for ensuring that individual lobbyists acting on behalf of Motorola Solutions file all of their required reports, registrations, filings and disclosures.

## POLICY PRIORITIES

### Cybersecurity—Data Security and Privacy

We support policies that enable secure communications. We dedicate significant resources to protecting our global enterprise systems, as well as securing our product design, development, deployment, operations and maintenance capability. Motorola Solutions is committed to protecting the [privacy](#) of those who provide personal information to us directly or indirectly, and we have adopted BCRs regarding the collection and handling of personal information.

Our position: In an interconnected global system that spans geographic borders and national jurisdictions, cybersecurity is advanced through globally accepted standards and assurance programs.

### Spectrum Allocation<sup>1</sup>

We advocate for a balanced spectrum allocation, underpinned by a policy that applies a mix of operational awareness, technical planning and economic incentives. This can be achieved when users of wireless devices and services work with government regulators who are responsible for writing and enforcing spectrum rules.

Our position: A balanced spectrum policy that combines flexibility and market forces with a carefully measured regulatory framework will ensure the most efficient use of spectrum to meet the fast-growing needs of public and private users around the globe.

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<sup>1</sup> Spectrum allocation or management is the process of regulating the use of radio frequencies to promote efficient use and gain a net social benefit. (Martin Cave, Chris Doyle, William Webb, *Essentials of Modern Spectrum Management*, Cambridge University Press, 2007)

**Comprehensive Tax Reform and International Free Trade Agreements**

We advocate for greater access to global markets. With sales in more than 100 countries, Motorola Solutions benefits from the competitive environment created by free trade.

Our position on tax reform: The U.S. tax code is outdated, complex and contradictory, and it is costing American jobs. Congress should enact a

lower, more competitive corporate tax rate, along with reforms to our international tax system, which together will attract international capital and investment in the United States.

Our position on trade: Free trade enables a U.S.-based company with a high-skilled and high-wage workforce to compete more effectively in the international marketplace. This openness drives innovation in the public and private sectors, which helps maintain United States jobs and increases domestic growth.

**Key Organizations Engaged in Policy Priority Areas in 2014**

| <b>Industry Organization</b>                       | <b>Cybersecurity, Data Security and Privacy</b> | <b>Spectrum Allocation</b> | <b>Tax Reform</b> | <b>Trade</b> |
|--|---|----------------------------|-------------------|--------------|
| Africa Business Initiative                         |   |                            |                   | ■            |
| Alliance for Telecommunications Industry Solutions | ■   | ■                          |                   |              |
| Business Roundtable                                | ■   |                            | ■                 | ■            |
| Civic Committee of the Commercial Club of Chicago  |   |                            | ■                 |              |
| Information Technology Industry Council            | ■   |                            | ■                 | ■            |
| Technology CEO Council                             | ■   |                            | ■                 | ■            |
| Telecommunications Industry Association            | ■   | ■                          |                   |              |
| US-ASEAN Business Council                          |   |                            |                   | ■            |
| U.S. Chamber of Commerce                           | ■   |                            | ■                 | ■            |

| <b>Government Organization</b>                   | <b>Cybersecurity, Data Security and Privacy</b> | <b>Spectrum Allocation</b> | <b>Tax Reform</b> | <b>Trade</b> |
|--|---|----------------------------|-------------------|--------------|
| U.S. Congress                                    | ■   | ■                          | ■                 | ■            |
| U.S. Department of Commerce                      | ■   | ■                          |                   | ■            |
| U.S. Department of Homeland Security             | ■   |                            |                   |              |
| U.S. Department of State                         | ■   |                            |                   | ■            |
| U.S. Trade Representative                        |   |                            |                   | ■            |
| Federal Communications Commission                | ■   | ■                          |                   |              |
| Industry Canada                                  |   | ■                          |                   |              |
| Instituto Federal de Telecomunicaciones (Mexico) |   | ■                          |                   |              |
| International Telecommunication Union            | ■   | ■                          |                   |              |



## **POLITICAL CONTRIBUTIONS IN THE UNITED STATES**

In the United States, where permitted by federal, state and local law, Motorola Solutions and its employees engage in the political process and support those candidates—regardless of party affiliation—who understand and support policy issues that advance our competitive and innovative success in the United States and globally. Legal corporate contributions, as well as legal contributions made by our non-partisan employee political action committee (PAC), are based on the interests of the company and its employees without regard to the personal political preferences of our officers and executives.

We have a robust policy and an internal political contribution approval process to ensure compliance with current campaign finance and disclosure laws, as well as with our Code of Business Conduct. A committee within our government affairs organization develops a plan identifying the candidates and campaigns that will receive contributions based on a non-partisan effort to advance and protect the interests of our company, our stockholders and our employees. The company's vice president of government affairs reviews the plan and our legal counsel reviews all political contributions in advance. In addition, the Motorola Solutions board of directors receives an annual report of all political contributions.

Criteria for assessing candidates include:

- Leadership on important business objectives
- Champions for public safety/mission critical communications
- Geographic representation of our sites and employee population
- Strong or emerging positions on issues that impact the high-tech industry and the business community
- Assignments on key legislative committees

Eligible employees participate voluntarily in our non-partisan PAC, which enables them to pool their voluntary contributions to support federal, state and local candidates, political party

committees and PACs. The PAC contribution plan and criteria are approved each year by the PAC board of directors. In 2014, the Motorola Solutions PAC distributed \$393,100 in employee contributions. [Read more about contributions by the Motorola Solutions PAC.](#)

While U.S. law prohibits corporate contributions to federal political candidates, these contributions may be used in some states for candidates seeking state or local offices. In 2014, we contributed \$534,050 to state and local candidates, party committees and ballot-measure campaigns.

## **MEMBERSHIP IN TRADE ASSOCIATIONS**

Motorola Solutions is a member of trade associations in the United States that represent the public policy objectives of our industry. We paid annual dues of \$50,000 or more to belong to these associations in 2014:

- Business Roundtable
- Civic Committee of the Commercial Club of Chicago
- Information Technology Industry Council
- Telecommunications Industry Association
- Technology CEO Council
- U.S. Chamber of Commerce

## **WIRELESS COMMUNICATIONS AND HEALTH**

Wireless communication devices send and receive information using radio-frequency (RF) energy transmitted as electromagnetic waves through the air. Questions have been raised about the safety of RF energy from antenna sites (e.g., cell phone networks, base stations and radio/TV transmitters) and wireless devices (e.g., mobile phones, two-way radios, mobile computers and RFID readers).

Research into RF energy effects has been ongoing for more than 60 years and is the basis for internationally recognized standards for safe human exposure to RF energy. The World Health Organization (WHO) and many other expert panels and government health authorities around the



world (including the U.S. RF Interagency Working Group) that continue to conduct ongoing reviews of the science have consistently concluded that RF products that meet the science-based international guidelines for exposure to radio waves pose no known health risk.

For example, in August 2009, the International Commission on Non-Ionizing Radiation Protection (ICNIRP) published a statement after a comprehensive, multi-year review of several national and international research programs involving wireless communications technologies and international exposure guideline restrictions. ICNIRP concluded: *“The scientific literature published since the 1998 guidelines has provided no evidence of any adverse effects below the basic restrictions and does not necessitate an immediate revision of its guidance on limiting exposure to high frequency electromagnetic fields.”* The U.S. Government Accountability Office (GAO) report (2012) also indicated: *“Scientific research to date has not demonstrated adverse human health effects of exposure to radio-frequency (RF) energy from mobile phone use, but research is ongoing that may increase understanding of any possible effects.”*

Based on an ad hoc committee evaluation, the International Agency for Research on Cancer (IARC) classified exposure to RF electromagnetic fields, which are emitted by mobile phones and other wireless devices, radars, and radio/TV broadcast stations, as possibly carcinogenic to humans (classification 2B).

Following the IARC announcement of the classification, the WHO's International EMF Project, which specializes in EMF safety issues, posted a fact sheet (no.193, reviewed in October 2014) on the safety of mobile phones. In this document, under the question “Are there any health effects?” WHO says: “A large number of studies have been performed over the last two decades to assess whether mobile phones pose a potential health risk. To date, no adverse health effects have been established as being caused by mobile phone use.”

Motorola Solutions products comply with international exposure guidelines and standards for safe RF energy exposure and national regulations where applicable. The RF exposure evaluation metric for portable wireless devices under these requirements is called specific absorption rate (SAR). The guidelines and standards set for SAR levels for wireless products provide wide margins of protection for professional users and the general public. Motorola Solutions supported substantial independent biological research and continues to sponsor independent studies through the Mobile Manufacturers Forum (MMF) to increase scientific knowledge about the safety of RF energy.

If you have additional questions, please contact our Wireless Communications and Health team at: [corpresponsibility@motorolasolutions.com](mailto:corpresponsibility@motorolasolutions.com).

Read more about [research](#) and [standards](#) on wireless communications and health, and find answers to [frequently asked questions](#).



# ENVIRONMENT

Our customers expect products with minimal adverse environmental impacts and increased benefits, and we also believe minimizing harmful effects on the environment is the right thing to do. We assess the impacts of our products and operations, and look for opportunities to reduce our overall environmental footprint.

## OUR VISION

The following long-term objectives and medium-term goals reflect our ideals and provide a vision of our contribution to environmental sustainability through our operations and products:

### Product stewardship

Evaluate and improve environmental attributes and safety of new products.

### Zero waste

Minimize waste generation and reuse or recycle all waste materials. Medium-term goals:

- Reduce total waste by 10 percent in 2015 from 2011 levels (normalized by headcount)
- Increase the recycling/recovery rate to 90 percent by 2015
- Introduce packaging reduction initiatives through product planning (ongoing goal)

### Benign emissions

Eliminate from manufacturing sites all emissions that adversely impact the environment. Medium-term goal:

- Reduce greenhouse gas emissions by 15 percent in 2015 from 2011 levels

### Closed loop

Promote the use of recycled materials to conserve natural resources.

### Green energy

Use energy in highly efficient ways and increase use of renewable energy. Medium-term goals:

- Increase global renewable energy to 30 percent by 2020
  - Purchase of renewable energy certificates
  - Purchase of renewable energy from suppliers where/when possible

Read more about our current efforts to reach these goals and objectives through our [operations](#) and [products](#).

## EXTERNAL RECOGNITION

In 2014, our ongoing efforts to reduce the environmental footprint of our products and operations contributed to the following external recognition:

- Listed on the Dow Jones Sustainability Index for the tenth year in a row
- Ranked 72nd on the Corporate Knight's Global 100 list of the world's most sustainable corporations
- Ranked 40th on the *CR Magazine* 100 Best Corporate Citizens list
- Moved to 27th place on the U.S. Environmental Protection Agency's Green Power Partnership *Fortune* 500 Partners list



## OPERATIONS AND THE ENVIRONMENT

We are committed to reducing the environmental impact of our operations—by decreasing our use of natural resources, minimizing emissions and waste, and lessening our contribution to climate change.

### ENVIRONMENT, HEALTH AND SAFETY MANAGEMENT SYSTEM

Motorola Solutions' global environment, health and safety (EHS) management system is implemented at site level by our group of EHS professionals, with oversight provided by our vice president of EHS. Compliance is supported through a range of resources, including EHS policies, procedures, checklists and location-specific internal websites.

Our EHS management system is certified to the international standards ISO 14001 and OHSAS 18001. It covers all of our manufacturing sites and our larger facilities. In addition, seven of our sites are certified to ISO 14001 and five to OHSAS 18001. In 2014, our Basingstoke, England, facility was awarded with both of these certifications.

We strongly encourage our tier-one suppliers to have an environmental management system in accordance with ISO 14001 or an equivalent standard and expect our suppliers to pass on this requirement through their supply chain. We monitor compliance with this requirement through our supplier assessment program.

### EMPLOYEE AWARENESS

We engage our global employees in our EHS programs and targets through a range of communications including all-employee emails, online postings and discussions on our internal social media tool, Converge. At an individual site level, we run activities and events such as Earth Day celebrations to raise awareness for issues such as climate change.

On Earth Day 2014, we celebrated at our global facilities by highlighting our recycling and energy conservation initiatives through online postings and site displays in communal areas such as cafeterias. We also conducted a global on-line survey designed to simultaneously discover current levels of awareness of our sustainability efforts and provide information to raise these. For example, we asked multiple-choice questions about our sustainability goals, which types of recycling facilities are available at the employee's location and how they could personally contribute to supporting the sustainability of our natural resources.

Our travel policy requires that, when possible, employees minimize travel by utilizing audioconferencing, web meetings and videoconferencing. Employees can read tips on

### SCOPE OF EHS DATA

Our EHS data includes measured and estimated data. We measure environmental impacts at our main sites, which accounted for 78 percent of total floor space for our energy data and 71 percent of total floor space for our water data as of December 31, 2014. We collect this data using our internal reporting system. We extrapolate the measured data to provide an estimate of impacts for the remaining 22 percent and 29 percent of the total floor space. Our health and safety metrics are captured at all of our sites as well in our field services activities. Volatile organic material (VOM) figures are based on actual reported data as we capture the vast majority of these emissions through our data-collection systems.

In January 2011, Motorola, Inc. split into two separate companies: Motorola Mobility and Motorola Solutions. All data reported represents Motorola Solutions. When setting goals for future performance, 2011 is used as the year for all baseline comparisons.

how to reduce their travel-related carbon footprints on a dedicated intranet site. In 2014, 52 employees—primarily from our Schaumburg, Illinois, facility—participated in a bike-to-work week, cycling 3,014 miles and saving an estimated 1,124kg of CO<sub>2</sub> equivalent emissions.

In 2014, approximately 3,500 employees worldwide volunteered more than 80,000 hours in the communities where we live and work on projects that included conserving and taking care of our natural environment. Read more in [Community](#).

## **GREEN BUILDING STRATEGY**

Over the past few years, we have systematically reviewed our facilities' energy consumption in order to find solutions to reduce energy use, conducting energy audits at all our large facilities. Some of the ways we have done this include upgrading and re-setting air-conditioning and heating and cooling systems to ensure they operate efficiently and only at times when areas are occupied, replacing light fixtures with more energy-efficient ones and installing occupancy sensors in private office areas. From 2014 onwards, all new construction and major renovation projects will use LED lighting.

We completed a major lighting upgrade project this year in our Schaumburg, Illinois, warehouse. By installing LED lighting with dimming sensors and day lighting controls, we were able to improve the energy efficiency of fixtures and reduce the number of lights, while simultaneously improving the lighting within the warehouse. We estimate these changes will reduce our lighting energy consumption by 403 MWh annually.

During 2015, we will also be renovating and replacing all lighting to LED at our corporate offices in Schaumburg. We are looking into converting all garage lighting at the Schaumburg campus to LED lighting and replacing stairwell lighting in our manufacturing building.

Our Schaumburg site continued to participate in the City of Chicago Green Office Challenge in 2014. The

Green Office Challenge is designed to help Chicago businesses and employees improve sustainability in the workplace and beyond. It encourages organizations—including colleagues and peers—to reduce energy, materials and water consumption. Motorola Solutions placed 11th out of 60 actively participating companies.

As part of our ongoing effort to update and renovate existing buildings to meet additional Green Building requirements, we have conducted two feasibility studies for wind and solar energy generation devices at sites we considered to be a likely fit for these technologies. This has included collecting data on wind speeds, maximum wind gusts, wind direction, turbulence intensity and solar radiation in order to estimate the amount of energy that could be generated on site. In 2014, we completed the second feasibility study, at our Schaumburg, Illinois, facility. Unfortunately, our analysis shows that the amount of energy that could be generated at the site is insufficient to justify the investment in infrastructure the project would require at this time. We will continue to look for ways to incorporate renewable energy technologies to our energy sourcing.

## **AUDITS AND COMPLIANCE**

We conduct EHS audits at our sites to assess compliance with our EHS policy, management system and legal requirements. Our ISO 14001- and OHSAS 18001-certified sites each undergo one of the following audits at least once a year:

- Internal EHS management system audit—every two years by internally qualified auditors
- EHS legal compliance audits—every three years by independent third-party auditors
- ISO 14001 and OHSAS 18001 surveillance audits—approximately every two years by independent third-party auditors

We also conduct EHS legal compliance audits of our larger non-ISO certified sites. All non-compliances are recorded and tracked to ensure that corrective actions are implemented.

## PERFORMANCE AND GOALS

### Environment, Health and Safety (EHS) Audit Summary

|  | 2012 | 2013 | 2014 |
|--|------|------|------|
| EHS Legal Compliance Audits                                  | 2    | 6    | 6    |
| ISO 14001/OHSAS 18001 Surveillance Audits                    | 4    | 3    | 2    |
| ISO 14001/OHSAS 18001 Motorola Solutions Headquarters Audits | 1    | 1    | 1    |
| Internal EHS Management System Audits                        | 2    | 2    | 2    |

### Environment and Safety Non-Compliances

|                                       | 2012 | 2013    | 2014  |
|---------------------------------------|------|---------|-------|
| Environmental non-compliances*        | 0    | 1       | 0     |
| Safety non-compliances*               | 0    | 0       | 1     |
| Fines or penalties, <i>dollars</i> ** | 0    | \$1,555 | \$170 |

\* Notices of violation, citations, administrative orders or notices of non-compliance

\*\* The fine received in 2014 was due to a minor fire code violation at our facility in Russia

## ENERGY AND CLIMATE CHANGE

Our global energy team meets regularly and comprises members of facilities management, corporate sustainability, EHS and procurement. The team coordinates energy management across Motorola Solutions.

### Energy Use: Electricity and Natural Gas (in Millions of Kilowatt Hours)

|                            | 2012 | 2013 | 2014 |
|----------------------------|------|------|------|
| Measured Energy Use        | 298  | 296  | 240  |
| Total Estimated Energy Use | 346  | 379  | 307  |

## PERFORMANCE AND GOALS

### Energy Use

In 2014, we used 307 million kilowatt hours of energy, a decrease of 23 percent from 2013. During the year we have closed and combined some of our facilities, and we are starting to see the results of several energy-savings upgrades completed last year. Due to many of the facility changes occurring through the year, the percentage of floor space represented within our energy data has decreased and we are now estimating a higher energy usage for some of our facilities.

### RENEWABLE ENERGY

In 2014, 33 percent of the electricity we used globally was from renewable sources. This includes 11 percent of renewable energy available by default in the power grid, and 22 percent from voluntary renewable purchases. Our voluntary purchases include green-e certified renewable energy certificates (RECs) purchased from wind, low-impact hydroelectric, landfill gas biomass and/or geothermal power in the United States, along with our facilities in the Czech Republic, Denmark, Germany and the United Kingdom operating on 100 percent renewable energy.

**2020  
GOAL**



Increase global use of electricity from renewable sources to 30 percent by 2020.

In the United States, we purchase green-e certified RECs from Greenlight Energy, the first woman-owned renewable energy marketer in the United States. The RECs purchased in 2014 will avoid an estimated 37,509 tonnes of CO<sub>2</sub> emissions.

**Renewable Energy Use as a Percentage of Total Energy Use**

|         | 2012 | 2013 | 2014 |
|---------|------|------|------|
| Percent | 22%  | 23%  | 33%  |

**EMPLOYEE BUSINESS TRAVEL**

In 2014, our commercial air travel, rail travel and car rentals resulted in 77,064 tonnes of CO<sub>2</sub> equivalent emissions, which is a decrease of 16 percent compared with 2013 emissions.

In 2012 and 2013, we installed electric vehicle chargers at some of our major U.S. facilities. The chargers are available free of charge to employees, customers and visitors with plug-in electric

vehicles. In 2014, we estimate that our six chargers prevented more than 9 tonnes of CO<sub>2</sub> emissions.

We provide a shuttle for employees who choose to commute to our Schaumburg campus via train. The shuttle makes two round-trips per day between our Schaumburg campus and the nearest suburban commuter train station. We estimate that our shuttle service avoids approximately 3,593 tonnes CO<sub>2</sub> emissions per year. (Calculated using the EPA’s 2014 Inventory of U.S. Greenhouse Gas Emissions.)

**OPERATIONAL CARBON FOOTPRINT**

In 2014, our carbon footprint (Scope 1 and 2 emissions from the Greenhouse Gas Protocol) totaled 188,145 tonnes of CO<sub>2</sub> equivalent emissions, an increase of 1 percent compared with 2013 emissions.

Our greenhouse gas (GHG) emissions are independently verified by Bureau Veritas annually. Our [2013 Verification Statement](#) is currently available on our website, and our 2014 Verification Statement is expected to be published on the website in June 2015.

**Carbon Footprint: Global Greenhouse Gas Emissions (Total: Scope 1\* and 2\*\* Emissions in Tonnes)**

|   | 2012    | 2013    | 2014    |
|---|---------|---------|---------|
| Tonnes of CO <sub>2</sub> equivalent (measured emissions)                                       | 153,926 | 149,307 | 149,922 |
| Tonnes of CO <sub>2</sub> equivalent (estimated emissions)                                      | 176,604 | 186,969 | 188,145 |
| Tonnes of CO <sub>2</sub> equivalent per million sales dollars (scaled up to include estimates) | 20.1    | 21.5    | 32.0    |

\* Scope 1: Direct emissions from Motorola Solutions-owned stationary and mobile sources, including boilers, emergency generators, fire pumps, cooking appliances and aircraft

\*\* Scope 2: Includes indirect emissions from electricity use

At the end of 2014, we have reduced our Scope 1 and 2 GHG emissions by 5 percent from 2011 levels. Throughout the year we've achieved many accomplishments as we strive to meet our goal for reducing our GHG emissions. Some of our accomplishments relate to consolidating operation locations and minimizing building

footprint to optimize the use of space and implementing energy reduction measures; such as installing LED lighting. As we begin 2015, we will continue to evaluate our performance and set a new goal to reduce Scope 1 and 2 GHG emissions by 2020.

## Carbon Footprint: Global Greenhouse Gas Emissions (Units in Tonnes CO<sub>2</sub> Equivalent)

|  | 2012    | 2013    | 2014       |
|--|---------|---------|------------|
| Scope 1: Direct emissions from Motorola Solutions-owned stationary and mobile sources* (not including estimates)       | 24,901  | 24,641  | 23,044     |
| Scope 1: Direct emissions from Motorola Solutions-owned stationary and mobile sources (scaled up to include estimates) | 26,483  | 27,426  | 25,722     |
| Scope 2: Indirect emissions from electricity use (not including estimates)   | 129,025 | 124,666 | 126,877    |
| Scope 2: Indirect emissions from electricity use (scaled up to include estimates)                                      | 150,121 | 159,543 | 162,423    |
| Scope 3: Business travel   | 69,841  | 89,397  | 77,064     |
| Total carbon footprint**   | 246,445 | 276,366 | 265,209*** |

\* Includes boilers, emergency generators, fire pumps, cooking appliances and aircraft

\*\* Includes scaled-up Scope 1 and 2 emissions along with Scope 3 emissions

\*\*\* After applying the emissions avoided through the purchase of RECs, the Total carbon footprint\*\* was calculated to be 227,700 tonnes CO<sub>2</sub> equivalent

## VOLUNTARY PROGRAMS AND RANKINGS

We are involved in voluntary climate change programs that promote awareness, encourage us to be transparent about our actions and improve our performance. These include CDP—an initiative that encourages companies to report on greenhouse gas emissions and take actions to mitigate them. We have reported our greenhouse gas emissions annually since 2004. In 2014, our CDP disclosure score was 98, and our performance band was a B. In 2014, Motorola Solutions was also named to the CDP Climate Disclosure Leadership Index.

We have also participated in CDP's Water Disclosure Project since 2011. This initiative aims to increase the availability of information about the investment risk and commercial opportunity associated with water.

## WASTE

We set challenging goals to reduce the amount of waste we produce at our manufacturing and office sites and to increase recycling. To achieve this we are increasing our recycling activities and redeploing or reusing equipment where feasible.

## PERFORMANCE AND GOALS

In 2014, we produced 4,868 tonnes of total waste, a decrease of 17 percent when compared to 2013 values.

### Total Waste

|                     | 2012  | 2013  | 2014  |
|---------------------|-------|-------|-------|
| Tonnes              | 7,044 | 5,695 | 4,868 |
| Tonnes per employee | 0.284 | 0.231 | 0.235 |

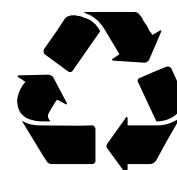
We achieved and surpassed our 2015 goal of reducing waste by 10 percent from 2011 levels early, in 2013. We have continued with our waste-reduction efforts this year and, as a result, have seen further improvements. As we begin 2015, we will re-evaluate our performance and set a new waste-reduction goal for 2020.

### Recycling/Recovery Rate\*

|         | 2012 | 2013 | 2014 |
|---------|------|------|------|
| Percent | 71%  | 68%  | 69%  |

\* Includes waste burned for energy use (used as a fuel).

2015  
GOAL



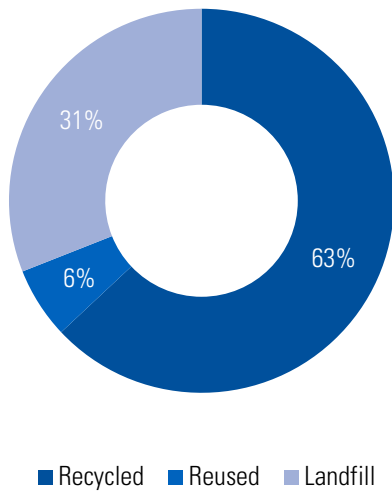
Increase  
the recycling/  
recovery rate  
to 90 percent.



Our total waste includes hazardous and non-hazardous wastes. Of this total, 96 percent is non-hazardous, and 4 percent is hazardous (including electronic waste in countries where electronic scrap is regulated as hazardous waste).

Of the non-hazardous waste we generated in 2013, 61 percent was recycled, 5 percent was reused and 2 percent was burned for energy recovery. We send only 32 percent to a landfill, and we continue to work to drive that percentage lower.

**Non-Hazardous Waste Generated in 2014**



We are currently not on track to reach our 2015 recycling recovery rate goal of 90 percent. Over the past four years our recycling recovery rate has averaged 70 percent. We've recently implemented initiatives aimed at increasing this rate including a focus on educating and altering the behavior of our employees. Through our Green Building Strategy all future generated construction waste will also be recycled and will help to increase our recycling rate. We anticipate that these efforts will improve our performance in 2015.

**WATER**

Nearly all of the water we use in our own operations is for sanitary purposes in cafeterias and restrooms or for use in cooling towers. We use very little water in manufacturing.

**WASTEWATER**

At most of our sites, we discharge our wastewater to public sewer systems for treatment in compliance with regulations. In the United States, we operate two industrial wastewater treatment systems to process a very small amount of wastewater from our research and development laboratories.<sup>2</sup> Our systems treat the wastewater to adjust its pH and remove certain metals before discharging to the public system for further treatment in compliance with local regulations.

**PERFORMANCE AND GOALS**

In 2014, we used 701,000 cubic meters of water, a decrease of 30 percent compared with 2013. This was mainly due to efforts to reduce our real estate footprint by eliminating underutilized locations as well as the sale of our Enterprise Division.

**Water Use (in Thousands of Cubic Meters)**

|                           | 2012 | 2013 | 2014 |
|---------------------------|------|------|------|
| Measured water use        | 638  | 649  | 498  |
| Total estimated water use | 799  | 877  | 701  |

Our water consumption reporting is independently verified by Bureau Veritas annually. Our 2013 Verification Statement is currently available on our website, and our 2014 Verification Statement is expected to be published on the [website](#) in June 2015.

**VOLATILE ORGANIC MATERIAL**

The majority of our volatile organic material (VOM) emissions result from our manufacturing lines. Emissions occur when we use organic solvent-based fluids to clean the stencils used in our screen-printing operations and when we solder electronic components onto circuit boards. We have significantly reduced our VOM emissions over

<sup>2</sup> At our Plantation, Florida, site 0.04 percent of the water consumed was wastewater processed. At Schaumburg, Illinois, 0.34 percent of the water consumed within the building was wastewater processed.

the last six years by changing cleaning and soldering processes at many sites that were responsible for the majority of emissions.

## PERFORMANCE AND GOALS

In 2014, we emitted 6 tonnes of VOMs, the same as in 2013.

### Volatile Organic Material Emissions

|        | 2012 | 2013 | 2014 |
|--------|------|------|------|
| Tonnes | 7    | 6    | 6    |

## REMEDIATION

Motorola Solutions is involved in environmental remediation at several current and former manufacturing locations and former waste disposal facilities. Past activities that were common and accepted practices at the time of operation have led to the need for remediation activities to restore these sites to an acceptable condition.

At the end of 2014, we had \$54.7 million reserved to cover environmental liabilities. We share environmental liabilities and remediation expenses with other companies and organizations operating at these sites.

### NORTH INDIAN BEND WASH SUPERFUND SITE

The North Indian Bend Wash (NIBW) site is an eight-square-mile study area in Scottsdale, Arizona, where portions of the underlying groundwater were impacted in part by historical Motorola Solutions operations.

In 1983, the U.S. Environmental Protection Agency (EPA) designated this area as the North Indian Bend Wash Superfund site following detection of trichloroethylene (TCE) in two public water supply wells. Motorola Solutions, Siemens and GlaxoSmithKline—known as the NIBW Participating Companies—are the principal companies responsible for the NIBW cleanup.

Through the end of 2014, we have spent more than \$140 million on environmental cleanup activities in the Scottsdale area. More than 103 billion gallons of water have been pumped and treated at the NIBW site since the cleanup began.

In 2014, Motorola Solutions and the NIBW Participating Companies, in cooperation with the City of Scottsdale and with the approval of the EPA and the Arizona Department of Environmental Quality, completed construction and commissioning of a new granular activated carbon-treatment facility. This facility began to deliver treated water to the City of Scottsdale for use in their distribution system in 2014. The facility cost more than \$5 million and treats approximately 1 billion gallons of water per year. For more information, please visit our [website](#).

### MACHIAS GRAVEL PIT SITE

In cooperation with the State University of New York at Buffalo and the Wildlife Habitat Council, we are conducting a phytoremediation<sup>3</sup> and habitat restoration project at a site in western New York State. The phytoremediation system uses a poplar tree barrier to remove low levels of volatile organic compounds from groundwater. We have reseeded the site with native grasses and wildflowers and have installed bird and bat boxes at the site to foster habitat restoration. In November 2013, the Ischua Creek Habitat at the Machias site was certified by the Wildlife Habitat Council as part of the Wildlife at Work Program.

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<sup>3</sup> Phytoremediation refers to the use of plants to address environmental problems.



# SOCIAL AND ENVIRONMENTAL IMPACT OF PRODUCTS

We innovate to reduce adverse impacts and increase environmental benefits across our entire portfolio. From batteries to logistics systems and software, we look for ways to reduce the direct impacts of our products and help our customers reduce the footprint of their own operations.

## INNOVATING FOR A SMARTER WORLD

|                                  |  |
|----------------------------------|--|
| <b>SYSTEMS</b>                   | <ul style="list-style-type: none"> <li>Our two-way communications cut wasted time and fossil fuel use by empowering first responders with the ability to capture and exchange critical information remotely.</li> </ul>  |
| <b>SOFTWARE AND APPLICATIONS</b> | <ul style="list-style-type: none"> <li>Our Mobility Services Platform lets IT personnel update, troubleshoot and maintain all mobile devices from their desks—eliminating unnecessary travel, shipping and delays.</li> <li>Our IP-based virtual core architecture dramatically reduces the number of routers and servers needed by our ASTRO and TETRA first responder networks. This hardware reduction results in significantly less energy used over the life of the systems.</li> </ul>                         |
| <b>ACCESSORIES</b>               | <ul style="list-style-type: none"> <li>Our IMPRES batteries can be charged 150 more times than a standard battery, lasting 43 percent longer and reducing the number of batteries customers need to buy over the life of the product.</li> <li>Our next-generation two-way radio charger power supply will save our customers more than \$1 million per year in electricity costs as a result of its first release. It also goes beyond regulatory requirements for the removal of substances of concern.</li> </ul> |
| <b>NETWORKS</b>                  | <ul style="list-style-type: none"> <li>Our TETRA MTS base stations are highly energy efficient, using approximately 100 watts, or less than some light bulbs, bringing energy and cost savings for carriers upgrading their networks.</li> </ul>   |

Our products are built with the needs of our customers and the environment in mind. Like most goods, they also have environmental impacts associated with each stage of their design, manufacture, distribution, use and end of

life. We consider environmental impacts in the design of our products and work across all stages of the life cycle to reduce the footprint and increase environmental benefits. We help our customers reduce their own environmental

footprints and cut energy costs through efficiency improvements. Our take-back programs provide reuse, recycling and proper disposal of unwanted or obsolete equipment.

Gains in efficiency and productivity provided by our products and services have the potential to contribute positively to the environment by driving systemic reductions in energy use and carbon emissions.

## PRODUCT DESIGN

We consider the following environmental principles in our product design:

- Comply with laws and regulations
- Use environmentally preferred materials
- Improve energy efficiency and reduce our product carbon footprint
- Reduce material consumption, including packaging
- Increase the recyclable content of our products

## MATERIALS

The materials we select to manufacture our products are central to their functionality and to their environmental impact. Where possible, we operate on the principles of:

- Reducing the use of hazardous substances
- Reducing the amount of material used in our products and packaging

## REDUCING HAZARDOUS SUBSTANCES

We work to reduce hazardous substances in our products and find environmentally sound alternatives, without compromising performance and quality.

We follow all relevant regulatory requirements for substance restrictions, including the European Union (EU) directive on the restriction of hazardous substances, China's Management Methods and the EU's Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) regulation. We also research and monitor independent scientific reviews of the

environmental and human health impacts of the materials we use. As a result, we have a growing knowledge base on substances of concern and environmentally sound alternatives, which we draw upon during the design and manufacture of our products. We incorporate this knowledge into our product specifications, which drive the material content of our products and the components that are used to build them.

## Precautionary approach

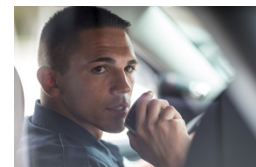
We take a precautionary approach to materials selection and have compiled a list of 82 substance categories targeted for exclusion, reduction or reporting. We divide these into three groups, based on current regulations, potential future restrictions and wider scientific evidence:

- **Banned substances**—not permitted in any Motorola Solutions product at any level
- **Controlled substances**—limited for use (at extremely low concentrations) in manufacturing processes or certain product applications, with use limits typically defined by national or international environmental regulations
- **Reportable substances**—not currently banned, but their use is carefully monitored and control may be increased in the future

When scientific evidence about a chemical or physical agent is limited or conflicting, our experts and engineers assess potential adverse impacts, availability of alternatives and their risks, needs for precautionary measures and technical and economic feasibility. This process may lead Motorola Solutions to take voluntary measures to reduce, phase out, track or eliminate substances that currently are not banned or controlled by regulatory agencies.

## Batteries

Our batteries are fully encased and do not release hazardous substances if they are used and disposed of correctly. Motorola Solutions has programs in locations around the world to assist customers in end-of-life management of



batteries. We continuously evaluate and implement better battery technology as it develops and meets the needs of our customers.

We fully comply with the EU battery directive. We also voluntarily publish product data sheets that help our customers manage our three main types of batteries:

- [Nickel Cadmium \(NiCd\) product data sheet](#)
- [Nickel-Metal Hydride \(NiMH\) product data sheet](#)
- [Lithium Ion \(Li-ion\) product data sheet](#)

Please see [this page](#) for more information about recycling batteries.

## **REDUCING MATERIAL USE**

Reducing the amount of material we use to manufacture our products not only leads to the consumption of less raw material, it also reduces the volume of material to be recycled or disposed of at end of life and lowers shipping weights and volumes to reduce transportation emissions.

For example, over the past seven years we have simplified our ASTRO and TETRA radio systems, reducing material use and increasing energy efficiency.

## **ENERGY EFFICIENCY AND CARBON FOOTPRINT**

Evolving regulatory and customer requirements for energy-efficient products align with our drive to reduce carbon impacts across our portfolio. We are improving energy efficiency across our product range—for example, with our next-generation two-way radio charger power supply. We also integrate alternative energy into infrastructure deployments, such as base stations that use electricity generated by wind and solar energy and backup energy generated by hydrogen fuel cells.

## **PACKAGING**

We are improving product packaging by:

- Reducing the weight and volume of packaging
- Replacing packaging materials with environmentally preferential alternatives, including increasing use of recycled and recyclable materials
- Reducing in-box printed materials
- Improving shipping densities for freight packaging

All of our new products and many of our existing products use packaging marking and materials that comply with regulations and industry standards. We work with our customers to reduce the amount of packaging material used to ship our products, which enables smaller or lighter packaging, resulting in larger shipment volumes and associated reductions in our Scope 3 greenhouse gas emissions.<sup>4</sup> In some cases, where accepted by customers, we work to implement reusable packaging arrangements.

## **REDUCING WEIGHT AND VOLUME**

Reducing the weight and volume of our product packaging offers multiple environmental benefits, including lessening the need for raw material use and material to be recycled or disposed of at end of life. It also helps to minimize shipping volume, costs and associated emissions.

## **USING RECYCLED AND RECYCLABLE MATERIALS**

Our packaging materials are stamped with internationally recognized recycling symbols. Where practical we specify minimum post-consumer recycled content to further promote recycling.

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<sup>4</sup> Currently, we do not include Scope 3 greenhouse gas emissions from the shipment of our products within our greenhouse gas metrics.

## REDUCING IN-BOX PRINTED MATERIALS

It is not always possible to remove all printed manuals due to customer requirements and regulations mandating the inclusion of safety instructions in product boxes. However, where possible we replace printed manuals with online instructions, which can significantly reduce the size of the product box as well as the packaging and energy used in transportation.

## FREIGHT PACKAGING

Wherever possible, we aim to reduce environmental impacts from freight packaging by:

- Increasing packaging density, such as including more products per case
- Double stacking pallets on each shipment
- Using cardboard boxes instead of wood crates to reduce weight

## RECYCLING

We operate take-back programs on our own and in partnership with customers, retailers, recyclers and governments.

We are legally required to take back and recycle our products in the European Union and the European Economic Area under the Waste Electrical and Electronic Equipment Directive (WEEE) and on a product-by-product basis in various other jurisdictions. Our commitment goes beyond legislation. For example, we operate a take-back program in the United States and Canada for government and public-safety equipment. Customers can use an online booking system to request collection of equipment. We continue to expand the program to other countries. We currently have take-back programs in place in North America, Latin

America, Asia-Pacific and Europe, the Middle East and Africa (EMEA).

Our products are designed to last and to withstand extreme working conditions and environments. Customers often use our products for 12 or more years. Such durability helps reduce demand for raw materials. Unlike consumer products, these devices often have secure technology, and many customers prefer to manage disposal of these devices to ensure protection of data. However, Motorola Solutions can help customers recycle their products in a secure and environmentally friendly manner.

## PERFORMANCE AND GOALS

In 2014, we collected 572 tonnes of electronic equipment waste for recycling through:

- Take-back programs, both regulated and voluntary
- Internal electronics recycling efforts.

Our figures do not include electronics recycled through other industry or partnership programs.

Although we continue to expand and build upon our global recycling programs, our total e-waste collected for recycling in 2014 decreased by 7.74 percent. This reduction is in part due to the divestiture of our enterprise business and from successes achieved in resizing the organization to ensure sustainability and growth.

### Global Take-Back and Recycling Programs (in Tonnes)

|        | 2012 | 2013 | 2014 |
|--------|------|------|------|
| Tonnes | 620  | 620  | 572  |

## HOW TO RECYCLE MOTOROLA SOLUTIONS PRODUCTS

We run take-back initiatives around the world. Please visit our [recycling page](#) to learn more about how to recycle Motorola Solutions equipment, batteries and all other products.

### How We Handle Equipment Returns

Specialist companies process the equipment received through our take-back programs for reuse, recycling of parts and materials and, as a last resort, disposal in a safe and responsible manner. Our recycling suppliers are required to comply with all regulatory requirements for disposal of electronic equipment and follow Motorola Solutions and industry standards. Like all suppliers, recyclers must abide by our Supplier Code of Conduct.

We give suppliers specific instructions on how to break down different types of equipment. If suppliers are unable themselves to recycle the equipment in the specified manner, they must observe it being safely destroyed by a licensed third party.

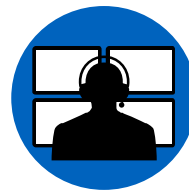
We audit all potential new recycling suppliers before they are contracted, to ensure they meet our standards. We promote industry standards such as those offered by R2 Solutions and e-Stewards.

We specify in contracts that electronic equipment must not be shipped to developing countries for disposal. If we have concerns that equipment will not be handled correctly in the country where it is collected, we will ship it to an alternate location. For example, equipment collected in some sub-Saharan African countries is processed in the United Kingdom.

## SOCIAL IMPACT OF OUR PRODUCTS

Our wide-ranging portfolio provides our customers with the tools they need to operate quickly, reliably and effectively. We design our products and solutions to get the job done, whether this means making people's lives better or saving lives.

All of our products and solutions are designed to meet the needs of the end user. For example, our Real-Time Crime Center helps public safety officials improve responses to critical situations.



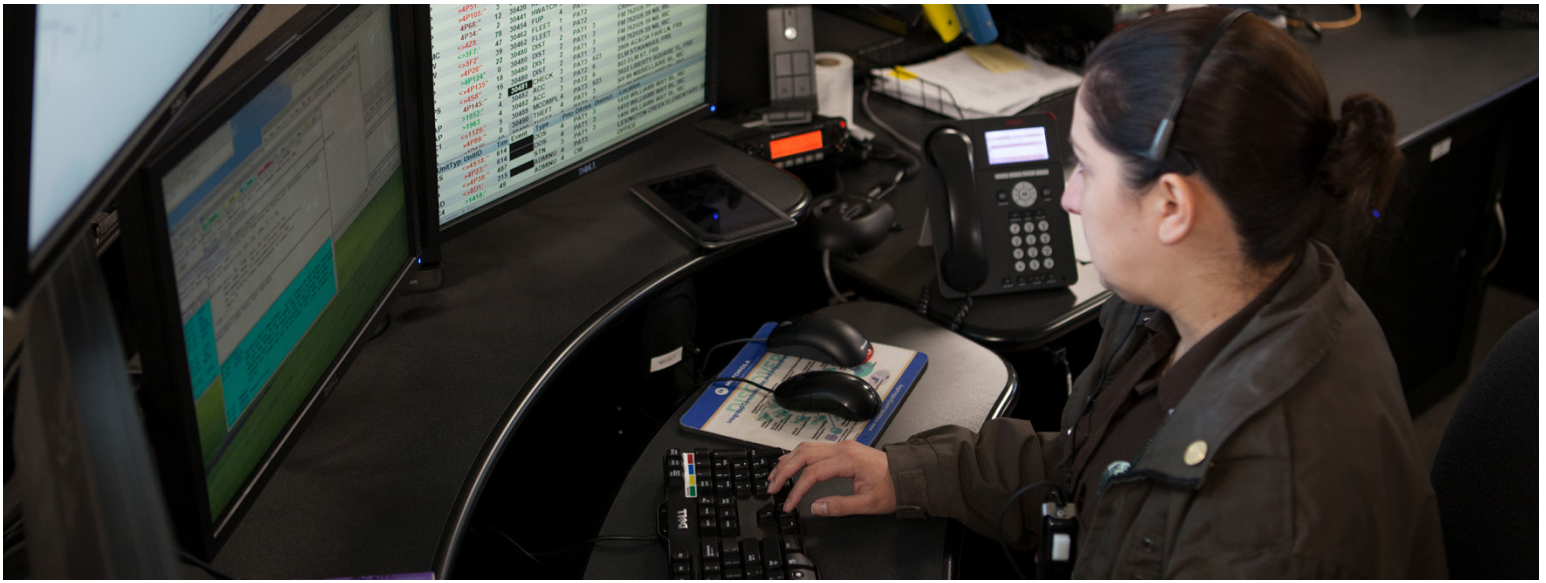
### REAL-TIME INFORMATION IMPROVES INCIDENT RESPONSE

Motorola Solutions' Real-Time Crime Center solution gives public safety officials instant access to the right information to solve crimes quickly. It combines video, voice and data from multiple sources—video surveillance systems, alarms and sensors, databases and records, computer-aided dispatch and two-way voice systems—enabling proactive response and effective deployment of resources. Third-party applications can also be integrated to identify incidents as they occur and stop crimes in action, helping to keep citizens and first responders safe.

The Real-Time Intelligence Console allows an officer or analyst operating in the Real-Time Crime Center to identify and distribute relevant information to first responders before a crime occurs, during an active incident response, or in support of an investigation. It enables direct voice communications with officers in the field and real-time video streaming to vehicles or handheld devices, facilitating fast and effective decision-making.

Read more [here](#).





## SUPPLIERS

Motorola Solutions, our customers and our stakeholders all expect high labor and environmental standards in the supply chain manufacturing our products. We engage directly with our tier-one suppliers (suppliers from which we buy directly) to assess their performance and encourage improvement and ownership of the issues. We also expect our tier-one suppliers to pass down social and environmental responsibility requirements to their suppliers.

Collaboration with our industry peers is central to our approach, leveraging the commercial power of a common interest and consistent message. Motorola Solutions is a member of the Electronic Industry Citizenship Coalition (EICC) and continues to conform to the EICC industry standard program.

We use management reviews to track progress against our supply chain goals. Each quarter, senior procurement managers assess progress against a scorecard, which includes metrics for the number of open and closed supplier audit issues. Our executive committee receives quarterly updates on the program, and our CEO reviews the program annually.

These efforts benefit all parties. We benefit from the high performance of efficient, responsible suppliers, and suppliers contribute to economic growth in less-developed countries, creating jobs, paying taxes and purchasing local services.

It is our policy to conduct business in compliance with the law and widely accepted norms of fairness and human decency, and we require our suppliers to act similarly. We also expect our suppliers to adhere to our Supplier Code of Conduct.

### HOW WE ENGAGE WITH OUR SUPPLIERS

Supplier monitoring is at the core of our engagement. We focus our monitoring program on suppliers that pose a high risk and those with which we want to establish deeper, longer-term relationships. We use monitoring and training to communicate our requirements to supplier management and to identify practices that do not align with our values and specifically our Supplier Code of Conduct. The findings of our monitoring enable us to target opportunities for suppliers to take corrective action and improve standards.

Motorola Solutions assesses risk in the supply chain by evaluating the type of supplier and the type of service or product they are providing. For tier-one direct suppliers we use the EICC-ON risk assessment tool. The EICC system is primarily oriented toward manufacturing companies and allows for sharing of monitoring information between members to avoid duplication of effort and present a consistent set of requirements to electronics industry suppliers.



EICC-ON evaluates supplier performance in the areas of labor, ethics, health and safety and environmental sustainability. Supplier risk is rated from responses to self-assessment questionnaires at corporate and factory levels. High-risk suppliers are targeted for audits and medium-risk suppliers are given feedback and invited to engage in dialogue with us to develop plans to address their risks.

In addition to manufacturing, we have significant supplier contracts with indirect suppliers including field service engineers who install and maintain our equipment for our customers. Our indirect suppliers are not included in EICC-ON. They are first screened for risk through our internal procurement system—Tigers. Suppliers identified by Tigers as higher risk are required to complete further assessment through the Pacific Industrial Contractor Screening (PICS) questionnaire. PICS is a risk assessment tool oriented toward field operations, focusing primarily on health, safety and environmental risks, with less emphasis on labor and ethics issues, which reflects the typical risk profile of companies undertaking this work.

Supplier self-assessments are backed by our audit program, in which detailed on-site audits are conducted by a third-party firm commissioned by Motorola Solutions. We decide which facilities to audit based on information collected through self-assessments, specific reports made to our EthicsLine and other reporting channels, along with risk factors such as activity, location and reputation. We may include new suppliers and periodically audit suppliers with which we have the largest commercial relationships to ensure they remain in compliance with our Supplier Code of Conduct.

Following the audit, we provide feedback to suppliers and work with them to correct the issues identified. We may use a follow-up audit, conducted by a third party or our own supply chain team, to verify that suppliers have made the necessary improvements.

Through our supplier agreements, we require our tier-one suppliers to monitor the corporate responsibility performance of their respective

suppliers. We also require them to provide a list of their suppliers (our tier-two suppliers) upon request. Tier-two suppliers are not included in our regular audit schedule, although we may take part in joint audits with our tier-one suppliers in response to specific reports of issues at their suppliers.

## **PROGRESS IN 2014**

In 2014, we completed risk assessments of 1,335 suppliers, representing more than 60 percent of our spending within the previous two years, including suppliers in manufacturing and services. The following is a summary of our actions:

- 101 suppliers were assessed using EICC-ON
- 1,234 suppliers were screened using our internal procurement system, Tigers
- 91 of these were further assessed through PICS

## **AUDIT FINDINGS**

Motorola Solutions has established four levels of severity for issues identified through monitoring:

- **PRIORITY RED:** Severe issues that require immediate escalation to our senior management such as:
  - child labor
  - forced labor
  - slavery
  - debt labor
  - illegal dumping of hazardous materials
  - use of minerals associated with conflict
  - serious sanitary, health and safety conditions
- **PRIORITY ONE:** Legal compliance issues or other issues that represent significant risk
- **PRIORITY TWO:** Non-compliance with contractual terms, our expectations or other applicable codes or standards
- **PRIORITY THREE:** Opportunities for improvement

We want our suppliers to succeed, and we prefer to work with them to correct non-compliance issues identified in on-site audits because simply terminating contracts can worsen the situation for workers.

For Priority Red, we require immediate containment actions to prevent the issue from worsening and to mitigate the negative impact. We require corrective actions for issues at all levels except Priority Three. We ask suppliers to provide a date for completion and work with them until all issues are resolved. These deadlines are set on a case-by-case basis, and it may take several months to resolve the most complex issues.

In order to drive systematic change and prevent reoccurrences, we instituted a new Corrective and Preventative Action (CAPA) system in 2014. The new system requires suppliers to address each issue under three categories:

- Immediate action
- Addressing the root cause
- Preventative action to avoid reoccurrence in future

All three areas must be fully resolved in order to close out the finding. This process requires more time to fully resolve audit findings but helps to drive the elimination of the issue permanently. As a result of this more thorough approach, the number of audit issues still in the process of being addressed at the end of this year has increased from last year. However, we believe the process will help us drive down the number of new issues identified in future years.

In serious cases of misconduct, we will place the supplier on “new business hold”—meaning no new business will be placed until the issue is resolved. If a supplier refuses or is unable to cooperate, we will terminate the relationship as a last resort.

Since implementing a Supplier Code of Conduct in 2003, we have not terminated a contract solely because of corporate responsibility issues. We have, however, refused to enter relationships with new suppliers for this reason.

In 2014, we conducted 14 site audits of Motorola Solutions suppliers based on the reviews of self-assessment questionnaires. The audits were in China, Malaysia, Mexico and the Philippines.

### Most Common Supplier Audit Findings in 2014

|                          |    |
|--------------------------|----|
| Working hours            | 33 |
| Emergency preparedness   | 19 |
| Wages and benefits       | 16 |
| Freely chosen employment | 14 |
| Hazardous substances     | 12 |

### Detailed Audit Findings

| Type of Supplier Audited   |           |
|--|-----------|
| Tier 1 – part/component manufacturer                                       | 7         |
| Tier 1 – electronic manufacturing process/<br>original design manufacturer | 7         |
| Tier 2   | 0         |
| <b>Total</b>   | <b>14</b> |

| Reason for Audit |   |
|------------------|---|
| Planned          | 9 |
| Issue response   | 3 |
| New suppliers    | 0 |
| Follow-up        | 2 |

### Number of Issues Identified

| Ethics                                       |   |
|--|---|
| Business integrity and no improper advantage | 5 |
| Disclosure of information                    | 1 |
| Protection of intellectual property          | 1 |
| Protection of identity                       | 3 |
| Fair business, advertising and competition   | 2 |
| Community engagement                         | 0 |
| Non-retaliation                              | 1 |
| Responsible sourcing of minerals             | 1 |

| Labor                                |    |
|--------------------------------------|----|
| Freely chosen employment             | 14 |
| Child labor avoidance                | 7  |
| Underage workers                     | 0  |
| Protection of workers aged 16 and 17 | 0  |
| Working hours                        | 33 |

| <b>Labor (continued)</b>                                     |            |
|--|------------|
| Wages and benefits   | 16         |
| Humane treatment   | 4          |
| Non-discrimination   | 4          |
| Freedom of association                                       | 3          |
| <b>Health and Safety</b>                                     |            |
| Occupational safety  | 12         |
| Emergency preparedness                                       | 19         |
| Occupational injury and illness                              | 7          |
| Industrial hygiene   | 10         |
| Physically demanding work                                    | 5          |
| Machine safeguarding   | 2          |
| Dormitory and canteen  | 8          |
| <b>Environment</b>   |            |
| Environmental permits and reporting                          | 1          |
| Pollution prevention   | 1          |
| Hazardous substances   | 12         |
| Wastewater and solid waste                                   | 3          |
| Air emissions  | 1          |
| Machine safeguarding   | 0          |
| <b>Management System</b>                                     |            |
| Company commitment   | 2          |
| Management accountability and responsibility                 | 5          |
| Legal and customer requirements                              | 3          |
| Risk assessment and risk management                          | 5          |
| Performance objectives with implementation plan and measures | 3          |
| Training   | 2          |
| Communication  | 3          |
| Worker feedback and participation                            | 2          |
| Audits and assessments                                       | 2          |
| Corrective action process                                    | 1          |
| Documentation and records                                    | 1          |
| Management understanding of EICC code                        | 0          |
| Supplier responsibility                                      | 9          |
| <b>TOTAL ISSUES—ALL AUDITS</b>                               | <b>214</b> |
| Percent of supplier issues closed/resolved                   | 59%        |

## COMMENTARY ON OUR AUDIT FINDINGS

Our audits in 2014 identified the findings below. We are working with the suppliers to resolve any issues identified.

### Freely Chosen Employment

In 2014, we identified 14 issues associated with ensuring freely chosen employment. The issues primarily related to holding of foreign contract workers' passports, restriction of workers' mobility at work, lack of formal terms and conditions in worker contracts, and lack of policies or procedures for the management of foreign contract workers by labor brokers.

### Child Labor Avoidance

The seven issues relating to child labor avoidance related to lack of policies or procedures in place at a facility to verify the age of workers. No underage workers were identified in audits.

### Working Hours

Similar to prior years, cases of excessive or higher-than-legally-permitted working hours were one of the most common findings of the on-site audits conducted in 2014, with 33 instances identified. We measure suppliers' working hours against our supplier code, industry norms and applicable legal requirements, which means that a single supplier can have multiple findings related to working hours.

Reducing working hours continues to be a significant challenge for many factories in China, where employers must balance conflicting pressures of workers' financial needs and labor standards with the availability of labor and production requirements.

In 2014, Motorola Solutions continued to monitor suppliers' progress in reducing working hours according to approved action plans.

### Wages/Benefits

There were 16 findings relating to incorrect payment of wages and benefits in 2014. The most

common findings related to miscalculation of wages for overtime hours and the absence of a comprehensive pay statement to help workers understand their compensation.

### **Humane Treatment**

There were four audit findings related to humane treatment. The findings involved the use of fines in the factory and lack of:

- Written rules and regulations regarding disciplinary procedures
- Training for supervisors
- Procedures to investigate reports of inhumane treatment against workers
- Written grievance procedures
- Policies and procedures for sick leave and maternity leave

### **Non-Discrimination**

The four non-discrimination findings related to a lack of written policies on non-discrimination and written grievance procedures.

### **Freedom of Association**

There were three findings in this area, which involved a lack of written policies and procedures addressing freedom of association and no labor unions allowed on premises.

### **Occupational Safety**

There were 12 findings that involved an absence of, or improper use of personal protection equipment and lack of proper training in chemical handling, chemical exposure and emergency response.

### **Emergency Preparedness**

There were 19 findings related to emergency preparedness, making it the one of the most common findings. Deficiencies identified included insufficient fire or evacuation drills, blocked or locked exits, blocked or missing fire extinguishers, lack of proper eyewash stations and lack of fire exit signage and/or exit lighting. Most suppliers would hold drills during day working hours only, so

second-shift workers did not benefit from the drills. Findings also related to little or no contingency planning and/or training for workers on how to respond to an incident.

### **Occupational Injury and Illness**

Of the 12 occupational injury and illness findings, most related to general safety issues including lack of programs, improper training, worker exposure, lack of personal protection equipment and chemical handling.

### **Hazardous Substances**

There were a total of 12 instances identified. The majority of these findings were related to improper storage of chemicals, the absence of proper secondary containment to prevent spills, lack of proper chemical data sheets and the use of unlicensed waste disposal vendors.

### **Management Accountability and Responsibility**

There were five findings relating to management accountability and responsibility. They involved lack of formal management systems, goals, senior management involvement and training on established policies and procedures.

### **Risk Assessment and Risk Management**

There were five findings related to risk assessment and management. These findings were a result of poor planning and the lack of risk assessment on the part of the supplier and a failure to provide training to the workers on how to respond to an incident. Most suppliers did not perform the required job risk assessments associated with facility processes and worker operations.

### **CAPABILITY BUILDING**

We recognize the limitations of monitoring and believe that more lasting improvements will be achieved when suppliers develop the capability to manage worker rights and environmental impacts themselves. We held four training events in Asia in 2014 to help suppliers understand our expectations

and standards, and develop the skills to apply these in their factories.

The training went beyond raising awareness of our Supplier Code of Conduct, providing guidance to suppliers on how to establish internal corporate

responsibility and monitoring programs for their own supply chains. Representatives from tier-one through tier-three suppliers participated in the interactive training sessions including Q&A sessions with group discussions.

**SUPPLIER CORPORATE RESPONSIBILITY GOALS**

| <b>Plans for 2014</b>   | <b>Progress</b>   | <b>Plans for 2015</b>   |
|---|---|---|
| Continue risk-based assessment program, with a focus on driving audits for high-risk suppliers using self-assessment questionnaires and reports of issues | Achieved transition to EICC-ON. Conducted audits based on review of self-assessment questionnaires received from 14 suppliers identified as high-risk   | Continue risk-based assessment program, with a focus on driving audits for high-risk suppliers using self-assessment questionnaires and reports of issues |
| Ensure that suppliers accounting for 80 percent of our spending complete a self-assessment questionnaire at least every two years                         | Level 2 self-assessment questionnaires were completed by suppliers accounting for 63 percent of our spending within the past two years. However, more than 80 percent of our suppliers were evaluated for risk by Motorola Solutions through our initial screening process—those that were not asked to complete a self-assessment questionnaire were deemed to be of insignificant risk. | Ensure that suppliers accounting for 80 percent of our spending are evaluated for risk at least every two years   |
| Conduct four supplier training events   | Held four training events in Asia   | Conduct four supplier training events   |

**SUPPLIER CODE OF CONDUCT**

Motorola Solutions’ Supplier Code of Conduct describes corporate responsibility requirements for our suppliers. This code is based on our long-standing key belief in uncompromising integrity and constant respect for people. These requirements are consistent with the core tenets of the International Labour Organization (ILO) conventions and the United Nations Universal Declaration of Human Rights and informed by other internationally recognized standards including those of the Electronic Industry Citizenship Coalition (EICC), of which we are a member.

Motorola Solutions continually seeks opportunities for improving our human rights program and we expect the same of our suppliers. We are committed to maintaining a high-quality program through self-assessments, industry collaboration, benchmarking and stakeholder engagement.

In 2014 we revised and improved our Supplier Code of Conduct in order to align it with our human rights policy and provide more detailed guidance for our suppliers. Our requirements for supplier business conduct are:

**I. COMPLIANCE**

Suppliers will maintain compliance systems and be able to demonstrate a satisfactory record of compliance with the law in their business conduct.

## **II. ANTI-CORRUPTION**

Suppliers will conduct their businesses without engaging in corrupt practices, including public or private bribery or kickbacks. Suppliers will maintain integrity, transparency and accuracy in corporate record keeping.

## **III. NO UNFAIR BUSINESS PRACTICES**

Suppliers will act with integrity and lawfully in the proper handling of competitive data, proprietary information and other intellectual property, and comply with legal requirements regarding fair competition, antitrust, and accurate and truthful marketing.

## **IV. ANTI-DISCRIMINATION AND RETALIATION**

Suppliers will employ workers on the basis of their ability to do the job and will prohibit discrimination based on workers' personal characteristics, conditions or beliefs. Retaliation against anyone who in good faith reports a concern to the supplier or to Motorola Solutions about actual or suspected violations of this code will not be tolerated.

## **V. CONFLICT MINERALS**

Suppliers will ensure that the materials (tin, tantalum, tungsten and gold) used in components and products supplied are conflict-free. Suppliers must assure the procurement of these metals does not directly or indirectly finance or benefit illegal armed groups through mining or mineral trading. Suppliers are to establish policies, due diligence frameworks, and management systems, consistent with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. To enable us to evaluate supplier components and products for conflict-free status, if requested, suppliers must provide disclosures as outlined in the industry-developed Conflict Minerals Reporting Template.

## **VI. NO HARSH OR INHUMANE TREATMENT**

Suppliers will prohibit the abuse and harassment of employees, as well as the threat of either.

## **VII. FREELY CHOSEN EMPLOYMENT**

Suppliers will not use forced, slave, prison or indentured labor, including debt bondage. Suppliers will ensure that terms of employment for supplier employees or contract or migrant workers are voluntary. For recruitment of supplier employees, contract or migrant workers, the supplier will pay agency recruitment fees and will ensure there are no unreasonable employment, relocation or end-of-service expenses. Supplier will provide return transportation to the worker's country of origin or pay for the cost of return transportation to the country of origin upon the end of employment as well as protect and interview all workers suspected of being victims or witnesses to prohibited trafficking activities, prior to returning to their country of origin. If housing is arranged, housing must meet host country housing and safety standards. Suppliers will not require any supplier employee or contract or migrant worker to remain in employment for any period of time against his or her will, or engage in practices that restrict the worker's ability to terminate employment. Supplier employees and contract and migrant workers will not be required to lodge "deposits" or hand over government-issued identification, passports or work permits as a condition of employment, unless required by law. In no event shall supplier confiscate, conceal or in any way deny employee access to government-issued identification, passports or work permits. Suppliers will not use deceptive, misleading or fraudulent practices during recruitment of employees or contract or migrant workers. As part of the hiring process, suppliers will provide written employment agreements in the worker's native language that contain a description of terms and conditions of employment prior to the worker departing from his or her country of origin. Supplier must document compliance with the requirements of this section, provide a certified compliance plan to the contracting officer and post the relevant contents of the compliance plan at the time of initiation of contract performance and annually thereafter for the term of the contract, at the workplace and on the supplier's website. Suppliers are required to include the following elements in the compliance plan: 1) an awareness program to inform supplier

employees about a) a zero-tolerance policy with regard to trafficking in persons, b) trafficking-related activities in which the supplier is prohibited from engaging, c) actions that will be taken for violations; 2) a reporting process for workers to use, without fear of retaliation, to report any activity inconsistent with the zero-tolerance policy; 3) a recruitment and wage plan that only permits recruitment companies with trained employees, prohibits charging recruitment fees to the worker, and ensures that wages meet applicable host country requirements or explains any variance; 4) if supplier arranges housing, a housing plan ensuring that supplier-provided housing meets host country housing and safety legal requirements or explains any variance; 5) procedures to prevent agents and subcontractors at any tier from engaging in trafficking in persons and to monitor, detect and terminate any agents, subcontractors, or subcontractor employees that have engaged in such activities.

#### **VIII. NO CHILD LABOR**

Suppliers will ensure that their hiring practices are in conformance with ILO conventions for minimum age (convention 138) and child labor (convention 182). Suppliers are encouraged to develop lawful workplace apprenticeship programs for the educational benefit of their workers, provided that all participants meet the minimum age requirements. Workers under the age of 18 should not perform hazardous work and should be restricted from night work.

#### **IX. FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING**

Suppliers will recognize the right of workers to join or to refrain from joining associations of their own choosing and the right to collective bargaining, unless otherwise prohibited by law. In all cases, worker rights to open communication, direct engagement and humane and equitable treatment must be respected. Suppliers will not discriminate or retaliate against employees or contract or migrant workers for engaging in union organizing and collective bargaining activities or in other forms of collective representation.

#### **X. FAIR WORKING HOURS**

While it is understood that overtime is often required, suppliers will manage operations in compliance with the law and ensure that overtime does not exceed levels that create inhumane working conditions. Suppliers will not require, on a regularly scheduled basis, work in excess of 60 hours per week or in excess of six consecutive days without a rest day.

#### **XI. WAGES AND BENEFITS**

Wages and benefits paid will meet, at a minimum, applicable legal requirements or where no wage law exists, the local industry standard. Supplier shall pay for overtime at a rate that at least meets the local legal requirement. In any event, wages and benefits should be enough to meet basic needs. For each pay period, the supplier will provide workers with an understandable wage statement that includes sufficient information to verify accurate compensation for work performed. Suppliers will not permit deductions from wages as a disciplinary measure.

#### **XII. SAFE, HEALTHY AND RESPECTFUL WORKING CONDITIONS**

Suppliers will operate a safe, healthy and respectful work environment. Suppliers that provide housing or eating facilities will operate and maintain them in a safe, sanitary and dignified manner.

#### **XIII. ENVIRONMENTAL SUSTAINABILITY**

**Environmental Management System:** Suppliers of goods will have an environmental management system (EMS) in accordance with ISO 14001 or equivalent. The EMS must be implemented and functioning. Third-party registration is strongly recommended but not required.

**Environmentally Preferred Products:** Motorola Solutions values environmentally preferred products. We work with and encourage our suppliers to create products that are energy efficient and highly recyclable and that contain significant amounts of recycled materials and low amounts of hazardous materials. To enable us to

evaluate supplier components and products for environmental performance, suppliers must provide material disclosures as outlined in our controlled and reportable materials disclosure process.

**Ozone-Depleting Substances:** It is Motorola Solutions’ policy to eliminate from our products any components—including components provided by our suppliers—that contain or that are manufactured with a process that uses any Class I ozone-depleting substance. As outlined in the Internal Revenue Service’s Publication 510, the U.S. government imposes an environmental tax on the sale or use of ozone-depleting chemicals and imported products containing or manufactured with these chemicals. Suppliers need to provide certification that products imported into the United States do not contain or are not manufactured with a process that uses any Class I ozone-depleting chemicals.

**XIV. MANAGEMENT SYSTEM**

Suppliers shall adopt or establish a management system that supports the content of this code. The management system will be designed to ensure (a) compliance with applicable laws, regulations and customer requirements related to supplier’s operations and products; (b) conformance with this code; and (c) identification and mitigation of operational risks related to the areas covered by this code. The management system should also drive continual improvement.

**XV. REPORTING AND TRANSPARENCY**

Suppliers shall offer their workforces, as well as their customers and their sources in the supply chain, the ability to report, on a confidential basis, potential violations of this code and other policies through a number of resources such as the Motorola Solutions’ global EthicsLine. Motorola Solutions investigates such reports and provides timely remedial or corrective action when appropriate. On an annual basis, Motorola Solutions provides aggregate data related to EthicsLine intakes in the Motorola Solutions Corporate Responsibility Report.

**SUPPLIER DIVERSITY**

Motorola Solutions promotes supplier diversity by ensuring that businesses owned by women and minority groups are included in our supplier selection process. In the United States, the government and many of our business customers require that we source from diverse suppliers. We believe that supplier diversity also promotes innovation and creativity and enables us to meet the needs of our customers better.

Through outreach activities, our supplier diversity team identifies diverse suppliers that can potentially bid on procurement opportunities and sets goals to increase the proportion of our overall procurement spending with diverse businesses.

For inquiries regarding our supplier diversity program, email us at: [supplier.diversity@motorolasolutions.com](mailto:supplier.diversity@motorolasolutions.com).

**PERFORMANCE AND GOALS**

In 2014, Motorola Solutions spent 14 percent of our tier-one spending in the United States with diverse suppliers—surpassing our goal of 10 percent. In addition, 23 percent of our U.S. tier-one procurement was with small businesses. Diverse businesses supplied us with a variety of products and services such as accessories, cables, engineering, contract labor, logistics, packaging and travel.

**Percent of U.S. Tier-One Supplier Spending with Diverse Suppliers**

| <b>Motorola Solutions</b> |             |             |             |
|---------------------------|-------------|-------------|-------------|
|                           | <b>2012</b> | <b>2013</b> | <b>2014</b> |
| U.S.                      | 16.2%*      | 8.9%*       | 14.0%**     |

\* Only U.S. federal procurement spending included

\*\* Includes all U.S. procurement spending per our subcontracting plan



## **SUPPLIER DIVERSITY GOALS**

In 2015, Motorola Solutions aims to maintain at least 12 percent of its U.S. procurement spending with businesses owned by minorities, women and veterans and with other recognized diverse businesses.

### **How We Find and Promote Diverse Suppliers in the United States**

We work with diverse suppliers to make sure they are aware of opportunities to supply Motorola Solutions with product or services. We promote diversity in tier-one suppliers (those from which we buy directly) and tier-two suppliers (those that supply tier one).

Motorola Solutions also partners with many local city and county governments to educate and mentor small and diverse businesses on becoming an active supplier to a company they currently don't do business with.

We are a member of the National Minority Supplier Development Council (NMSDC), WEConnect International and the Women's Business Enterprise National Council (WBENC). Our supplier diversity manager serves on advisory committees at these organizations. Motorola Solutions holds an active seat on the board of directors for WBENC.

We participate in the Technology Industry Group (TIG) of NMSDC with other supplier diversity professionals from U.S.-based technology companies. Through TIG, we advocate the expansion of supplier diversity initiatives among our customers, our peer companies and our suppliers. Our supplier diversity manager holds the secretary position on the board for TIG.

The following databases help us to identify small and diverse suppliers:

- U.S. Small Business Administration
- National Minority Supplier Development Council
- Women's Business Enterprise National Council
- National Gay & Lesbian Chamber of Commerce
- WEConnect International
- U.S. state and local government certifying agencies for minority-owned, women-owned and disabled-owned businesses

In the United States, diversity suppliers are defined as businesses that are at least 51 percent owned, operated and controlled by one or more persons who are:

- A racial or ethnic minority, including African American, Asian Indian American, Asian Pacific American, Hispanic American or Native American
- Female
- Gay, lesbian, bisexual or transgender
- U.S. veteran or U.S. service disabled veteran

In other countries, definitions vary. In general, to be considered a racial or ethnic minority, persons must be citizens of the country where their business is headquartered and be of an officially recognized socially or economically disadvantaged ethnic minority group.

Additionally, businesses certified by the U.S. Small Business Administration's Historically Underutilized Business Zone (HUBZone) program are considered diverse suppliers.



## CONFLICT MINERALS

Our products contain various metals, including tantalum, tin, tungsten and gold (3TG), originating from mines around the world. Some of this production comes from the Democratic Republic of the Congo (DRC) and neighboring countries, where political instability and lack of security have allowed mines to be exploited by armed groups. Any association with financing armed conflict is unacceptable to us and we have engaged extensively across our supply chain to seek solutions to this problem.

Motorola Solutions is concerned about the social and environmental conditions in mines that supply metals to the electronics industry. The long-standing civil war in the eastern provinces of the Democratic Republic of the Congo (DRC) has impacted many mines, which are forced to contribute revenue to rebel forces associated with brutal human rights abuses.

Mining activities that fuel conflict are unacceptable. Together with other electronics companies, we are working to support the development and implementation of a tracking and validation system to ensure these raw materials come from responsible sources that are free from association with armed conflict.

Our products contain various metals, including tantalum, tin, tungsten and gold, which can be found in mines around the world. We are working to eliminate any connection with violent conflict, requiring high labor and environmental standards and making concerted efforts to drive improvements in our supply chain performance.

Since we do not procure these materials directly from mines, we expect our suppliers to apply our standards to their own suppliers and propagate high standards throughout their supply chains. We continue to include a clause in our standard supplier contract stating that we will source only products that are free from minerals that directly or indirectly finance or benefit illegal armed groups.

Our priority is to lend our support to help establish a credible, independent system that enables companies to verify the sources of the metals in their products while still allowing legitimate, verified conflict-free minerals from the DRC to enter our supply chain. Motorola Solutions supports the development of regulations and standards that facilitate this goal.

### **Implementing Due Diligence in Our Supply Chain**

For the 2014 filing year, Motorola Solutions received responses from more than 175 suppliers that accounted for more than 90 percent of our spending, using the Conflict-Free Sourcing Initiative (CFSI) Conflict Minerals Reporting

Template (CMRT). We reviewed the responses for completeness and consistency and are continuing to follow up where appropriate. The information is being processed for inclusion in our report to the U.S. Securities and Exchange Commission in 2015.

The initiative aims to confirm the presence of tin, tantalum, tungsten and gold (3TG) metals in products supplied to Motorola Solutions and to identify the smelters or refiners from which our suppliers source these metals.

As of April 29, 2015, we have identified 251 smelters in our supply chain that are verified by the CFSI. Of these, 157 were certified as conflict-free.

We have progressed the transition of our tantalum sourcing to conflict-free smelters certified by CFSI. Currently, all 39 of the 39 tantalum smelters in our supply chain are certified by CFSI to be conflict-free.

## **ESTABLISHING CONFLICT-FREE SOURCES IN THE DRC REGION**

### **Tantalum**

Motorola Solutions continues to support the sourcing of conflict-free material from the DRC and the African Great Lakes Region. The people of the region rely on the revenue from mining, so it is important that the industry sector initiatives to eliminate minerals associated with conflict do not result in a de facto ban on sourcing from the DRC and neighboring countries. The solution is to establish verified conflict-free, closed-pipe sources from specific mines.

The Solutions for Hope project in Katanga province established the first source of conflict-free coltan (the ore from which tantalum is refined) from the DRC in 2011. Motorola Solutions was the first company to include conflict-free capacitors (made from tantalum) in its products when they became available. Solutions for Hope established a closed-pipe supply line—mine, exporter, processor, component manufacturer and end-user—verified as free from interference from armed groups through an independent audit by a former consultant to the United Nations Group of Experts.

In 2014, Motorola Solutions and project partner AVX, expanded Solutions for Hope to a second verified conflict-free mine in North Kivu province. The expansion will increase the supply of conflict-free coltan, enabling tantalum from the DRC to be more widely used in Motorola Solutions and AVX products without the involvement of illegal armed groups. In addition, the Motorola Solutions Foundation granted RESOLVE, a Washington, D.C.,-based non-governmental organization (NGO) \$65,000 to support the expansion of a Solutions for Hope platform to other regions and other metals.

Solutions for Hope not only ensures that minerals linked to conflict do not enter the supply chain, but also creates economic benefits for artisanal miners and their families. The project is consistent with requirements of the Dodd-Frank Wall Street Reform and Consumer Protection Act, enabling companies using Solutions for Hope minerals in their products to report those minerals as DRC conflict-free. An independent auditor has validated the conflict-free status of Solutions for Hope. The continuing expansion of Solutions for Hope demonstrates the commitment of Motorola Solutions to being in the vanguard of companies committed to humane, people-focused responses to the conflict-mineral problem.

### **Tin**

The ITRI Tin Supply Chain Initiative (iTSCi) is the industry initiative to assist companies in conforming to the OECD Due Diligence Guidance and provides the necessary due diligence needed by the regional actors (miners, exporters and traders) to conform to OECD and for the materials to enter the global supply chain.

We used our experience to help inspire and work with several stakeholders to partner with the Conflict-Free Tin Initiative (CFTI), which uses the closed-pipe concept to source tin from a mine located in the DRC province of South Kivu. The Solutions for Hope project demonstrated proof of concept, and the CFTI is demonstrating proof of scalability. The model developed for Solutions for Hope can be used by other companies that wish to

## **RESOLVE**

"RESOLVE is excited to continue to support and expand the Solutions for Hope platform. Solutions for Hope is a leadership platform for companies and NGOs. Motorola Solutions, AVX and the Enough Project have demonstrated leadership in the DRC. Ongoing expansion of the platform with participation from actors across the supply chain will advance responsible sourcing in conflict and high risk areas."

**Stephen D'Esposito**  
RESOLVE President

demonstrate a responsible supply chain while continuing to use DRC-mined minerals.

We visited the region twice in 2013 to get a better understanding of the situation on the ground and to communicate with the various stakeholders about the importance of keeping a conflict-free supply chain. These meetings included the representatives from the National Ministry of Mines, governors of South and North Kivu provinces and other provincial government officials and local community leaders near the various mine sites.

### **OTHER INDUSTRY EFFORTS**

We are an active contributor to other industry efforts to tackle the conflict minerals problem. We believe working together will achieve faster results than tackling these challenges alone. With that in mind, we are preparing our supply chain management processes to best leverage the industry-wide approach. Motorola Solutions was one of two corporate leaders of the Conflict-Free Sourcing Initiative (formerly known as the EICC and GeSI Extractives Work Group), and we chaired the CFSI steering committee, which has made progress in driving greater transparency in the global industry supply chain.

Motorola Solutions is a founding member of the Public-Private Alliance for Responsible Minerals Trade (PPA) and serves on the governance committee. The PPA aims to bring together key stakeholders to achieve lasting solutions to this issue. The main participants in the PPA are the U.S. State Department, United States Agency for International Development (USAID), private sector companies and trade associations from a range of industries, NGOs and the International Conference on the African Great Lakes Region (ICGLR).

The PPA will focus on helping to grow existing programs and systems for businesses to source minerals from mines that have been certified as conflict-free and will provide a platform for coordination and dialogue among the government, industry and civil society participants

In 2014, we participated in the following initiatives to advance conflict-free mining in the DRC:

- **February 2014: African Mining Indaba conference.** Motorola Solutions participated in a panel on “Responsible Sourcing of Materials: Global Trends and Challenges” at this major African mining conference in Cape Town. The panel was facilitated by the ICM (International Council on Mining and Metals) and other members included representatives from OECD (Organisation for Economic Co-operation and Development) and USAID. The conference provided the opportunity to build broader awareness among mining companies of opportunities for conflict-free mining investment in the DRC.
- **February 2014: World Bank Hard Talk training in Washington, D.C.** Motorola Solutions contributed expertise to inform World Bank employees about the issues relevant to project funding of conflict-free mining in the DRC
- **March 2014: Yale Center for Business and Environment in New Haven, Connecticut.** Motorola Solutions participated in a webinar panel discussion, “Conflict Minerals: Actors, Accountability and the Path to Action.” The webinar was followed by meetings to help faculty and student representatives understand the social issues underlying conflict-free mining in the DRC.
- **March 2014: Ethical Sourcing Forum Panel Discussion in New York, New York.** This panel on cross-industry perspectives discussed the increasing need for traceability in a variety of supply chains and the best-practice approaches available. Motorola Solutions contributed insights into closed-pipe systems in the DRC.

- **August 2014: U.S.-Africa Leaders Summit at the Centre for American Progress, Washington, D.C.** Motorola Solutions contributed to a high-level roundtable discussion between more than 30 thought leaders on minerals sourcing in Africa. Enough Project sponsored the session, and their CEO, John Prendergast, addressed the meeting.
- **October 2014: U.S. Government Accountability Office (GAO).** Motorola Solutions provided input to the GAO annual review process and helped to facilitate greater industry input to the GAO process during the Conflict-Free Sourcing Workshop in San Francisco, California, where members of the Conflict-Free Smelters Initiative also met with the GAO.
- **October 2014: Mary Robinson Speaker Series.** Following the keynote speech by Emmanuel Umpula Nkumba, Executive Director, African Resources Watch, Motorola Solutions spoke on a panel, “Managing Congo’s Resource Wealth—from Plunder to Shared Prosperity?”
- **August 2014: International Conference on Great Lakes Region.** Motorola Solutions was the official international industry representative to the International Conference on Great Lakes Region (ICGLR) Audit Committee meeting held in Dar es Salaam, Tanzania. The meeting brought together central African governments, including that of the DRC, Rwanda and Burundi, to discuss a framework audit process for conflict-free exports from the region. ICGLR plans to issue conflict-free certificates and industry members stressed the importance of the ICGLR system being credible to gain global market acceptance.

## U.S. LEGISLATION ON CONFLICT MINERALS

The Dodd-Frank Wall Street Reform and Consumer Protection Act became law in July 2010. A provision of this law requires companies to report to the Securities and Exchange Commission (SEC) and disclose on their websites whether any 3TG metals are used in their products and, if so, whether any of these materials originate in the DRC or its adjoining countries. The law applies to publicly-traded manufacturing companies that use certain metals in their products.

The SEC issued its final rules in August 2012. The new rule requires companies using materials from the DRC and adjoining countries to describe, in a report to the SEC, the due-diligence steps they have taken to ensure the metals are from responsible sources.

## PLANS AND GOALS

We will continue to champion more responsible metal sourcing by engaging our suppliers, by supporting industry activities and by participating in collaborative efforts with other stakeholders, including mining companies, NGOs, other industrial sectors that purchase and use metals, the governments and multi-government organizations with jurisdiction over these issues and end users.

We have continued to implement our compliance program using industry tools and standards developed by the CFSI for identifying and reporting the origins of conflict minerals in preparation for compliance with the SEC reporting requirement in 2015. We also will continue to support expansion of the [Solutions for Hope](#) platform so other regions and industries can learn and develop closed-pipe systems for mining conflict-free minerals from conflict-affected and high-risk areas



## EMPLOYEES

Our employees' motivation and sense of responsibility bring to life our company's purpose: to help people be their best in the moments that matter. We seek to build an inclusive culture that allows diversity of thought and experience to thrive. We invest in employees so they can reach their full potential, providing opportunities for professional development at every level.

At Motorola Solutions, we design, manufacture and distribute life-changing products and solutions to our customers, businesses and people around the world. Our products and solutions help first responders meet urgent needs. They help mobile workers connect and communicate faster. They help enterprises around the world meet the demands of the global marketplace. Our employees' passion and commitment to our company is what drives our innovation and growth.

We value and constantly strive to create an inclusive environment, where all of our employees are treated with respect and have the opportunity to make an impact and contribute to their greatest potential. We invest in our employees by providing learning and development opportunities to help them excel in their jobs. We value diversity of thought and experiences and work to include these elements into our organization through our values and our leadership model. This improves our understanding of markets and enables us to create innovative products to help our customers thrive.

### GLOBAL WORKFORCE

In 2014, our global workforce comprised approximately 14,000 employees from 60 countries, 99 percent full-time and 1 percent part-time.

### TALENT ACQUISITION

To meet the demands of our customers, a key component of maintaining our competitive advantage is recruiting and retaining a diverse and talented workforce. We use a variety of competitive recruiting practices to achieve our goals, including employee referral programs, global university partnerships, job fairs and online opportunities through social media and job boards.

Once employees are onboard with Motorola Solutions, we provide a wide range of learning and development opportunities to help them excel in their jobs. These are:

- **Experience**—on-the-job learning
- **Feedback**—personal development through coaching and mentoring
- **Education**—we offer numerous training opportunities

## **EMPLOYEE ENGAGEMENT**

We are committed to creating a culture for our employees that leverages their strengths and engages their talents, fostering a productive environment where employees can fulfill their greatest potential. Our values—innovation, passion, drive, accountability and partnership—create the foundation of our culture, supported by strong ethics and integrity.

At Motorola Solutions we believe the next big idea can come from anyone on our team. We believe consulting and informing our employees fosters a vested interest in our success, motivating them to go above and beyond to achieve their goals.

The goals of our employee communications program are to keep employees up to date with our business, to encourage their involvement in company activities and to solicit feedback on our performance. We communicate to employees primarily through:

- Messages from senior leaders
- Our intranet site
- Weekly news e-bulletins
- Town hall meetings and employee focus groups
- Online Q&A forums and knowledge-sharing communities
- On-site TV news stories
- Trade show blogs and highlights
- Internal social media including blogs, personal profiles and networking pages
- External social media such as Facebook and Twitter
- Idea Space, our virtual marketplace that acts as a repository of creative ideas

In addition, dialogue between managers and employees is a communications priority. Managers actively communicate with our employees and we encourage employees to provide direct feedback to management via face-to-face dialogues, online feedback surveys, lunch-and-learn sessions and other more informal employee discussion sessions. We also have a number of internal social media channels, including Converge, which encourages employees to communicate with one another.

## **PERFORMANCE MANAGEMENT**

Strengthening our performance-based culture is an important part of maintaining our competitive advantage. To achieve this we emphasize employee recognition, opportunities for dialogue and coaching.

In 2014, we maintained our focus on encouraging recognition and dialogue, including the participation of all employees in an annual performance management process with their managers.

## **LEARNING AND DEVELOPMENT**

Our employees' innovative spirit, talent and passion are the driving force behind Motorola Solutions. We invest in continuous learning opportunities to help employees advance personally and professionally. They are beneficial for professional development and provide the best return for our company. Some examples are described below.

### **Functional Training**

We provide continuous training to our employees to help them enhance their technical, sales and business knowledge. This training is an important part of our business strategy as our products and end-to-end solutions grow in complexity to meet our customers' evolving business needs. In 2014, we focused on developing self-directed training tools to enable employees to build the skills, knowledge, and behaviors to drive business performance. We also implemented Learning Plans by identifying skill gaps and developing instructor lead classroom events, various workshops and self-directed on-line tools to address these gaps.

Each individual has a unique learning style, so we provide a variety of learning and development opportunities to meet our employees' needs. From instructor-led training to virtual classes, self-paced e-learning, professional games, mobile learning and social learning, employees are empowered to learn in their preferred styles and mediums.

Collaboration is important to our learning culture and we continue to promote employee lead collaboration tools. We have made investments that link our electronic library with our collaboration tools so that employees can use a single interface to work together and find learning resources. Our corporate library holds an impressive collection of books, e-journals, e-books and a variety of online business and technical databases. Employees also have access to professional research services and a licensed business book summary service for web and mobile downloads.

In 2014, our Motorola Solutions certification program continued to help employees build and validate their technical and sales skills, strengthening their ability to serve partners and customers. All employees are eligible to participate in our associate-level certification program; professional-level and master-level certifications require manager approval.

### **Leadership Development**

In 2014, we continued to invest in leadership development at all levels, with a focus on front-line managers. Our leadership development offerings focus on eight leadership competencies and behaviors we expect of all Motorola Solutions employees:

- Think Strategically
- Focus on Customers
- Develop Talent
- Collaborate
- Drive Results and Execution
- Improve Decision Making
- Lead Change and Take Responsible Risks
- Think Differently, Think Big

Employees have several tools to assess their leadership skills and build leadership development plans, including a self-assessment, behavior checklist and a curriculum of instructor-led and virtual instructor-led courses.

We offer a series of leadership development courses that are available to every Motorola Solutions employee.

We also provide online leadership development resources to offer employees easily accessible information to strengthen their leadership skills. We provide a range of online and mobile courses with new content added daily to allow employees to find the learning solutions that best meet their learning styles and schedules. Topics include team management, strategy tools and career skills.

Our internal online community is another leadership development resource. The community provides leadership best practices through podcasts, senior leader videos, employee success stories, and development planning tips. Feedback and collaboration are encouraged on the site. The community also connects employees to additional best practices and resources on leadership development.

In 2015, we will be launching a new program to increase the leadership capabilities of our mid-level managers. The program will focus on building skills in the areas of communication, aligning strategy and team goals, and facilitating change.

### **Other Educational Programs**

We support ways for our employees to enhance their skills outside of the office—an investment in our people that we know will yield positive returns for our business in the future. Our global educational assistance program provides reimbursement to employees for expenses related to taking approved courses that may lead to an academic degree or certificate from a college or university that is accredited or recognized by a reputable official body.

Degree programs and individual courses in the following disciplines will typically qualify for reimbursement under our educational assistance program:

- Business (i.e., marketing, accounting, finance)
- Computer science
- Engineering



- Human resources
- Logistics/materials
- Management
- Sales/marketing
- Technology

Additional disciplines and courses that apply to the employee's current job function may also be eligible. Eligibility guidelines are outlined in our country-specific educational assistance program policies.

## **PERFORMANCE IN 2014**

In 2014, we invested \$9.2 million globally in learning and development, compared with \$7.5 million invested globally in 2013.

Training is continuously evaluated for quality and return on investment within our learning organization. All training is benchmarked against industry standards to identify opportunities to strengthen courses.

## **INCLUSION AND DIVERSITY**

At Motorola Solutions, we strive to create an inclusive, open environment where employees' diversity of thought, attributes, cultures and experiences are valued and celebrated. An inclusive, collaborative environment helps increase employee innovation and productivity—a main source of our competitive advantage. We focus our internal efforts on:

- **Leadership development**—providing learning and talent opportunities for everyone
- **Employee engagement**—ensuring employees are highly engaged at every level
- **Cultural awareness**—developing global, cross-cultural competencies

We build partnerships with diverse organizations to help us stay current on inclusion and diversity best practices, employee engagement and recruitment and retention strategies. We have partnerships with the following organizations:

- Career Opportunities for Students with Disabilities
- Chicago Urban League

- Illinois Commission on Diversity and Human Relations
- National Association of Asian American Professionals
- National Society for Hispanic Professionals
- Society of Women Engineers
- U.S. Business Leadership Network
- Women in Technology International
- YWCA

Through the Motorola Solutions Foundation, we support organizations that focus on women and people of color who currently are underrepresented in the science, technology, engineering and math (STEM) disciplines.

## **BUSINESS COUNCILS**

Our business councils help reinforce our commitment to inclusion by raising cultural awareness, sponsoring internal events and partnering with external organizations. They also provide professional development opportunities and mentoring to our employees around the world. Our business councils are all led by Motorola Solutions executives and are open to all employees.

In 2014, our seven business councils include:

- Asian Business Council
- Black Business Council
- Latino Business Council
- Lesbian, Gay, Bisexual and Transgender Business Council
- People with Disabilities Business Council
- Veterans Business Council
- Women's Business Council

At the end of 2014, approximately 2,000 employees participated in business council activities. Motorola Solutions directly supports each business council by providing funding and aligning executives to lead each council. The Veterans Business Council is our newest, formally launched in early 2014.

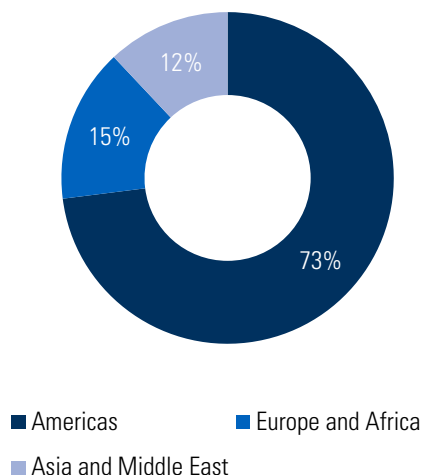
## **PERFORMANCE IN 2014**

In 2014, the percentage of women in senior management globally was 16 percent. The percentage of people of color in U.S. senior

management (directors and vice presidents) was 13 percent.

**Workforce Demographics**

**Senior Management\* by Region**



\* Directors and vice presidents

|  | 2012 | 2013 | 2014 |
|--|------|------|------|
| <b>Global Senior Management* by Gender</b> |      |      |      |
| Male                                       | 85%  | 83%  | 84%  |
| Female                                     | 15%  | 17%  | 16%  |
| <b>Global Employees by Gender</b>          |      |      |      |
| Male                                       | 70%  | 70%  | 71%  |
| Female                                     | 30%  | 30%  | 29%  |
| <b>U.S. Senior Management* by Race</b>     |      |      |      |
| Caucasian                                  | 86%  | 86%  | 87%  |
| People of Color                            | 14%  | 14%  | 13%  |
| <b>U.S. Employees by Race</b>              |      |      |      |
| Caucasian                                  | 71%  | 71%  | 70%  |
| People of Color                            | 29%  | 29%  | 30%  |

\* Directors and vice presidents

**TOTAL REWARDS**

Our employee rewards programs are designed to attract, retain and motivate employees. We provide our employees with a comprehensive and competitive rewards package, including market-driven base salaries, incentive awards that are based on the overall success of our business and the individual performance of our employees, paid time off, health and wellness programs and retirement and savings plans. Each year, we review our rewards programs to make sure they are competitive with local market practices in the industries and countries in which we operate.

**COMPENSATION**

We share our financial success with our employees by offering compensation packages that are linked to individual and business goals. Our compensation programs provide competitive, performance-based pay through three components:

**Base Pay**

Every year, we review local market pay practices to ensure our employees' base pay is market competitive. In 2014, we offered merit increases and/or cost of living allowances in most countries in which we operate.

**Short-Term Incentives and Employee Recognition**

All Motorola Solutions employees participate in an annual incentive plan or a sales incentive plan.

Our annual incentive plan aligns employees' performance with our business goals, rewarding employees primarily based on our business results. Top performers also have the potential to earn an additional annual incentive award. Our sales incentive plans reward sales employees when they achieve or exceed key sales-related goals.

In 2014, we paid our employees approximately \$168 million through both our annual and sales incentive plans, based on 2013 performance.

Our employee recognition program rewards our employees for exceptional behaviors and results. We also offer special recognition awards for technical excellence.

### **Long-Term Incentives and Employee Stock Purchase Plan**

In 2014, we awarded restricted stock units (RSUs) to our eligible employees. For some employees (including our vice presidents), we continued to award stock options and a cash-based long-term incentive plan.

Through our 2014 employee equity grants, we awarded approximately 2.6 million RSUs and stock options to more than 2,000 employees. Our employees also purchased 1.39 million shares of Motorola Solutions stock through our employee stock purchase plan, which provides our employees with a 15 percent discount on purchases of Motorola Solutions stock. Approximately 41 percent of our employees in 27 countries currently participate in our employee stock purchase plan.

### **BENEFITS**

We provide comprehensive benefits coverage for our employees such as health and wellness programs, retirement and savings plans, life and disability insurance and commuter benefits. We align our benefit offerings to market standards in each country in which we operate.

#### **HEALTH AND WELLNESS PROGRAMS**

We encourage and support healthy behaviors and overall wellness among our employees and their families. We provide health care coverage or a cash contribution for employees in most countries. We also offer online resources so our employees and their families can learn more about the benefits we provide.

In the United States, we provide health and wellness programs that vary by location, such as on-site fitness centers and medical clinics, free medical screenings, wellness seminars, online wellness classes, health coaching and recreational sports leagues. We also provide healthy food choices and display nutritional information in our cafeterias.

#### **HEALTH AND WELLNESS PROGRAMS (continued)**

We offer dependent and family care programs such as maternity and paternity leave and support, flexible spending accounts for health care and child care, and family resource and referral programs (such as our employee assistance program).

In the United States, our wellness incentive program offers incentives to employees and their eligible dependents if they participate in preventative health care screenings and an assessment of their lifestyle habits, and if they meet specific health criteria designed to encourage health improvements.

#### **RETIREMENT AND SAVINGS**

In addition to certain statutory plans, we help our employees prepare for their financial future by offering retirement and savings programs in countries where it is competitive to do so. Most of these plans are defined contribution savings programs where we typically offer a company match based on an employee's contributions to the program.

In the United States, we offer our employees education about their retirement options—including financial management programs. We also make dollar-for-dollar contributions on the first four percent of an employee's eligible compensation he or she contributes to our 401(k) savings plan. If an employee is age 50 or older, he or she can contribute even more to the savings plan as per IRS regulations.

#### **LIFE AND DISABILITY**

We provide opportunities for employees in most countries to protect their financial future with market competitive, company-subsidized disability income and life insurance plans.

#### **COMMUTER BENEFITS**

In the United States, we offer employees the opportunity to purchase public transportation and parking garage vouchers with pre-tax dollars.

## **FLEXIBLE WORKING**

We provide employees with resources to help them integrate their work and personal responsibilities, including flexible work plans and programs to support them through life-changing events.

As a global company with a highly distributed workforce, we need our employees to work across cultures and time zones. Our iWork program enables our employees to work how, when and where they work best through:

- Alternate locations (where): working from an alternate site on a regular or occasional basis
- Alternate schedules (when): flexible arrival and departure times; compressed work week
- Alternate job structures (how): part-time work or job sharing

iWork helps us retain employees, attract and recruit talent, increase productivity and reduce costs. It also provides us with greater access to skilled employees no matter where they are located.

We provide online training for managers to learn how to work with—and manage—virtual teams. This training includes information on geographic sensitivities, such as cultural norms and working across time zones.

## **SUPPORT FOR EMPLOYEES GOING THROUGH LIFE-CHANGING EVENTS**

We help employees deal with life-changing events through programs that vary from country to country. Examples include time off for new parents, adoption assistance, education assistance, relocation assistance, employee counseling, childcare services, family medical leave, bereavement leave and disability programs. We also sponsor on-site childcare facilities in several of our office locations around the world.

## **SAFETY PROGRAMS**

The safety of our employees in the workplace is of critical importance to our company. We have developed our safety programs to help prevent and eliminate safety hazards before injuries and illnesses occur. Our approach includes identifying risks to our employees through the use of our comprehensive job hazard and risk assessment tool. This online tool provides a holistic view of the entire facility to identify and rate hazards while drilling down to the job- and task-specific hazards and identifying, documenting and communicating controls. We systematically track non-conformances through an automated notification system to facilitate timely corrective actions and eliminate the root causes of safety hazards.

We conduct regular awareness programs and provide employee training so employees are informed and well-equipped to handle safety risks they may encounter at work. All employees receive the necessary environment, health and safety (EHS) training required to perform their job in compliance with local regulations and our EHS management system. The frequency of training is identified in our global training matrix. We use a variety of methods to promote employee health and safety awareness, including our internal EHS website, blogs, TV monitors, email communications and employee awareness events. All of our employees have the authority and obligation to stop work if they view their work conditions or acts as unsafe.

## **SAFETY RECOGNITION**

Fiscal year 2014 marks the 19th year that the Schaumburg, Illinois, manufacturing facility has achieved the highest honor from the U.S. Department of Labor's Occupational Safety and Health Administration (OSHA): the Voluntary Protection Program's Star award. This prestigious award recognizes sites demonstrating superior safety and health programs.

## ERGONOMICS

We recognize that ergonomic factors are one of the leading causes of workplace injuries. To help reduce ergonomic injuries, we:

- Assess ergonomic hazards
- Track and document ergonomic assessments to identify trends
- Offer personal ergonomic assessments by health and safety professionals
- Provide standardized state-of-the-art ergonomic furniture and accessories
- Continually implement improvements in our manufacturing processes to reduce repetitive motion injuries
- Provide an ergonomic website that hosts a variety of self-help tools, training materials and resources for employees

These actions have contributed to the reduction of ergonomic injuries and reduced the ergonomic assessment time cycle.

## PERFORMANCE AND GOALS

Our global recordable injury and illness case rate increased slightly, from 0.19 in 2013 to 0.23 in 2014.

## Global Recordable Injury and Illness Case Rate

| Per 100 Employees |      |      |
|-------------------|------|------|
| 2012              | 2013 | 2014 |
| 0.18              | 0.19 | 0.23 |

## CRISIS PREPAREDNESS

Crisis plans ensure that we can respond quickly and effectively to emergencies such as terrorist attacks, disease outbreaks or natural disasters. Our crisis and business continuity teams are managed globally and are responsible for managing and executing such plans. Our crisis teams test these plans each year to improve coordination, make sure employees are prepared and discover potential trouble spots before an emergency happens. Our business continuity teams work to ensure any business interruption is kept to a minimum and that we continue to meet our customers' needs. Each of our critical operations has conducted a business impact analysis and developed recovery strategies.



## COMMUNITY

We partner with the communities where we operate to have a positive impact on students, teachers, first responders and families. We support programs that advance education, honor first responders, make communities safer, provide relief to communities affected by disaster and enhance employee contributions.

Our passion to provide solutions that connect people, businesses and governments in the moments that matter is what motivates our employees' volunteer efforts and our philanthropic giving in the communities where we operate. We work closely with the Motorola Solutions Foundation, our charitable and philanthropic arm, to ensure our charitable giving and product donations benefit these communities.

Community investment at Motorola Solutions is focused on:

- Science and technology education
- Public safety
- Disaster relief
- Employee giving

Our employees actively support causes important to them through the Motorola Solutions Service Corps and other charitable-giving programs.

In 2014, Motorola Solutions and Motorola Solutions Foundation contributed more than \$14.5 million in cash and product donations in 35 countries. Our employees participated in more than 270 team volunteer projects and donated more than 80,000 hours to helping schools and charitable organizations in the communities where we live and work.

### SCIENCE AND TECHNOLOGY EDUCATION

With our company's deep experience in technology and innovation, we remain committed to supporting programs that help the next generation strengthen their skills and interest in these careers. We are an active supporter of education programs, particularly those focused on science, technology, engineering and math (STEM) education around the world.

In 2014, the Motorola Solutions Foundation provided more than \$6 million in grants to support educational programs, with a specific emphasis on STEM education. In North America, approximately 1 million students and teachers received an average of 80 hours of STEM education from programs Motorola Solutions Foundation supported during 2014. This greatly surpassed our goal of reaching 150,000 students and teachers during the year.

Examples of Motorola Solutions Foundation education grants in action include:

- **Destination Imagination**  
With support from Motorola Solutions Foundation, 50,000 university students participated in Destination Imagination programs such as the Science Challenge and

Conrad Spirit of Innovation Challenge. These programs allow students to use their own creativity to develop solutions to engineering or scientific problems, and aim to inspire and equip the next generation of leaders and innovators. Additionally, 350 more students from low-income communities were able to participate in Destination Imagination activities thanks to a grant to overcome barriers to participation for these groups.

▪ **MathMaker**

We provided funding to support the national rollout of MathMaker, an online program that engages students in difficult math concepts through design and programming of video games. Our grant also funded the publication of a report on the program's adoption and impact nationwide.

▪ **Girl Scouts of the USA**

We continued to support the Girl Scouts' annual robotics program. Through this program, 600 Girl Scouts were able to experience hands-on learning in STEM disciplines and teamwork this year. The girls compete with their creations at local, regional and national levels.

▪ **Greenpower Education Trust**

Our grant supported the work of the Greenpower Education Trust, which provides hands-on experiences and competitions for students in the United Kingdom to design and build electric cars with the help of adult mentors.

## PUBLIC SAFETY

Our leadership and employees are passionate about improving the safety and security of communities around the world. The Motorola Solutions Foundation proves this commitment by supporting training for first responders on topics important to them. Our grants also support the families of fallen first responders as well as disaster preparedness education. In 2014, the Motorola Solutions Foundation provided more than \$5.7 million in grants to public safety and emergency preparedness programs.

Examples of Motorola Solutions Foundation's public safety grants in action include:

▪ **International Association of Fire Chiefs**

We provided a grant to support the efforts of the Fire Service Executive Development Institute to prepare aspiring and new fire chiefs to be successful leaders. The Institute prepares them to manage the increasingly complex issues threatening the safety and well-being of our communities.

▪ **American Red Cross Greater Chicago Region**

Our grant provided support for the Ready 365 Preparedness Program, which provides lifesaving preparedness information, including CPR and fire-prevention training, to thousands of children and families in the greater Chicago, Illinois, community.

▪ **Concerns of Police Survivors**

Motorola Solutions Foundation provided funding for Surviving Parents' Retreat, a program offered by C.O.P.S. (Concerns of Police Survivors) to provide support for parents of fallen law enforcement officers. The retreat offers peer and professional grief support as well as physical challenges to build self-esteem for several hundred grieving parents.

▪ **ProAction**

With support from Motorola Solutions Foundation, ProAction's Outdoor Survival Skills Program provided practical training in outdoor survival skills to 30 police officers and 170 young people in Canada. Training focuses on first responder emergency procedures, search and rescue, basic camping, first aid and water skills.

## DISASTER RELIEF

When disasters strike communities, our products are often used by first responders to communicate and coordinate relief logistics. We are proud to support the American Red Cross (ARC), one of the leading organizations in providing relief services to communities after disasters strike. This decades-long partnership with ARC includes employee donations and matched funding, in addition to

employees volunteering directly with ARC. Our support helps immediate disaster relief, in addition to disaster preparedness and prevention programs.

In 2014, the Motorola Solutions Foundation contributed \$220,000 to the American Red Cross to support the following disaster preparedness and relief efforts:

- \$100,000 to support the Prepare Florid initiative, which will provide fire prevention education and smoke detectors to low-income communities in south Florida. Motorola Solutions volunteers worked side by side with the Red Cross and the fire service to help install smoke detectors in homes.
- \$85,000 to disaster preparedness activities such as first aid, CPR training, and fire-prevention education for children, families and other at-risk groups in Chicago and the surrounding areas
- \$20,000 to support disaster relief efforts in response to the severe storms that swept through the American Midwest
- \$15,000 to support disaster relief efforts in response to severe flooding in the Balkans

In addition, we supported the ARC's efforts in Florida and Illinois in the following ways during 2014:

- Several teams of Motorola Solutions employees participated in volunteer events preparing comfort kits and thank you cards for wounded soldiers, assembling disaster preparedness kits and participating in CPR training.
- Motorola Solutions Foundation sponsored the American Red Cross Disaster Preparedness Summit in Chicago, Illinois, in August 2014. Foundation Director Matt Blakely served as a session moderator during this event, bringing the public and private sectors together to learn best practices in disaster preparedness and response.
- Motorola Solutions Foundation sponsored the Fourth Annual American Red Cross On-Campus Blood Drive in Schaumburg, Illinois, in July 2014. Employees provided volunteer support and donated blood.

- Employees from Plantation, Florida, partnered with the American Red Cross of Broward County for a fire safety campaign. They provided fire safety presentations and installed smoke alarms in communities throughout the area.
- Our CEO Greg Brown served as the Chair for the Annual Heroes Breakfast in April 2015, an event sponsored by Motorola Solutions Foundation honoring local heroes in the greater Chicago area.

## **EMPLOYEE PROGRAMS**

From scientists to businesspeople to public safety professionals, our diverse employees bring unique skill sets to the workplace as well as to the communities where they live and work. Their passion for innovation and technology extends beyond the workplace. Our employees actively volunteer. Each year, Motorola Solutions employees give their time in a number of ways, from being FIRST Robotics club mentors to science fair judges, to volunteer firefighters or tutors.

In the United States, we encourage employees to contribute to causes important to them by matching their charitable contributions up to \$10,000 per employee. Employees who volunteer in their communities can ask the foundation to contribute up to \$600 per year to their chosen charities. Our Service Corps program honors 10 exceptional volunteers each quarter. Each year, 10 of those employees or teams receive a CEO Award for Volunteerism, the highest level of recognition an employee can receive for volunteer efforts.

## **MOTOROLA SOLUTIONS SERVICE CORPS**

In 2011, we launched the Motorola Solutions Service Corps, our program that supports and celebrates Motorola Solutions' volunteering efforts. Through this program, we collaborate with our community partners and customers to improve the communities where we operate. Motorola Solutions Service Corps has grown since its inception, with an increasing number of employees giving their time and energy to help the communities where they live and work.



In 2014, Motorola Solutions employees volunteered in over 270 team projects and donated more than 80,000 hours to the communities where we live and work.

### **2014 Team Volunteering Examples**

- **Germany STEM Education Team**

Employees based in Berlin, Germany, hosted a career education day for nearly 20 students from partner school Salvator Schule. Students toured the Berlin facility and participated in roundtable discussions with employees from various departments about their work experiences and potential career pathways.

- **Operation Homefront, Illinois**

More than 60 employees from the Legal, Government Affairs and Corporate Communications team, including two senior executives, participated in a team-building volunteer event to landscape and renovate the family home of a local army veteran.

- **Chicago Cares**

One hundred employees and their friends and families donated their time at the Chicago Cares 21st Annual Serve-a-thon. The team spent the day enhancing the physical environment of Hedges Elementary School in Chicago. In addition, Motorola Solutions donated radios and tablet computers to help coordinate the efforts of more than 5,000 total volunteers.

- **Jagiellonian University, Krakow, Poland**

Two Motorola Solutions volunteers in Poland teach technical writing classes to nearly a dozen students from the Institute of English Studies at Jagiellonian University. Currently, there is no other professional technical writing course offered in Poland. This course offers students the opportunity to learn how to apply their English language expertise in a technical environment and has helped Motorola Solutions' ability to recruit and hire graduates with the technical writing skills needed in this region.

- **Israel STEM Tutoring Team**

More than a dozen employees throughout Israel donated hundreds of hours mentoring disadvantaged high school students through the Yahad Morim ("teaching together") program. Volunteers meet with students weekly and provide additional support in English, math and engineering concepts.

- **Connected by Safety**

Volunteers in Latin America partnered with local first responders and elementary school teachers to provide workshops for children on what to do in emergency situations and how to talk to first responders. The program is funded by an ongoing grant by the Motorola Solutions Foundation and reaches over 5,000 children a year in several countries

- **Women's Business Council supporting DiscoverE Global Marathon**

The Global Marathon is a free three-day virtual event for women in engineering and technology to connect, learn and share. For this year's marathon, representatives of our Women's Business Council from Florida, Illinois and the United Kingdom created a powerful video to motivate girls and young women to pursue leadership and STEM-related career paths. Several of our employees also served as speakers, panelists and facilitators during the event, including a keynote speech from senior executive Claudia Rodriguez and a panelist contribution from senior executive Joanne Bamber providing advice for aspiring female professionals and students.

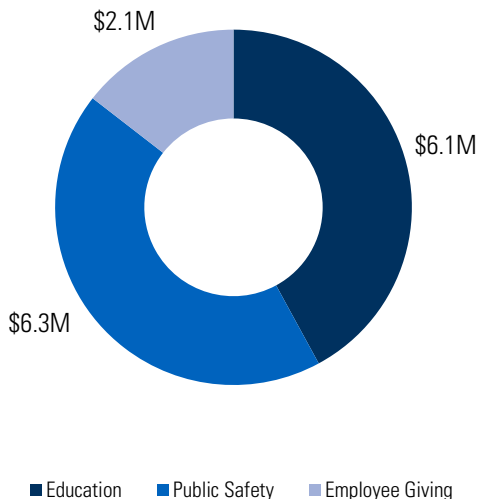
### **PERFORMANCE AND GOALS**

In 2014, Motorola Solutions, Inc., Motorola Solutions Foundation and employees contributed \$14.5 million in charitable giving to communities around the world.

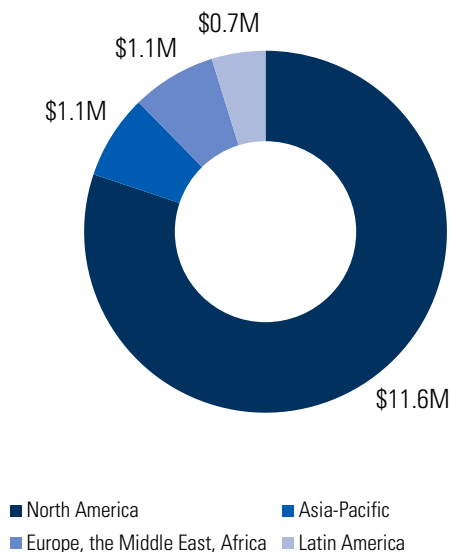
**Total Giving in Millions**

|  | 2012   | 2013   | 2014   |
|--|--------|--------|--------|
| Motorola Solutions, Inc./ Motorola Solutions Foundation charitable giving  | \$17.2 | \$16.4 | \$14.5 |
| Motorola Solutions employee donations—U.S. giving campaign and matching-gift applications, plus global gifts for disaster relief | \$1.6  | \$1.3  | \$1.3  |

**GIVING BY CATEGORY**



**GIVING BY REGION**



**Community Investment Plans**

| Goals for 2014  | Progress in 2014 | Plans for 2015   |
|---|------------------|--|
| Foundation grants in 2014 will support more than 200,000 first responders, family members and community members worldwide | Achieved         | Reach 1.5 million students, teachers, first responders and their families with Motorola Solutions Foundation grants                        |
| Foundation grants will support education programs for more than 200,000 students, teachers and community members          | Achieved         | Provide Foundation grants in 60 percent of the countries where Motorola Solutions has facilities   |
| Employees will volunteer as teams in 200 projects globally  | Achieved         | Increase employee participation in Motorola Solutions Foundation giving and volunteerism programs to 20 percent of the employee population |

## ABOUT THIS REPORT

This report covers Motorola Solutions' corporate responsibility strategy and programs for fiscal year 2014 (January 1, 2014, to December 31, 2014), including all of our global operations, unless otherwise noted. In January 2011, Motorola, Inc. spun off its consumer business as Motorola Mobility and then changed its name to Motorola Solutions.

On October 27, 2014, Motorola Solutions completed the sale of our enterprise business to Zebra Technologies Corporation. Because this report covers Motorola Solutions' corporate responsibility strategy and programs for fiscal year 2014, it includes information and data across both the enterprise and government businesses.

This report was compiled using the Global Reporting Initiative's G4 framework as a guide and contains standard disclosures from the GRI Sustainability Reporting Guidelines.

We conducted a [materiality assessment](#) in April 2014 to gather external and internal feedback on the corporate responsibility issues most material to our business. We will use the findings of the materiality assessment to refine our future corporate responsibility reporting.

We welcome feedback on this report. Please send any comments or questions to:  
[corpresponsibility@motorolasolutions.com](mailto:corpresponsibility@motorolasolutions.com).