2009 MOTOROLA CORPORATE RESPONSIBILITY SUMMARY REPORT

INNOVATING FOR A SMARTER WORLD

About this summary

This document provides a snapshot of our efforts to manage our business responsibly and to create innovative products that benefit communities and contribute to a more sustainable world. For more information about our social and environmental programs and performance, read our full 2009 Corporate Responsibility report at motorola.com/responsibility. Learn more about our code of business conduct, our work to protect consumer safety and to support the well-being of our employees.

A message from our Co-CEOs

Welcome to our 2009 Corporate Responsibility Summary Report

Greg Brown

Sanjay Jha

Motorola technology is improving people's lives, solving problems and making communities, governments and businesses more efficient and more connected. We are proud that first responders continue to depend on Motorola technology in their life-saving work, and we are excited to see how our wireless broadband products are transforming communities in emerging markets by enabling Internet access for the first time.

Motorola's innovative spirit is at work, creating more sustainable solutions and taking accountability for the impacts of our operations. Since 2005, we have reduced our carbon footprint by 35 percent, and in 2009, we were recognized by the U.S. Environmental Protection Agency for our significant purchase of renewable energy.

We continue to push the boundaries of eco-innovation with the MOTO™ W233 Renew and the MOTOCUBO™ A45 Eco, which are made using post-consumer recycled plastic, are certified Carbon*Free*® through our investment in renewable energy offset projects and save energy through best-in-class talk time. Our wind- and solar-powered base stations demonstrate that renewable power offers a viable alternative in network deployments.

Our technology is helping to create a smarter world by reducing energy waste in supply chains, transport systems and energy infrastructure. For example, Motorola customers use our radio frequency identification (RFID) technology to make distribution and operations more intelligent, secure and efficient.

We see huge potential for information and communication technologies (ICT) equipment to cut waste in energy systems. Motorola is participating in "smart grid" trials that use broadband communications to provide data for utilities to distribute energy more efficiently and integrate renewable power sources.

Enabling connectivity

Our broadband equipment is extending the benefits of a smarter world to developing countries by enabling rapid, cost-effective network deployment.

In 2009, Motorola wireless technology helped to digitize cities in Central and South America, connecting hundreds of thousands of people.

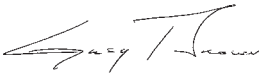
This is enabling new ways to deliver health care, education and other public services. Using our equipment, several schools can share scarce resources through remote teacher training, and village clinics can connect with city hospitals to enable doctors to diagnose illnesses and instruct nurses.

Looking forward

Our progress is fueled by the inventiveness and passion of our people, who are integral to our global success and fulfilling our local commitments. We are, for example, proud that during our green-themed Global Day of Service, more than 8,000 employees in 42 countries supported 350 community and environmental non-profit organizations.

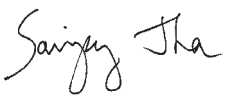
We thank our employees for their work year-round to improve communities and inspire the next generation of innovators.

As we move into the next phase of our history, we will continue innovating for a smarter world.



Greg Brown

Co-CEO, Motorola
CEO, Motorola Solutions



Sanjay Jha

Co-CEO, Motorola
CEO, Mobile Devices and Home

Responding to climate change

Climate change is one of the greatest challenges of our time. Businesses, governments and consumers must take action to reduce energy use and to help build a low-carbon world.

Our response to climate change starts with shrinking the carbon footprint of our offices and factories and is built into the products we make.

Leaner operations

We have been reducing energy waste and making our facilities more energy efficient for decades. Since 2005, we have reduced our carbon footprint by 35 percent.

Our strategy is to cut emissions by being more energy efficient and purchasing renewable energy.

We have set absolute and normalized goals to:

- Reduce our greenhouse gas emissions from our operations by 15 percent by the end of 2010, compared with 2005 (normalized to sales)
- Reduce our absolute greenhouse gas emissions by 6 percent by the end of 2010, compared with 2000
- Increase our purchase of electricity from renewable sources to 30 percent by 2020

Our absolute emissions reduction goal is part of our commitment as a founding member of the Chicago Climate Exchange. The target is legally binding and subject to third-party verification.

Green Power Leader

Currently, about 20 percent of our global electricity comes from renewable sources. We received a Green Power Leadership Award in 2009 from the U.S. Environmental Protection Agency (EPA) for our commitment to renewable energy. We qualified for the EPA's Green Power Leadership Club for purchasing 20 percent of our U.S. electricity from renewable sources, a distinction given to organizations that have significantly exceeded the agency's minimum purchase requirements. Motorola currently ranks No. 46 on the EPA's list of America's largest green power purchasers.

EPA GREEN POWER PARTNER

In the U.S., Motorola purchases Green-e certified renewable energy certificates (RECs) that support electricity generation from wind energy. The RECs are purchased from *Native*Energy, which supports Native American, farmer-owned, community-based renewable energy projects helping create social, economic and environmental benefits.

Certified facilities

All of our manufacturing sites and larger facilities are certified to the international standards ISO 14001 and OHSAS 18001, and Motorola's rigorous environment, health and safety management system ensures that we meet our commitment to reduce our footprint.

More efficient products

With millions of consumers, businesses and public organizations using our products every day, the greatest contribution we can make to addressing climate change is to make our equipment more energy efficient. We are boosting energy efficiency across our product range, which keeps us ahead of market trends and helps our customers and consumers reduce their climate impacts and costs.

Saving on charging

Most of the energy consumed during the use phase of a mobile phone's lifecycle is wasted when the charger is left on standby (plugged in, but not in use). Since 2000, we have reduced the average standby power of our mobile phone chargers by at least 70 percent. Our latest wall chargers have standby power rates of just 0.03 watts, 90 percent better than the current U.S. Environmental Protection Agency ENERGY STAR standard.

Software in most of our mobile phones reminds users to unplug their chargers after use, and we ship our phones with energy-saving settings enabled.

Motorola, along with 16 other leading mobile operators and manufacturers and the GSM Association have agreed on a standard format for mobile phone chargers. The new universal charger will be highly energy efficient, using between 0.03 watts and 0.15 watts in standby mode. With potentially 50 percent less chargers being manufactured and transported each year[1], it is estimated between 13.6 and 21.8 million tonnes of greenhouse gases associated with manufacturing and transport will be avoided.

Lifecycle assessments

We are assessing the carbon footprint of our products across their entire lifecycles – materials extraction, manufacturing, distribution, use and end-of-life. We are using the results of these assessments to identify stages in the lifecycle where we can attain the biggest emissions reductions.

[1] Assumes that 50 percent of phones are replacement phones. Source: GSM Association

Wind- and solar-powered products

We are learning how best to integrate alternative energy into our infrastructure deployments. So far we have successfully deployed base stations that use hydrogen fuel cells and electricity generated by wind and solar power. As well as cutting emissions, renewable power makes it possible to deploy networks in remote locations far away from the electricity grid.

Safer roads through solar wireless broadband

Powered by the sun, Motorola's point-to-multipoint wireless broadband solution is helping to keep people in Michigan, U.S., safe with lower environmental impact. A team installed a pilot site at the Cut River Bridge to enable the Michigan Department of Transportation to remotely monitor stress exerted on the bridge by traffic and high winds.

Mounted on a 70-meter pole fitted with 10 solar panels generating 1.8 kilowatts of power, the system sends stress data and information from environmental and traffic sensors and closed-circuit TV cameras back to a control center at the Mackinac Bridge 25 miles away. The system demonstrated how solar power can enable the latest technology to be installed in challenging locations, helping make transport systems more efficient and improving public safety.

Wind- and solar-powered radio services for first responders

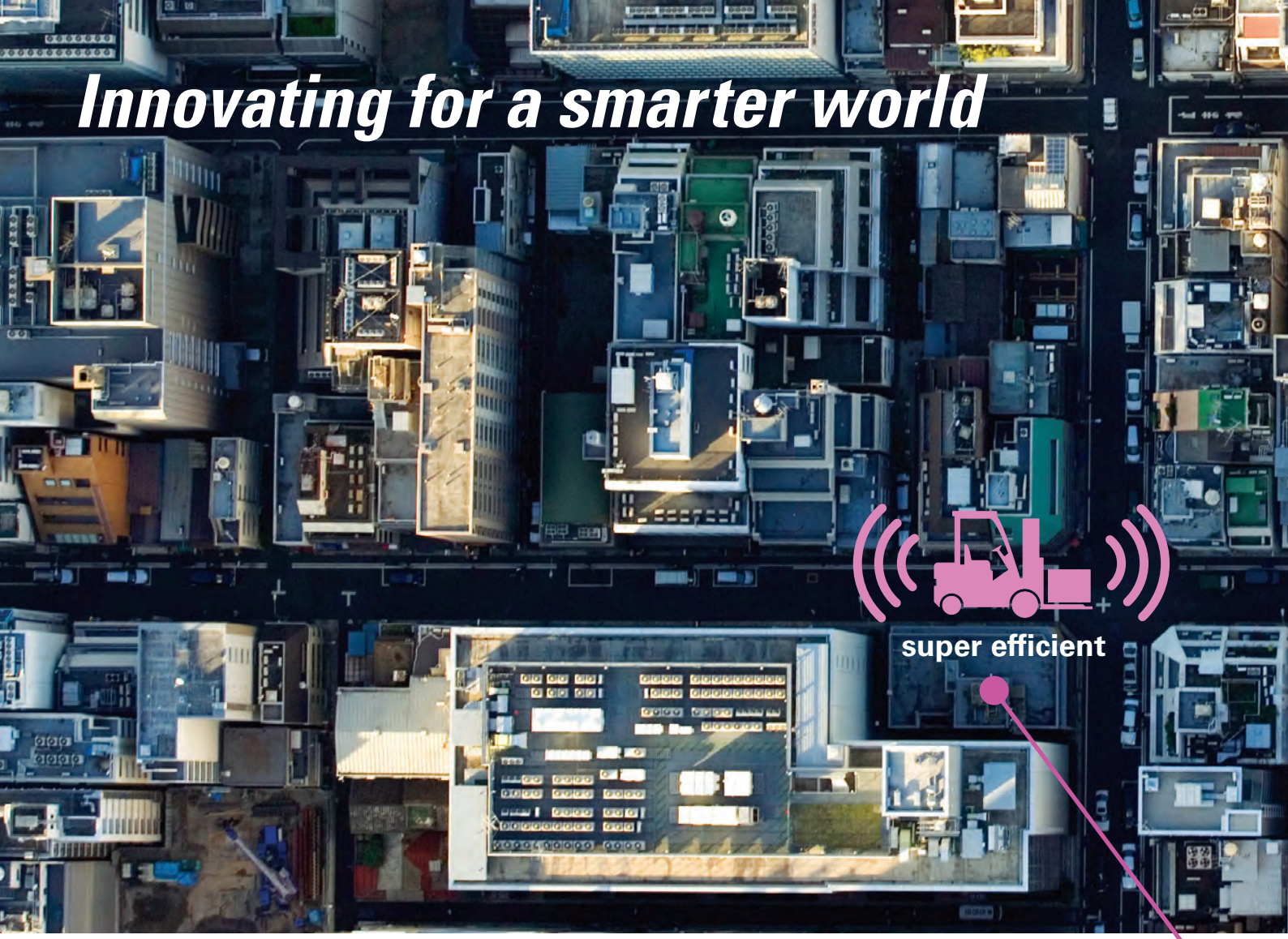
First responders require cutting-edge communications technology they can rely on in an emergency.

In 2009, Motorola was contracted to provide radio services for police, security, fire and ambulance crews operating across 3,200 square miles of desert in the U.S. The team began by locating the most suitable location for the base station – a remote piece of land perched on a cliff top. About a one-hour drive from the nearest paved road, the site needed to use its own reliable source of power that requires minimal maintenance. Motorola used our significant experience in providing off-grid energy to design a solution.

Four wind turbines and an array of solar panels provide all the system's power, avoiding the need to build power lines or a road to bring fuel to the site. Independence from the grid means the base station will continue to operate in the event of power cuts during large-scale emergencies. This alternative power system is highly reliable and saves money by lowering future energy costs, as well as eliminating the high price of bringing the power grid to the installation site.

The system is now fully operational, helping emergency services teams do their jobs with less impact on the environment.

Innovating for a smarter world



Low carbon, highly intelligent and super efficient. This is the future of the markets where we provide the innovative communications solutions that enable people, businesses and governments to be more connected and more mobile.

We are responding to these market shifts. Motorola plays an important role in reducing the carbon emissions of customers, primarily by helping to improve their efficiency. Our technologies, for example, streamline supply chains with radio frequency identification (RFID), avoid wasted journeys with integrated global positioning systems and can enable more secure and coordinated smart grids.

According to research by non-profit The Climate Group and industry group the Global eSustainability Initiative, the Information Communications Technology sector could reduce global CO_2 emissions by 15 percent and save industry $750 billion in annual energy costs by 2020.

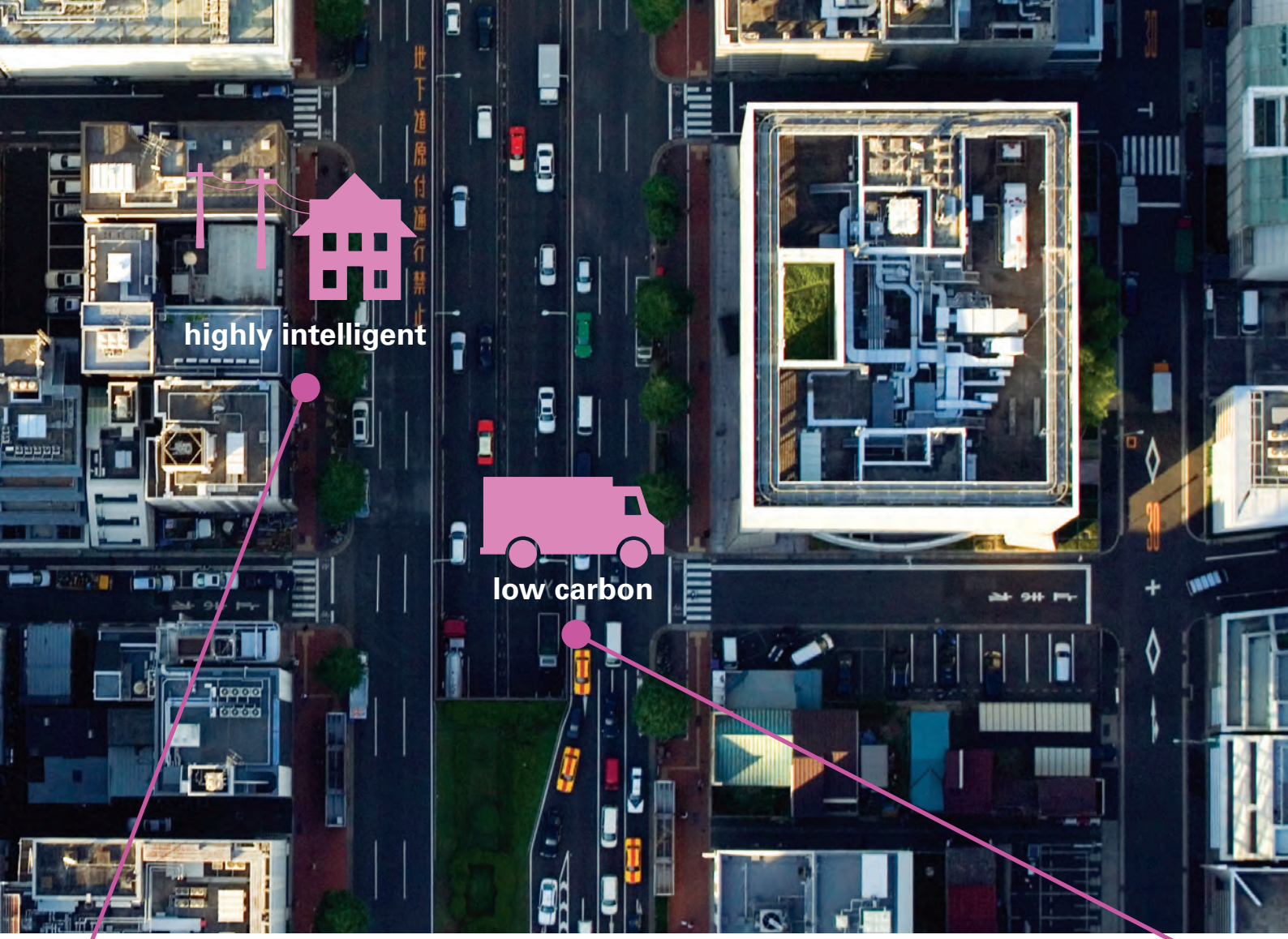
More efficient operations through RFID

Motorola RFID technology helps our customers save money and reduce their environmental footprints by making distribution and operations more efficient, reducing energy consumption and eliminating waste.

RFID uses radio frequency energy to read information stored on tags.

Unlike a bar code system, RFID tags can be read from a distance without being visible. The tags are easily updated and can be attached to stock crates, vehicles and many other items requiring control. Automatic identification of tags by our fixed or handheld RFID readers provides constant monitoring of material movements.

RFID technology used in supermarkets prevents waste by giving managers information on sell-by dates of perishables, preventing unnecessary reordering. Logistics companies can use RFID to coordinate pick-ups and deliveries, helping ensure their trucks don't travel empty, saving fuel and reducing CO_2 emissions.



Smarter energy grids

Motorola is involved in pilot projects with U.S. utility companies to tackle waste in the electricity generation and distribution system. Our wireless broadband technology can help to create "smart grids," making our energy system less wasteful, more flexible and more secure.

Smart grids work by using broadband communications to provide a continual flow of data for utilities to monitor energy production, distribution and consumption and allocate resources more efficiently. They also help consumers and businesses to monitor their consumption and cut energy waste. For example, smart meters in homes can receive pricing and consumption information automatically from utilities to make people more aware of their energy use. Consumers can choose to consume energy when rates are lower and use programs to automatically control heating and air conditioning and other energy consuming devices, such as pool pumps and water heaters. By reducing strain on the grid during peak times, utilities can avoid making costly capital investments to increase grid and generating capacity. The savings then can be passed to consumers. Smart grids also may be linked to many power sources, supporting the integration of new, clean, distributed energy sources such as wind or solar power.

In 2009, Australian energy distributor SP AusNet chose Motorola to supply mobile broadband technology to power the world's first WiMAX smart metering program. The equipment will help to monitor and reduce electricity use for more than 680,000 customers in the state of Victoria.

Over four years we will deploy WiMAX WAP 650 base stations that will send real-time information about use patterns to SP AusNet and will provide a fast and reliable communication network for the company's field operatives.

WiMAX is particularly suited for smart grid applications as it can cover large areas and is extremely reliable, thus requiring minimal maintenance.

More efficient trucking

Our GPS products make distribution more efficient by helping truck drivers navigate to their destinations, avoiding traffic and cutting fuel use and CO_2 emissions.

Motorola powers the world's first WiMAX-based electric utility smart metering for SP AusNet

Cutting lifecycle impacts

The impact of individual electronic products is small but collectively can be significant. It is vital that environmental innovation keep pace with rising demand for electronic equipment.

Markets are demanding ever-greener products. Our strategy is to ensure that our new devices consume less energy than earlier models, use environmentally preferred materials and can be easily recycled. Our take-back programs around the world collect electronic equipment for reuse and recycling.

Recycling

Recycling, and using recycled materials, saves energy, prevents waste and protects the environment. Making our products easy to disassemble and recycle is integral to our design strategy. For example, all our mobile phones meet or exceed the recyclability target of 65 percent set by the European Union (EU).

In 2009, we collected more than 5,100 tonnes of electronic equipment waste for recycling, doubling our 2008 results.

This includes take-back programs, both regulated and voluntary; internal electronics recycling efforts; and external electronics recycling events sponsored by Motorola.

By law, we are required to take back and recycle our products in the European Union and the European Economic Area. Our commitment goes beyond legislation and has worldwide reach. We offer or participate in take-back programs in many other countries around the world.

Mobile phones
We offer or participate in recycling programs for mobile phones in 70 countries, covering more than 90 percent of our global mobile phone unit sales.

We encourage mobile phone recycling by:
- Enclosing millions of prepaid return envelopes with new products
- Providing prepaid postage labels on our website
- Encouraging recycling through charity take-back programs
- Holding electronics collection events at our facilities for employees and local communities
- Offering periodic incentives such as product discounts
- Participating with governments and other companies in take-back events and promotions
- Placing collection containers in our service centers
- Partnering with industry and communities in programs such as Mobile Muster in Australia, Green Box in China, Plug in to eCycling in the U.S. and Recycle My Cell in Canada

Other products
In the U.S., we have expanded our recycling programs to include other devices such as Motorola-branded cordless phone units, modems and routers, and in 2009, we launched a formal take-back program for Motorola-branded enterprise mobility equipment, including mobile and portable two-way radios; handheld mobile computers; barcode scanners; imagers; in-vehicle mobile workstations; accessories; network infrastructure equipment; and computers, laptops and monitors.

Designed to last
Our enterprise mobility customers keep our devices between four and 12 years. We design these products to last in extreme working conditions, and we provide software upgrades to extend their lifespan. Such durability helps reduce demand for raw materials.

Set-tops and modems have extended lifecycles as they can be used by more than one customer. If a user upgrades to the latest model or cancels a subscription, the product is normally refurbished by Motorola or our customer and fitted with the latest software. It can then be leased to a new subscriber, extending the life of the set-top or modem by two to three years.

Eliminating substances of concern

We are reducing the amount of hazardous substances in our products and seeking environmentally sound alternatives that meet our performance and quality standards. We continually update a list of materials based on Motorola research and the results of independent scientific reviews of the environmental and health impacts of materials conducted regularly by agencies such as the International Agency for Research on Cancer (IARC) and the World Health Organization (WHO).

We have voluntarily extended our compliance with the European Union's directive on the restriction of hazardous substances (RoHS) to many of our products, including newly designed Motorola mobile phones, IP set-tops, cable modems and professional and public safety two-way radio products, as well as many of our mobile and wireless products for the enterprise market, regardless of where they are sold worldwide.

We are researching alternatives to polyvinyl chloride (PVC) materials, phthalates and brominated flame retardants (BFRs) in our mobile phones and accessories. In 2009, this enabled us to launch our first PVC- and BFR-free mobile phone (the MOTOCUBO A45 Eco) as well as wall and car mobile phone chargers. Since 1 January 2009, we have removed PVC from all of our mobile phones, and the majority of our phones have BFR-free rigid printed circuit boards. We expect to meet our goal of eliminating these substances for all new designs introduced after 2010.

Packaging

We are shrinking the weight and volume of our product packaging, cutting the use of resources and saving energy when we ship our products. We also are expanding our use of recycled materials.

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

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

Standard packs
Our Mobile Devices and Home business is improving product packaging for standard packs by:

- Reducing the volume of standard packs
- Limiting to one pass through the printing press
- Eliminating special finishing processes such as foils, UV spot varnish, embossing and colored inside liner
- Using water-based inks and varnishes

Where regulations and customer requirements allow, we are replacing printed manuals with online instructions. This can significantly reduce the size of the product box as well as the packaging and energy used in transportation.

We have made significant progress with our mobile phones, including reducing the average weight of packaging by 50 percent since 2003.

Our mobile phone packaging now:

- Is 100 percent paper-based, eliminating plastic insert trays
- Contains at least 70 percent recycled content
- Reduces average material by 18 percent per redesign
- Uses single-piece structural design to reduce complexity, which reduces the amount of waste during manufacture
- Packs 1,400 phones per pallet, up from 300
- Excludes manuals from bulk shipments to save weight, with booklets added locally or provided online

We are improving product packaging for enterprise mobility products by:

- Reducing product packaging to minimize bulk volume of shipments to customers
- Providing alternative bulk packaging solutions
- Ensuring all packaging materials are identified with internationally recognized symbols to facilitate recycling
- Establishing a scorecard to assess the entire supply chain in implementation of green packaging initiatives

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We follow these environmentally conscious design principles:

- Use environmentally preferred materials
- Increase the use of recycled materials
- Improve energy efficiency
- Reduce packaging
- Increase the recyclability of our products
- Go beyond compliance

MADE FROM 25% POST-CONSUMER RECYCLED PLASTIC AND CERTIFIED CARBONFREE

CASE STUDY

Greener by design

How Indian hydroelectric power, Nicaraguan rainforests and recycled water-cooler bottles are helping us make greener connections

"At Motorola, we look at the whole picture when it comes to the environment," explains Bill Olson, director, office of sustainability and stewardship, Motorola Mobile Devices. "That means striving to make every product greener, from the moment it's made, right through to the end of its life."

Using environmental expertise built on decades of research, Motorola is helping people to do more with less impact on the planet. We are cutting greenhouse gas emissions by implementing energy-saving measures, purchasing green power and using recycled materials in our mobile phones.

"We are redesigning our packaging to cut down on our use of natural resources and to reduce transportation emissions. And we are creating energy-efficient phones and chargers that are highly recyclable," says Olson.

Breaking the mold

In 2009, Motorola launched two green phones, pushing the boundaries of eco-innovation and marking the next milestone on our journey to sustainability excellence.

"Following the award-winning breakthrough MOTO W233 Renew – the world's first phone made from recycled water cooler bottles – we designed the MOTOCUBO A45 Eco for the environmentally conscious consumer who likes to get online to surf, blog and use social networks."

The MOTOCUBO features the same high-quality housing as the Renew, made from 25 percent post-consumer recycled plastic. The material, which took four years to perfect in Motorola labs, saves 20 percent of the energy needed to make the phone compared with standard plastic. It also means less landfill waste and encourages more recycling by creating a market for used materials.

"Our best-in-class talk time – up to eight and a half hours – and 350 hours of standby time mean you charge less and conserve more," says Olson.

Working with Carbonfund.org, Motorola offsets the amount of carbon dioxide generated to make, distribute and use both phones through renewable energy and reforestation projects.

"Sales of the A45 Eco help to fund a run-of-river hydroelectric project that generates renewable power from the River Neria in India. Because the project uses the natural flow of the river, there is no need to build a dam, which could harm the environment and communities. MOTOCUBO sales also help fund the restoration of rainforests in Nicaragua, which provide a habitat for rare wildlife," he says.

Motorola's dedication to finding alternative materials enabled the company to eliminate BFRs and PVC from the MOTOCUBO.

"MOTOCUBO is the world's first BFR/PVC-free, Carbon-*Free*-certified phone. The plastic phone housing is 99 percent recyclable, and an in-box postage-paid recycling envelope makes it easy to return your previous mobile phone for recycling at no cost," says Olson.

OUR MANTRA FOR MOBILE PHONE PACKAGING IS SIMPLE: MAKE IT SMALLER, USE LESS PAPER, USE ONLY PAPER

90% LOWER STANDBY ENERGY USE THAN U.S. EPA ENERGY STAR STANDARD

Energy-efficient chargers

Most of the energy used during the use phase of a mobile phone's lifecycle is wasted when the charger is left on standby (plugged in, but not in use). Since 2000, Motorola has reduced the average standby power of its chargers by at least 70 percent, and the new EcoMoto™ wall charger consumes just 0.03 watts on standby, 90 percent better than the current Environmental Protection Agency ENERGY STAR standard.

"If all mobile phone owners around the world used our EcoMoto™ wall charger, the energy savings would power 200,000 homes annually," says Olson.

The wall charger and the new EcoMoto rapid car charger are certified Carbon*Free*. After reducing energy use as much as possible, Motorola offsets the rest through the Carbonfund.org. The chargers are BFR- and PVC-free.

In addition to being energy efficient, the EcoMoto chargers use a mini-USB or micro-USB connection, which makes them compatible with a wide variety of phones and devices. This approach is aligned with the GSM Association's efforts to reduce the number of chargers needed each year by creating a "universal charger" that is compatible with the phones made by leading manufacturers.

Motorola has REDUCED the average standby power of its mobile phone chargers by at least

70%

Packaging

Motorola is on a mission to make its packaging greener. "Our mantra for mobile phone packaging is simple: make it smaller, use less paper, use only paper," explains Olson.

"So far we've halved the volume of our standard packs, and we've removed virtually all plastic from our mobile phone packaging. At a minimum, they are made of 70 percent recycled material," he says.

The packs also are designed to fit all products and have a removable sleeve that can be customized. This cuts down on waste as any leftover boxes from one phone can be used for other models.

"Smaller packs don't just save paper; you also can fit more per truckload, reducing the fuel needed to ship them around. You can fit almost five times as many per pallet of the new micro pack, compared to our previous standard pack," says Olson.

Where possible, we are reducing the environmental impact of printing the packs by using only one pass through the printing press for the packs (saving energy and cutting waste); eliminating special finishing processes such as foils, UV spot varnish and embossing; and using water-based inks and varnishes (avoiding the use of environmentally damaging solvents).

All in-box materials for the MOTOCUBO and Renew are printed on 100 percent post-consumer recycled paper using vegetable-based inks. The EcoMoto charger packaging is printed on 100 percent post-consumer recycled materials.

"I am really proud of what we've achieved in making our products and packaging leaner and greener over the past decade. With more and more eco-conscious consumers asking for green products, we will keep innovating to help them do more with less impact on the planet," says Olson.

Raising supply chain standards

Efficient supply chains that conform to high labor and environmental standards are essential for our success, and we work to ensure that our standards are met.

As we invest in emerging markets, bringing much-needed jobs and economic development, we take steps to ensure suppliers respect workers' rights and the environment.

We apply the same levels of innovation to managing our relationships with our suppliers as we do to devising our products. Our co-leadership of the supply chain working group of the Global e-Sustainability Initiative (GeSI), an industry collaboration, has helped us advance our supply chain management, while simultaneously building the capabilities of our suppliers to better their social and environmental performance.

Our supplier code of conduct sets out the standards we expect, and we monitor compliance using a self-assessment questionnaire developed with GeSI and detailed on-site audits targeted according to risk. We conducted 40 on-site audits in 2009.

In recognition that poor labor and environmental practices can occur in the lower tiers of our supply chain, we include language in our supplier agreements with tier-one suppliers (suppliers from which we buy directly) that requires them to monitor the corporate responsibility performance of their suppliers. In collaboration with our tier-one suppliers, we participate in joint audits of companies in their supply chain.

We want our suppliers to succeed, and we work with them to correct issues identified through our audits, providing feedback and training to help them build their own robust policies and compliance programs. In 2009, we held six training sessions in China, Israel, Singapore and Taiwan, attended by representatives from more than 165 supplier companies. In line with our strategy to move away from monitoring to focus our resources on capability building, the training went beyond raising awareness of our supplier code to provide guidance on how suppliers can establish their own programs to manage worker rights and environmental impacts.

To reach a greater number of suppliers, we are developing an online training program that replicates the classroom sessions.

Our supplier code of conduct in summary

SUPPLIERS ARE EXPECTED TO:

- Comply with the law
- Reject corruption
- Not engage in unfair business practices
- Not discriminate
- Prohibit harsh or inhumane treatment
- Not use forced labor or child labor
- Allow workers to choose to join an association or bargain collectively
- Avoid excessive overtime
- Pay workers wages and benefits that meet basic needs
- Operate a safe and healthy work environment
- Operate an environmental management system
- Disclose materials contained in the products they supply
- Adopt or establish a management system that supports this code

Mining of metals

Motorola is concerned about poor social and environmental practices at some mine operations around the world. Mining activities that fuel conflict are unacceptable.

The mining and processing of metals used in electronics has been linked to poor labor and environmental practices. In the Democratic Republic of the Congo (DRC), revenue from illegal mines producing coltan, a raw material for tantalum that is used in capacitors, is fuelling conflict in the country.

We don't buy these materials directly, and we have taken steps to ensure we don't use materials containing tantalum derived from illegally mined Congolese coltan. Motorola requires all of our suppliers of tantalum-containing capacitors to verify, in writing, that capacitors sold to Motorola do not contain tantalum derived from illegally mined Congolese coltan.

Collaborating to bring transparency

Motorola is part of the Global e-Sustainability Initiative (GeSI) and Electronic Industry Citizenship Coalition (EICC) extractives workgroup that aims to bring greater transparency to the mining industry.

In 2009, the workgroup launched a project to identify sources of specific minerals and to bring greater understanding of how minerals move through their lifecycles – from mine to electronics manufacturing.

This project will be complemented by ITRI's Tin Supply Chain Initiative (iTSCi) that aims to develop a due diligence plan for tin minerals sourced from the DRC. ITRI is a non-profit organization representing the tin industry.

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Q: Are your monitoring programs sufficient for your vast supply chain?

A: We focus our monitoring program on direct-materials suppliers that pose a high risk and those with which we want to establish deeper, longer-term relationships. We are also joining forces with others, developing a common set of tools and processes through the Global e-Sustainability Initiative.

Q: How do you ensure high standards further up your supply chain?

A: We believe the most effective way to improve standards is by working with suppliers from which we buy directly and by influencing them to develop their own supply chain programs. We audit sub-tier suppliers in response to specific reports. We are providing training to our tier-one suppliers to help them establish their own programs to manage worker rights and environmental impacts.

Working with diversity suppliers

We work to include diversity suppliers (businesses owned by women and minority groups) in our supplier selection process.

In the U.S., the government and many of our business customers require that we source from diversity suppliers. Beyond compliance, we recognize that supplier diversity promotes innovation and creativity and allows us to meet the needs of customers and consumers around the world.

Our supplier diversity team identifies diversity-owned businesses that can potentially bid on procurement opportunities. We have set goals to increase the proportion of our procurement spend with diversity businesses.

In the U.S., we work with diversity suppliers to make sure they are aware of opportunities to supply Motorola. Outside the U.S., where definitions of diversity suppliers vary, we work with local diversity organizations to identify minority categories and to contact diversity suppliers. For example, we are a member of the National Minority Supplier Development Council's international advisory committee. The committee is helping to develop organizations in Australia, Canada, China, South Africa and the U.K. that will certify ethnic minority-owned businesses in those countries.

Since January 2004, we have spent more than $2.1 billion with diversity suppliers. Our supply base includes diversity suppliers in China, India, Malaysia, Singapore, South Africa and the U.S.

READ MORE » motorola.com/supplierdiversity

Connecting the unconnected

Motorola technology is connecting communities to the Internet for the first time – supporting health care, public safety and education, and boosting emerging economies.

The Internet brings huge benefits to communities. Access to information spurs a new generation of entrepreneurs; medical centers can instantly share patient information and can streamline their appointment booking systems; and schools can conduct teacher training remotely, making scarce resources go further.

Many communities in emerging markets have been denied Internet access due to a lack of fixed-line infrastructure and the high cost of getting connected. Our wireless broadband technologies can be deployed quickly and cheaply, overcoming these barriers and bringing fast Internet access to thousands of people.

As well as connecting the unconnected as part of our core commercial activity, we donate money, equipment and expertise to support projects that help increase access to telecommunications.

WiMAX deployment
Our WiMAX technology has been deployed in 22 Pakistani cities, tripling the number of broadband lines from 100,000 to 300,000 over the last two years.

Motorola WiMAX also was deployed in Jordan, Saudi Arabia and the United Arab Emirates in 2009; Brazil, Mexico and Thailand in 2008; and Bahrain, Chile, Malaysia, Uganda and Vietnam in 2007.

Creating digital cities in emerging markets

Motorola wireless broadband technology is helping to digitize cities in Central and South America, providing low-cost Internet access and improving public services.

Paraguay
With temperatures swinging between -1˚C and 50˚C, and faced with huge distances between villages, ChacoNET needed to use the most innovative technology to connect the Chaco region in Paraguay. ChacoNET chose Motorola's wireless technology to bring Internet coverage to more than 130 villages across a 5,200 square mile area. Internet access has brought huge benefits to the region. For example, farmers are able to check the market prices of cattle and other farmed products during the rainy season when the roads become impassable and they are unable to reach the main towns to find out this information.

Brazil
Municipal governments in Brazil are using Motorola technology to give residents free access to the Internet. In 2009, they completed projects to connect:

- 140,000 residents and more than 100 schools in the coastal city of Parnaíba
- 100,000 people in Cidade de Deus, a disadvantaged suburb of Rio de Janeiro
- 10,000 residents of the Santa Marta community in Botafogo, in the south of Rio de Janeiro

Internet access is enhancing education in these communities by enabling students to learn online and teachers to receive training using videoconferencing facilities. The networks are improving health services by enabling the public to make appointments online and doctors to access patients' health records. Local businesses benefit from access to market information and new customers.

Boosting education in South Africa

Connecting underprivileged students
Using Motorola's technology, distributor Comsol connected Ekurhuleni East College and its five campuses, creating a centralized network that enables the institution to share resources and reduce communication costs.

Located in South Africa's Gauteng province, Ekurhuleni East College for Further Education and Training (EEC) is the result of a merger between five technical colleges that serve underprivileged communities in township areas. The institute aims to prepare its students for the labor market by offering programs that teach theoretical knowledge as well as practical skills.

Motorola's Point-to-Point wireless Ethernet bridges deliver high-speed communication across vast distances at a fraction of the cost of alternative technologies, enabling the institute to share resources and overcome problems caused by a shortage of specialist lecturers.

Fostering collaboration and creativity
Motorola collaborated with the Meraka Institute in South Africa to set up a demonstration broadband network connecting 10 schools scattered in a radius of 250 miles. The Institute is a state-run organization that promotes the use of technology to improve education.

As well as giving students access to the Internet, the network enables the schools to share precious teaching resources, provide remote teacher training and conduct online administration and admissions.

The trial worked so well that the Meraka Institute is planning to expand the network to another 150 schools in the area and to set up a similar system in two other provinces.

Enhancing health care

Phones for Health
A public-private partnership that brings together corporations working in close collaboration with ministries of health, global health organizations and other partners, Phones for Health uses the increasing mobile phone coverage in the developing world to strengthen health systems. A mobile phone-based application allows health workers in the field to file patient reports and check medicine supplies, speeding responses to disease outbreaks and medicine shortages. The mobile phone transfers the data to a central database, where the data is mapped, analyzed and immediately available to health authorities, allowing rapid intervention for those at risk. The program currently is in development in Kenya, Rwanda and Tanzania.

Telemedicine
Our wireless broadband technology is helping to plug health care gaps in the developing world by connecting remote medical centers with main hospitals.

For example, in 2009 Motorola worked with the South African State Information Technology Agency (SITA) to design and install a broadband network to make scant medical resources go further in the country's Limpopo province.

The network connects four remote clinics with the main hospital in Polokwane where the majority of the province's doctors work. It enables the doctors to diagnose illnesses and instruct nurses at the clinic in how to treat patients. This means that people can receive treatment at local clinics rather than having to make the long journey, often on foot, to the main hospital.

SITA had previously tried other technologies including satellite, but these lacked power and were too expensive to run. Motorola's technology overcame these problems. The project has been so successful that SITA plans to expand the network to cover an additional seven hospitals.

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Supporting our communities

Motorola volunteers take care of trees that will be used in reforestation efforts for Mexico City and surrounding areas

Our responsibilities as a global business extend well beyond our mission to provide essential communications solutions. Supporting underserved communities through our skills and resources is an integral part of our commitment to society.

We donate money, time and equipment to support underserved communities where we operate. Our community investment is focused on supporting basic education needs and inspiring students to embrace science, technology, engineering and math (STEM); supporting local communities and those affected by disaster; and protecting the environment.

In 2009, Motorola and the Motorola Foundation invested $18.4 million to support community programs. In addition, our employees gave $3.1 million in volunteer donations.

Global Day of Service

More than 8,000 employees volunteered for 350 service projects in 42 countries during our fourth Global Day of Service. The theme for the day was "Green & Global," supporting environmental sustainability.

To support this theme, at least one tree was donated to Carbonfund.org for every Global Day of Service volunteer. More than 25,000 trees will be planted on behalf of Motorola in five areas of the globe requiring reforestation: China, India, Mexico, Peru and the U.S.

Education

Innovation Generation grants

In 2009, the Motorola Foundation committed $5.5 million through our U.S. Innovation Generation grants. These focus on STEM education, especially for girls and underrepresented groups. Innovation Generation funding is designed to inspire students to learn about science and generate interest in science-related careers.

We convened our first Innovation Generation conference in 2009, bringing together more than 100 grantees and leaders in STEM education to share best practices, leverage resources and cultivate an informed frontline of advocates to move the U.S. STEM education agenda forward. Our grantee portal extends grantee collaboration beyond the conference.

Motorola is a company of engineers and scientists, with employees who are eager to encourage the next generation of inventors. Hundreds of employees volunteer as robotics club mentors, science fair judges and math tutors. In 2009, we launched the "Innovators" employee volunteer program, which pairs a Motorola employee with each of the non-profits receiving Innovation Generation grants, providing ongoing support for grantees beyond simply funding their projects.

Project Hope

Many children in rural China have to leave school due to high fees, inadequately resourced schools and to help their families earn money for basic needs. Since 1994, Motorola and the Motorola Foundation have helped more than 30,000 children in rural China return to elementary school through Project Hope, a social welfare program run by the China Youth Development Foundation. We have donated more than $7.5 million to construct 108 Motorola Hope Schools in 25 provinces, to equip multi-media labs and to train more than 2,000 teachers.

Disaster relief

Motorola joins humanitarian organizations to address critical needs of communities around the world. In 2009, Motorola, its employees and the Motorola Foundation provided $430,000 in disaster relief for the earthquake in L'Aquila, Italy; the Red River Valley flooding in North Dakota, U.S.; the refugee crisis in the Swat Valley of Pakistan and the bush fires in Victoria, Australia.

Public safety

In 2009, the Motorola Foundation provided $2.2 million in grants to support public safety workers, communities and families. For example, our investment helped to support the families of first responders who are killed or injured on duty, provide first responder training and bolster local community safety needs through crisis hotlines and volunteer fire departments support.

Environment

In 2009, we donated $1.1 million through the Motorola Foundation to support environmental education and conservation. Project support ranged from a green science camp for girls from low-income families to a teacher training program focused on sustainable design.

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Protecting consumer safety and privacy

Making our products safe and maintaining high standards of privacy protection are keys to earning the trust of our customers and consumers.

Mobile technology and health

Some people may be concerned about radio frequency (RF) energy transmitted from mobile phones, network antennas and two-way radios.

We respond to these concerns by communicating our approach to product safety and raising awareness of the latest independent research on the relationship between RF energy and health.

Research on RF energy and health dates back more than 50 years. Numerous expert panels and government organizations around the world have consistently concluded that products that meet internationally recognized safety standards for exposure to radio waves pose no known health risk.

All our products comply with international safety guidelines for RF energy exposure. These standards provide wide margins of protection for users and the public.

Protecting privacy

We believe that people have the right to control their personal information, determining how it is collected and used.

We are committed to protecting the privacy of those who submit personal information to Motorola. We train our employees on our privacy policies and practices, and we provide additional support for people whose jobs involve handling personal information. We work closely with third parties handling personal information on our behalf to ensure that the highest privacy standards are maintained.

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Q: How do you ensure compliance with RF exposure safety standards?

A: Motorola products are designed, manufactured and tested to meet national and international requirements for consumer safety and performance. Independently accredited testing labs in Motorola facilities in China, Malaysia and the U.S., and approved certification labs in China, Germany, Taiwan, the U.K. and the U.S., ensure compliance with specific absorption rate (SAR) standards for exposure to RF energy before wireless devices and accessories are placed on the market. We require our suppliers to also meet these requirements.

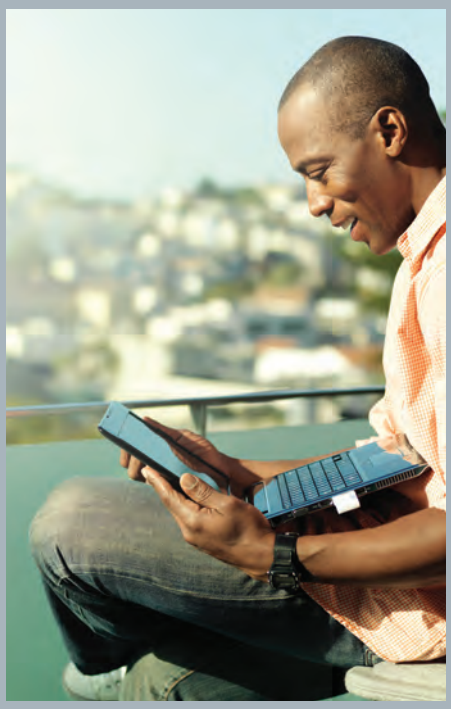
Q: How do you protect privacy for customers using your products?

A: Our products are designed to protect the privacy and security of users. We include technology to guard against external interference and provide encryption of voice data on mobile phone networks. Our mobile phone user manuals provide information about privacy and security risks, highlighting privacy and security protection functions.

Digital storage devices such as mobile phones can retain a large amount of personal information even when users believe they have erased it.

To address this challenge, we have developed "data shred" technology for several of our mobile phones and continue to expand this technology in devices that store large amounts of data. Motorola CLIQ™ and DEXT™, launched in 2009, use MOTOBLUR™ technology to continually back up the data stored on the phone to a remote server, which means the user's personal information and files are protected, even if the phone is stolen.

Motorola profile



Enterprise Mobility Solutions and Networks

Mission-critical communication tools, mobile computing, advanced data capture, wireless infrastructure and RFID systems

- Two-way radio systems support mission-critical government and public safety networks, helping to keep first responders safe. Two-way radios can be programmed remotely, keeping first responders on patrol longer and reducing return journeys to base.
- Wind- and solar-powered base stations provide radio services for first responders in remote locations.
- Hydrogen fuel cell back-up power systems offer reliable, environmentally friendly energy for TETRA base stations.
- Traffic management technology reduces road congestion and environmental impacts.
- Mobile computing devices and bar code scanners reduce environmental impact by significantly improving efficiency throughout our customers' operations and supply chains.
- RFID technology cuts fuel use, reduces waste and increases efficiency of supply chains.
- GPS equipment helps drivers navigate to their destinations, saving time and fuel.
- WLAN adaptive architecture enables controller-less branch offices with remote network management and troubleshooting, as well as load balancing of 802.11n power requirements, helping customers reduce their carbon footprints by minimizing travel, power consumption and hardware obsolescence.

Broadband access systems

- Cellular base stations can operate at higher temperatures, minimizing or eliminating the need for air conditioning, and feature technology that varies power use depending on demand.
- Wind- and solar-powered base stations can be deployed in developing countries and remote locations with limited access to grid electricity.
- Wireless broadband provides rapidly deployed Internet access, leapfrogging fixed-line (buried cable) infrastructure in developing countries, supporting health care, public safety and education, and boosting emerging economies.
- Wireless broadband can help to create "smart grids," making our energy system less wasteful, more flexible and more secure.

Mobile Devices and Home

Mobile phones and accessories, digital video solutions and interactive set-tops, voice and data modems

- The MOTO W233 Renew is the world's first mobile phone with a plastic housing made of recycled water cooler bottles.
- The MOTOCUBO A45 Eco is the world's first BFR/PVC-free, carbon-free phone and our second phone with housing comprised of recycled water cooler bottles.
- Our latest wall chargers drastically reduce energy wasted in standby mode, with power rates of just 0.03 watts, 90 percent better than the current EPA ENERGY STAR standard. Software in most of our newly designed mobile phones reminds users to unplug their chargers after use.
- Mobile phones boost gross domestic product and enable entrepreneurship in developing countries.
- Set-tops use advanced power management technology, reducing energy use compared to previous models.
- Motorola has eliminated the suspension plastic and reduced the box size of cable modems. They also can be refurbished, installed with the latest software and reused, thereby extending their useful life.
- Passive optical LAN (POL) solutions eliminate energy-intensive traditional LAN architectures. For example, a small enterprise can potentially reduce LAN energy dependency by 40 percent and a large enterprise by as much as 60 percent, making POL a more environmentally preferred, next-generation all-fiber LAN solution.

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We welcome your comments and feedback.

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