By applying our talent, ideas, skills and inspiration, we are making a difference worldwide.

Scott A. McGregor
President & Chief Executive Officer, Broadcom Corporation
President, Broadcom Foundation
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Broadcom Foundation Mission

To Advance Science, Technology, Engineering and Mathematics (STEM) Education by Funding Research, Recognizing Scholarship and Increasing Opportunity.
II Broadcom Foundation Leadership

Scott A. McGregor
President

Paula Golden
Executive Director

Gregg S. Morrison
Chief Financial Officer

Maria Wronski
Treasurer

Lauri D. Fischer
Secretary

DeAnn Work
Assistant Secretary

Foundation Board of Directors
Scott A. McGregor
Eric K. Brandt
Arthur Chong
Henry Samueli, Ph.D.
Terri L. Timberman
III Joint Message from Broadcom Foundation President and Executive Director

April 30, 2013

Friends,

In 2012 Broadcom Foundation continued to lead the way in advancing Science, Technology, Engineering and Mathematics (STEM) education throughout the globe.

In addition to visiting campuses and providing support for innovative research around the globe, the STEM University Committee established the Broadcom Foundation University Research Competition. Twelve graduate students from renowned universities competed for cash prizes at the 2012 Broadcom Technology Conference where 400 leading Broadcom engineers interviewed the competitors and cast their votes for each project as to its innovation, presentation and benefit to society as a whole. In successive years, this competition will become known for the prestigious awards it bestows upon the finest engineering talent in the world.

The Broadcom MASTERS continues to receive accolades from every corner. In February President Barack Obama invited two of the MASTERS Class of 2011 to attend a White House ceremony honoring their achievements in science and engineering. Building upon the success of the Broadcom MASTERS, the Broadcom Foundation spearheaded the first Broadcom MASTERS International in May. Eighteen middle-schoolers from 11 countries traveled to the International Science & Engineering Fair in Pittsburgh, Pennsylvania, where they made lasting friendships with students from other countries and envisioned bright futures as scientists, engineers and innovators.

In order to help close the STEM teaching and learning gaps, the Foundation expanded the reach of its Broadcom Summer Science Institute to provide middle school teachers and after-school program hands-on, project-based learning experiences.

Developing more robust, integrated community engagement programs throughout the many Broadcom facilities worldwide, the Community Engagement Committee expanded its reach with both strategic gifts and volunteer activities that are beneficial to Broadcom employees and to communities where they live and work. The entire Foundation Board wishes to congratulate the 2012 Broadcom Community Heroes whose selfless commitment to their communities is emblematic of the values of the entire company.

With Best Wishes,

Scott A. McGregor
President

Paula Golden
Executive Director
IV Broadcom Foundation Goals

• Advance STEM education, from kindergarten through university post-graduate level.

• Increase the number of engineers entering the workforce by supporting academic inquiry and fostering programs to inspire youth to pursue careers in engineering.

• Create opportunities to expand access to STEM education and close the STEM education gap among women, ethnic and minority populations.

• Inspire philanthropic and civic engagement by Broadcom Corporation employees in their communities through awareness, volunteerism and direct participation in the mission and goals of the Broadcom Foundation.

• Align the values and culture of the Broadcom Foundation and Broadcom Corporation to strengthen social responsibility and global citizenship.
V Broadcom Foundation Commitment To STEM Education

The fields of science, technology, engineering and mathematics (STEM) are collectively considered core underpinnings of an advanced society and an indicator of a society’s ability to sustain itself and prosper. To this end, the primary mission of the Broadcom Foundation is to advance STEM education.

The Broadcom Foundation supports programs that will inspire, train and deploy the next generation of scientists and engineers who will take on the grand challenges of this century and beyond. Our children deserve our best efforts to right the ship in STEM education and to provide them with the tools they need to be successful in work and life.

Improvements in STEM education require total commitment of a wide range of stakeholders in the private sector, government, nonprofits, philanthropists, scientists, engineers, educators and volunteers. The Broadcom Foundation fosters partnerships that motivate and inspire young people from all walks of life to excel in science, technology, engineering and mathematics so that they may become the next generation of great innovators.
This year President Barack Obama honored finalists from the 2011 Broadcom MASTERS Class who joined other young science and engineering competitors in showcasing their innovation and ingenuity at the White House. In the fall the Broadcom Foundation joined other corporate foundations in New York for the Global Business Coalition for Education, chaired by Sarah Brown and hosted by her husband and former Prime Minister of Great Britain and United Nations Special Envoy for Global Education, Gordon Brown with opening remarks by United Nations Secretary General Ban Ki-Moon.

The process of educating and inspiring young people is not solely the responsibility of our schools. The Broadcom Foundation teams up with the Samueli Foundation in the National STEM Funders Network and the OC STEM Initiative, whereby stakeholders in business and nonprofit communities leverage resources and information to achieve greater impact on STEM education in schools, after-school and informal learning spaces such as museums, clubs and associations.
VI STEM University

Introduction

Broadcom Foundation’s STEM University Committee provides unrestricted support for STEM scholarship and research at colleges and universities around the world with the goal of fostering innovation, insight and leadership in engineering and related fields. The STEM University Committee established two fellowship programs to advance graduate research at the UCLA Henry Samueli School of Engineering and Applied Sciences and the UCI Henry Samueli School of Engineering.
VI STEM University (cont.)

2012 Broadcom Technical Conference

Broadcom Foundation University Research Competition

In June 2012 the Foundation sponsored the first Broadcom Foundation University Research Competition to inspire and reward innovation in research among graduate students at top engineering universities around the world. Over 500 Broadcom engineers served as judges in a special poster session in Irvine, California, at which the students – twelve finalsts from universities that receive unrestricted support from the Broadcom Foundation – shared and defended their research. Engineers quizzed finalists throughout the two-hour reception preceding the 2012 Broadcom Technical Conference and voted with a special “APP” downloaded to their iPhones or other smartphones that evening. The top three competitors received cash awards from the Broadcom Foundation during a ceremony at the conference banquet.

The competitors and their professors had a special opportunity to visit the Henry Samueli School of Engineering at the University of California, Irvine, where they toured labs and enjoyed lunch at the Faculty Club hosted by Dean Gregory Washington. They also had an inside tour of the Broadcom Demonstration Room to see the myriad of products that integrate Broadcom chips into its technology and hear from one of Broadcom’s top engineers about the experience of working at a world-class Fortune 500® company.
VI STEM University (cont.)

Supporting Research around the World

Broadcom Foundation has expanded its reach this year to fund additional institutions around the world, working closely with faculty to create opportunities for their students to innovate and be recognized for their research. In 2012 members of the committee made special visits to academic leaders in many locations where Broadcom has a presence, including Southern California, Chicago, Illinois, Cambridge and Bristol in the UK, Israel, Beijing, Seoul, Taiwan, Bangalore, Hyderabad and Delhi.
VII  STEM Innovation

Introduction

The Broadcom Foundation’s STEM Innovation Committee identifies programs that achieve quantitative and scalable impacts on STEM education, with special attention given to programs that offer opportunities for Broadcom employees to contribute their time and talent as volunteers, presenters, mentors, judges and educators.

The Broadcom Foundation has established itself as a thought leader in the field of STEM education, leveraging its resources to achieve high impact return in educating the next generation of scientists, engineers and innovators.
VII STEM Innovation (cont.)

The Broadcom MASTERS 2012

The Broadcom MASTERS (Math, Applied Science, Technology and Engineering for Rising Stars), a program of Society for Science & the Public (SSP), is the preeminent national middle school science and engineering competition. Now in its second year, the Broadcom MASTERS is inspiring middle school students from all walks of life to pursue courses throughout high school that will open the door to exciting college and career choices in STEM fields.

The Broadcom MASTERS awards included cash prizes and gifts to competitors and their teachers. Top prizes included the Marconi/Samueli Award for Innovation of $10,000 (a special award made possible with a gift from Marconi Prize winner Dr. Henry Samueli) and the Samueli Foundation Prize of $25,000, a gift from the family foundation of Henry and Susan Samueli.
The Broadcom MASTERS 2012

In 2012 thousands of MASTERS Nominees throughout the United States, Guam and Puerto Rico competed in SSP-affiliated regional and state science fairs, resulting in 300 regional semifinalists and 30 finalists who won prizes for their science classes and an all-expense-paid trip to Washington, D.C., where they showcased their science and engineering projects, competed in STEM challenges as teams, and visited organizations such as the Baltimore Science Museum and U.S. Patent Office.
Local Fairs Recruit Volunteers and Select Nominees

In addition to sponsoring the national Broadcom MASTERS competition, the Foundation provides support to regional SSP-affiliated fairs near Broadcom facilities in Northern and Southern California and throughout the East Coast. Broadcom employees volunteer at local fairs, as organizers and judges. In Orange County, Broadcom volunteers have stepped up to take a leadership role in organizing a fair that brings over 600 future scientists and engineers together to showcase their work and the STEM principles they applied. For many students this may be the first time they have interacted with a discerning adult outside of the home or classroom, and the rewards are tremendous and often life-changing for an impressionable teenager who is seeking his or her academic path.
VII STEM Innovation (cont.)

Broadcom Salute to STEM Teachers

Just as local sports heroes are celebrated on school campuses, Broadcom believes STEM heroes deserve accolades in their classrooms and schools. Moreover, Broadcom believes that teachers who take responsibility for educating the young also deserve recognition for their part in advancing STEM learning through project-based research. In partnership with Elmer’s Products, Deloitte & Touche, and Sally Ride Science, the Broadcom Foundation rewards Broadcom nominees, semi-finalists and finalists with gifts and cash prizes designed to recognize and support their contribution. Deloitte’s regional office funds Sally Ride Career books for 300 teachers of semifinalists. This year Raymond Gilmartin, whose passion for physics and engineering won him the 2012 Samueli Prize, returned to a hero’s welcome before 500 middle school classmates at South Pasadena Middle School. Raymond’s teachers and principal were presented with cash prizes from the Broadcom Foundation and Elmer’s Products.
The Broadcom MASTERS International

Building upon the success of the Broadcom MASTERS, the inaugural Broadcom MASTERS International program brought together young people from around the world who share a passion for innovation in STEM subjects, which will inspire them to stay with math and science throughout high school. Delegates were chosen from SSP-affiliated national fairs in Canada, China (Beijing and Shanghai), India (Bangalore and Hyderabad), Israel, Japan, Korea, Mexico, Singapore, Taiwan and the United Kingdom. Delegates from the United States were chosen from among the finalists at the Broadcom MASTERS.
The Broadcom MASTERS International

The program provided delegates with invaluable insight on how to use their abilities to become innovators and leaders in their chosen fields in academics, NGOs, governments, or at pioneering companies such as Broadcom. Working in teams, they visited Carnegie Mellon University to learn about robotics and visit computer labs. For many students this was their first time on a college campus. The delegates toured sites in the host city of Pittsburgh and competed with other middle school students to engineer a racetrack out of recycled products.

The Broadcom MASTERS delegates also had the rare opportunity to shadow more experienced high school students at the Intel® International Science and Engineering Fair (Intel ISEF) and engage in special Broadcom MASTERS events exclusively designed to enable the development of team-building and leadership skills. Over the intense four-day program, they established enduring friendships that will last a lifetime.
Science Fair Teacher Training and After-School Initiatives

The Broadcom Foundation is developing programs to assist middle school teachers who may lack either knowledge or confidence in science to encourage and guide their students in developing a science or engineering project to be entered in their local science fair. The Broadcom Summer Science Institute provided teachers from various middle schools throughout Orange County, California, with a two-day science fair workshop with 30 teachers. Teachers – who were challenged with their own science fair projects at the institute – returned to their classrooms with both training and greater confidence to assist their students with science projects. Their schools were encouraged to participate in the 2012 Regional Science Fairs.
Science Fair Teacher Training and After-School Initiatives

Building upon the Summer Science Institute, the Broadcom Foundation funded The After School Science Fair Initiative in Orange County in partnership with the Orange County Regional Science & Engineering Fair, participating middle schools, Discovery Science Center, and THINK Together. Twenty students optimized after-school hours to become “science fair ready” – learning the fundamentals of scientific inquiry and the engineering process through project-based learning. They showcased their science projects at the Regional Fair – finding expression for personal learning that may have eluded them in the classroom. Many intend to participate next year.

Massachusetts has long been an important center for science fair innovation, and the Broadcom Foundation partners with the Massachusetts Science and Engineering Fair on teacher training programs and development of science fair training videos for teachers and volunteer judges.
Disney Science Fair Partnership

Like Broadcom, Walt Disney Studios is committed to STEM learning. The 21st Century Innovation - Film Artistry - is driven by computer technology, which requires an in-depth understanding of math and logic. Putting the “M” in STEM has created an opportunity for Broadcom and Disney to team up to inspire kids to stay with math and science into high school and beyond.

Teaming up with Walt Disney Studios, the El Capitan Theatre in Hollywood, and Discovery Science Center, Broadcom MASTERS partnered to create a science fair celebrating the release of Tim Burton’s *Frankenweenie*, a movie about a young scientist who conducts an experiment to bring his beloved dog Sparky back to life. Three Grand Prize winners, two of whom were MASTERS semifinalists, won a trip to Hollywood and a behind-the-scenes Tour of the Walt Disney Studios lot.

Disney was so pleased with the science fair that it wants to collaborate again with Broadcom MASTERS and the Discovery Science Center. Another fair is planned to coincide with the release of Disney’s *Iron Man 3* in 2013. Joining in the collaboration will be the National Academy of Engineering.
The Broadcom Foundation commissioned the development of a Broadcom MASTERS APP that can be downloaded to iPhones and other smartphones, to provide parents, teachers and students with the fundamentals of participating in local science fairs and the resources to develop science or engineering projects in an area of personal interest. The APP can be downloaded from the Broadcom Foundation website.
Community Engagement and Global Citizenship

Introduction

Broadcom Foundation’s Community Engagement Committee focuses on strategic funding to STEM education and community engagement to achieve Broadcom’s mission and goals as a corporate leader. In addition to Foundation support for volunteer projects by its employees that are encouraged and applauded at facilities around the globe, Broadcom Corporation makes in-kind donations of used computers and other equipment to universities, schools and nonprofit services.
VIII  Community Engagement and Global Citizenship (cont.)

Broadcom Sales Team Gives Back

Broadcom’s Worldwide Sales Conference gave back “big time” in 2012 with over eight hundred members of Broadcom’s International Sales Force competing to fulfill the philanthropic goals of three Broadcom Foundation-funded nonprofits. Lead by Tom Lagatta, Broadcom’s then Executive Vice President, Worldwide Sales, teams competed to refurbish hundreds of used math and science books for THINK Together, prepare thousands of food packets for Families of 4 on behalf of Kids Against Hunger, and design replicas of iconic world heritage sites such as the Taj Mahal and the Golden Gate Bridge out of 10,000 canned goods that were subsequently donated to the OC Food Bank.
CEO Raspberry Pi Workshop Becomes After-School “Code Lab”

This year, CEO Scott McGregor held a “Raspberry Jam” at his annual executive meeting in Irvine, California. Broadcom’s top executives from around the world practiced (or learned) computer coding skills on the Raspberry Pi, the world’s smallest and most inexpensive computer, created by Eben Upton, that runs on a Broadcom chip. “The Pi,” which has gone viral among computer enthusiasts and educators around the world and is sold through the Raspberry Pi Foundation with the mission of making computers accessible to all, regardless of class or economic status.

After McGregor’s “Jam,” at which Broadcom MASTERS winners Jessika Baral (Marconi/Samueli Prize for Innovation) and Raymond Gilmartin (Samueli Foundation Prize) lent their hand in showing executives the art of coding a simple game, “Snake,” Broadcom donated nine Raspberry Pi’s and monitors to THINK Together to create an after-school math and computer science learning lab for fifth grade students at Heideman Elementary School in Tustin, California. Kids will first learn the MIT University-designed Scratch program and then graduate to Python on the Lynx operating system. Three other Pi workshops are to be housed in the new STEM Learning Zone in Irvine where students and interested adults will experience a “Jam” through computer coding.
Broadcom Volunteers Around the World

The Broadcom Foundation actively seeks philanthropic partnerships in communities where Broadcom employees live and work. Foundation initiatives are focused on expanding volunteerism and deepening Broadcom’s leadership role as a corporate citizen around the globe. The return to Broadcom employees from their volunteer work is as important as the gift of time they give. Said a volunteer, “When I volunteer, I realize that I truly benefit more from the actual experience than the people whom I am serving.” Another added, “I hope all of us at Broadcom can find little ways to share our fortune and help those in need.” And from a third, “Kudos to Broadcom for contributing time and resources to such a worthwhile program.”
2012 Broadcom Community Heroes

In addition to corporate initiatives through each facility, Broadcom employees are personally engaged in supporting charities and organizations within their own communities. The Board of Directors of the Broadcom Foundation honors their service through the Broadcom Community Heroes Program. Among many dedicated volunteers nominated by their fellow employees, the following individuals were selected by the Community Engagement Committee to be recognized by the Foundation as the 2012 Broadcom Community Heroes. In honor of their selfless commitment to others and contributions to the communities where they live and work, they will be honored with a gift in their name from the Broadcom Foundation to a qualifying charity of their choice, which will be distributed in February 2013.
VIII Community Engagement and Global Citizenship (cont.)

2012 Broadcom Community Heroes

Avani Amin - Product Marketing Engineer - San Jose, California
Avani volunteers with Asha for Education, an organization dedicated to catalyzing socioeconomic change in India through education of underprivileged children. In 2012 Avani coordinated one of the organization’s largest fundraising programs, a marathon training program that serves hundreds of people.

Anat Barnea - Engineer, Sr. Staff - Software Systems - Herzliya Pituah, Israel
Anat has volunteered in Big Brothers Big Sisters of Israel for the last four and a half years, as a Big Sister to Vera. Anat meets with Vera once a week to offer support and a connection that Vera can trust.

Dana Brzozkiewicz - Public Relations Manager - Irvine, California
Dana is a “client support volunteer” at Breast Cancer Solutions (BCS) and provides continuous communication and support for breast cancer patients in Southern California. BCS directly helps those who may have insufficient resources, may be evicted from their homes, or are unable to pay for health insurance. Her volunteer work ensures that patients are able to sustain their course of treatment.
Community Engagement and Global Citizenship (cont.)

2012 Broadcom Community Heroes

Jennifer Bush - Associate General Counsel - San Diego, California
Last year Jennifer cofounded a group called Women With a Cause that bring together women in San Diego (mainly in science and technology) with the dual purposes of promoting the advancement of women in the field and supporting local charitable organizations. In its first year the group has focused on supporting the Monarch School (a school for homeless children in San Diego) and raising money to contribute to a homeless shelter in San Diego.

Yu Leong Chai - Engineer, Staff I - IC Design - Singapore
Yu Leong Chai has been volunteering for Tzu Chi Foundation since 2004 when he first joined its Malaysia branch and the branch in Singapore. As a compassionate and loving volunteer, he spends at least two days a week visiting families needing assistance or with elderly, diseased, disabled or economically needy people to help them in all kinds of activities. He also volunteers for a monthly recycling drive and at blood donation drives.

Sree Chalasani - Sr. Business Development Manager, Sales - San Jose, California
Sree helps kids living in shelters with homework and provides much needed educational support that they may not otherwise receive.
VIII  Community Engagement and Global Citizenship (cont.)

2012 Broadcom Community Heroes

**Misty Cushman - Sr. Facilities Coordinator - Irvine, California**
For the past six years Misty has volunteered as Girl Scout leader and staff at Camp Scherman, Orange County’s Girl Scout camp. Growing up as a scout, she recognized the value of camp. Lessons learned include life skills that kids are beginning to lack as generations of kids spend more time indoors. Additionally, Misty sought volunteer opportunities, packing food for the Orange County Food Bank and participating in beach clean-up.

**Golan Drucker - Manager, Software Engineering - Systems - Herzliya, Israel**
Golan volunteers in Etgarim (Challenges) Association for disabled athletes. Etgarim’s goal is to help in the mental and physical rehabilitation of teenagers and adults through active recreation and sports activities to help them believe in themselves and their abilities. Golan is a personal escort of one of the association’s members and is very involved in the association’s day-to-day activities.

**Julianne Ford - Sr. Operations Specialist, Office Services - Duluth, Georgia**
Julianne is the principle driver in organizing, managing, and getting strong participation from local Broadcom employees. Julianne formed Team Broadcom Atlanta for The Leukemia and Lymphoma Society’s annual Light the Night fundraising walk to pay tribute and bring hope to people battling blood cancers, earning her team its own Broadcom Tent at the Walk. She also organized employees to participate in the Gwinnett County Habitat for Humanity.
VIII Community Engagement and Global Citizenship (cont.)

2012 Broadcom Community Heroes

Virginia Gaines - Sr. Administrative Assistant - San Diego, California
Virginia is a leader and supportive member of the Broadcom Charity Committee in San Diego. Virginia led six charity events in 2011 and completed seven in 2012. She organizes bake sales to raise money and is great at encouraging people to sign up and participate. She also volunteers for Raise and Shine, a single teenage mother support group.

Madan Mohan Goud - Engineer, Sr. Staff - Software Systems - Hyderabad, India
Madan helps orphanages raise funds for children in need. He has provided personal support for the education and basic needs of three children over the past four years. He has taken a leadership role in organizing charity programs and raising awareness among employees about volunteer work, including a “Joy of Giving Week” at Broadcom Hyderabad to help children through the Svechha Foundation. He also engages colleagues in “Desire Society,” an organization that provides help to kids affected by HIV.

Trinh Guevara - Sr. Customer Service Assistant - Irvine, California
Trinh has volunteered for the Make-A-Wish Foundation for more than 15 years and has helped grant two dozen wishes. A wish experience is a source of inspiration for these children, giving them joy and hope. The Make-A-Wish Foundation has enriched the lives of children with life-threatening medical conditions through its wish-granting work.
VIII  Community Engagement and Global Citizenship (cont.)

2012 Broadcom Community Heroes

Vivek Gulati - Scientist, Principal - Software Development - Santa Clara, California
Vivek organizes and teaches stress management and life-skills programs to a cross section of community members through the Art of Living Foundation. He teaches people practical tools to manage negative emotions and empower them to take greater responsibility for their lives. He also has taught courses at Orange County Probation Department, San Francisco City Jail, San Jose State University, Santa Clara University and Evergreen Valley Community College.

Melanie Hao - Lease Administrator - Irvine, California
Melanie makes Hawaiian food for charity sales and volunteers her time and money to raise funds for college-bound scholarship recipients. She performs traditional Hula for senior citizens at St. Francis Senior Residence in Santa Ana and Catered Manor Nursing Center in Long Beach. She shares her spirit of ‘aloha’ at annual community events such as the Pacific Islander Festival in Huntington Beach and Ho’olaulea in Torrance.

Cressida Harding - Engineer, Principal - Software Development - Cambridge, U.K.
Cressida has been organizing the Science Park’s annual “Cambridge Fun Run” in aid of BBC Children in Need since 2005, and has chaired the organizing committee since 2009. The event brings together the Science Park community for a Friday lunchtime relay race in fancy dress, raising thousands of pounds. Thanks to Cressida’s energy and dedication, more than 600 runners took part last year, many from Broadcom, in support of disadvantaged children in the U.K.
Community Engagement and Global Citizenship (cont.)

2012 Broadcom Community Heroes

David Knebelsberger - Engineer, Principal - Design - Chandler, Arizona
Dave volunteers in a men’s leadership program as a team leader and trainer. The program focuses on the development of men in the modern world, providing them the tools to transform themselves, their families and the greater society and help them be positive role models, better husbands, fathers and leaders in their work and community environments. Dave introduced this program in 2010 for 200 men, and it has grown to serve more than 1,000 men in 13 chapters throughout Arizona.

Niels Lambers - Engineer, Sr. Staff - IC Design - Bunnik, Netherlands
Niels has spent the night in a cardboard box to help raise funds and demonstrate the difficulties faced by Kenia children in need.

Christine Soo Li Lee - Sr. Manager, Supply Chain - Singapore
Christine leads the Broadcom Singapore volunteer group in community outreach activities that improve the lives of less fortunate people in the local community. Her work benefits Food from the Heart, an organization that reaches out to less fortunate people and brightens their lives by alleviating hunger and bringing joy through the distribution of toys and birthday celebrations. Through the program, children improve their school work, which may help break the cycle of poverty for these young people.
VIII Community Engagement and Global Citizenship (cont.)

2012 Broadcom Community Heroes

Lee Leibig - Sr. Director, Strategic Sales - Chicago, Illinois
Lee believes children need strong skills in math, science, and technology and has served as the technology chairman at St. Giles School, where he serves as chairman of the school board. During his tenure, the school completed wired and wireless networking rollouts, added a website, 24 smart boards, 120 netbooks and 16 iPads.

Allen Light - Product Line Director - Bend, Oregon
Allen Light coaches a First Lego League (FLL) team for the 2012 Senior Solutions Challenge, a seven-person team of five boys and two girls, ages 9 to 11. The competition serves to improve quality of life for seniors by helping them continue to be independent, engaged, and connected in their communities. The other challenge, which involves building and programming a Lego robot, teaches the important of science, technology, presentation, and team-building skills.

Gordon Lindsay - Director, Field Applications Engineering - Bristol, U.K.
Gordon has taken technology to local schools, and he mentors ‘under 12’ in robotics as well as the silicon industry and its processes. Gordon now runs a weekly “Code Club” where he tutors both children and teachers in the art of software programming. He is also assisting to gather volunteer support throughout the U.K. for The Big Bang, a national science fair competition.
2012 Broadcom Community Heroes

**Greg Mackney - Project Manager, Sr. Staff - IT - Irvine, California**
Greg works with troubled youth in the Orange County Probation Department, where there are approximately 5,775 boys and girls under department supervision at any given time. As many as 738 of these youth incarcerated in four facilities of the Orange County Juvenile Justice Complex (OCJJC): Juvenile Hall, Youth Guidance Center, Youth are Leadership Academy, and Joplin Youth Center. Greg’s work includes keeping kids off the streets of Santa Ana, one-to-one mentoring, and work with Orangewood Children’s Home.

**Sebastian Loeda Pagliano - Scientist, Sr. Staff - IC Design - Sydney, Australia**
Last year Sebastian ran the Great Ocean Road Marathon to fundraise for Cure Cancer Australia. This organization funds young local researchers to develop a cure for cancer. As Sebastian continues to challenge himself and challenge others to do more, he is swimming 2km in the Pacific Ocean to raise funds for the cause. This time around, all he has to do is outswim the friendly Australian shark, which he says is perfectly safe.

**Lakshmikanth Pai - Engineer, Sr. Principal - IC Design - Bangalore, India**
Lakshmikanth is one of the most senior active volunteers of Project LOTUS, a social responsibility program in Bangalore. His dedication and motivation have inspired Project LOTUS school children, teachers and volunteers. He has been instrumental in raising the Project LOTUS program from a handful of volunteers to a recognized service initiative that is a standard-bearer for community engagement throughout Broadcom. Lakshmikanth has pursued the dream of providing better education in underprivileged schools for more than 10 years and plays a key role in all Project LOTUS events and activities.
VIII Community Engagement and Global Citizenship (cont.)

2012 Broadcom Community Heroes

**Prasanthi Sathyaparakash - Manager, Commodity Management - Irvine, California**
Prasanthi volunteers as co-chair of the Orange County Science and Engineering Fair (OCSEF), a nonprofit educational organization that has promoted the sciences in Orange County since 1955. As a part of the Board of Directors of this organization, Prasanthi is committed to educating, guiding and motivating students to engage in all fields of hands-on science and engineering.

**Ken Schmahl - Engineer, Principal - IC Design - Santa Clara, California**
Ken Schmahl has devoted many years of volunteer effort in support of providing science enrichment and education to students in the Silicon Valley through his own organization, Schmahl Science Workshops. Over the past 16 years, Ken has provided mentorship on countless student research projects in the areas of Mechanical Engineering, Physics and Electrical Engineering. His nonprofit serves more than 30,000 students a year.

**Padmanava Sen - Engineer, Sr Staff - IC Design - Irvine, California**
Padmanava volunteers for Asha for Education, an organization dedicated to catalyzing socioeconomic change in India through education of underprivileged children. In the last six years, he has served as chapter coordinator and chapter project coordinator as well as on the Board of Directors. Padmanava is one of three coordinators driving the Work-An-Hour 2012 campaign to benefit 13 educational projects in India.
VIII  Community Engagement and Global Citizenship (cont.)

2012 Broadcom Community Heroes

Andrew Spisak - Manager, IT Regional Manager - Yardley, Pennsylvania
Andrew volunteers as both Cubmaster for the local Cub Scout pack and Committee Chair for the local Boy Scout troop. The troop collected more than 3,600 food items during its annual Scouting For Food campaign. The Cub Scout pack cleaned up streams and wooded areas near a local school during its 2012 Earth Service Day Project. The Scouts also planted trees and flowers at a local adult living center, created a fenced fresh-food garden with produce going to local food banks, and built benches and cubicles for handicapped children, veterans and schools in the area.

Praveen Vasishtha - Engineer, Sr. Staff - Firmware - San Diego, California
Praveen works as a volunteer for Ekal Vidyalaya, the largest grassroots, non-government education movement in India, operating in more than 39,525 villages and educating children in rural India.
IX  2012 Foundation Partners

Broadcom Foundation invites qualified nonprofit organizations to apply for funding support during the Open Enrollment Period from April 30 to June 30, 2012, giving special attention to those programs that offer opportunities for Broadcom employees.

Gifts to the following nonprofits, NGOs and universities were distributed in 2012:

• A Helping Hand*
• Alearn
• American Forests*
• American Red Cross - Orange County Chapter
• Arizona State University
• Arriba Juntos*
• Beijing Tsinghua University
• Boy Scouts of America – Cradle of Liberty Chapter (Pennsylvania)*
• Big Brothers Big Sisters of Orange County
• Boys and Girls Club of Santa Ana
• Buddhist Tzu Chi Foundation*
• California Institute Of Technology
• California State University (East Bay)
• Cambridge University
• Chapman University
• Charitable Ventures Of Orange County
• Children’s Hospital of Orange County (CHOC) Foundation
• Chinmaya Mission (San Jose)*
• Columbia University
• Community Action Partnership of Orange County
• Computer History Museum
• Creative Opportunities Unlimited*
• Cure Cancer Australia Foundation*
• Delaware Valley Science & Engineering Fair (Pennsylvania)
• Discovery Science Center of Orange County
• Engineering Center Education Trust - DIGITS Program (Boston)
IX  2012 Foundation Partners (cont.)

• Exploratorium (San Francisco)
• Girls Incorporated of Orange County
• Girl Scouts of San Gorgonio Council
• Greater San Diego Science and Engineering Fair
• Gwinnett Regional Fair (Georgia)
• Habitat For Humanity International - Gwinnett
• Habitat For Humanity International - Orange County
• Habitat for Humanity - Silicon Valley
• Hoag Hospital Foundation
• Indian Institute of Science, Bangalore
• Indian Institute of Technology, Bombay
• Iowa State University Foundation
• Irvine Police Association
• Irvine Public Schools Foundation
• Kids Against Hunger
• Kidworks Community Development Corporation*
• Lotus Project / Sikshana: Help Them Grow (Bangalore, India)
• Massachusetts Institute of Technology
• Massachusetts State Science & Engineering Fair

• National Foundation For Autism Research
• National Technical University of Athens
• North Museum Science and Engineering Fair (Pennsylvania)
• Orange County Science and Engineering Fair
• Oregon State University
• Peking University (Beijing University)
• San Francisco Bay Area Science Fair
• Santa Clara Valley Science Fair Assn. (San Jose/Santa Clara)
• Science Buddies
• Sewa International*
• Silicon Valley Education Foundation
• Society for Science & the Public (Broadcom MASTERS/Broadcom MASTERS International)
• Society of Women Engineers
• Sonoma Mountain Elementary School*
• South Valley Academy*
• Stanford University
• Sunny Hills Cross Country Booster Club*
• Svechha Foundation (Hyderabad, India)
• Talium Tae Kwon Do / CHOC Fund
• Technion Israel
• Technische Universität, Delft
• Tel Aviv University
• Texas A&M University
• THINK Together
• Tiger Woods Learning Center Foundation
• Tsinghua University
• The Breakthrough Collaborative
• UK Electronic Skills Foundation (UK)
• University of California, Berkeley
• University of California, Irvine
• University of California, Davis
• University of California, Los Angeles
• University of California, Santa Barbara
• University of California, San Diego
• University Of Toronto
• Universitat Politècnica de Catalunya
• Università degli Studi di Pavia, Pavia, Italy

• University of Michigan
• University of Minnesota
• University of Southern California
• University of Toronto, Canada
• Volunteer Center Of Greater Orange County (OneOC)
• Weizmann Institute of Science
• Wings Of Freedom*
• Working Wardrobes For A New Start*
• Zoological Society of San Diego

*Foundation gifts listed were given in honor of 2011 Broadcom Community Heroes
(Selection of 2012 Community Heroes was ratified by the Foundation Board in December of 2012 and gifts in their honor are distributed in the following year.)
X Message From Broadcom Foundation Chief Financial Officer

Broadcom Foundation is a nonprofit public benefit corporation organized under the California Nonprofit Public Benefit Corporation Law, funded solely by Broadcom Corporation. Broadcom Foundation funds qualified organizations engaged in educational, scientific, and philanthropic activities. Broadcom Foundation made gifts in excess of $3.0 million in 2012. Going forward, the Foundation anticipates that it will be making gifts in excess of $3.25 million annually and will take a leadership role in initiatives that help fulfill its mission.

Pursuant to California Corporations Code, Section 6321, included as Section XII in this Annual Report are the following audited financial statements:

• A Statement of Broadcom Foundation’s Assets and Net Assets – Modified Cash Basis, as of December 31, 2012 and December 31, 2011; and

• A Statement of Broadcom Foundation’s Support, Revenues and Expenses – Modified Cash Basis, for the years ended December 31, 2012 and December 31, 2011.

Additional information can be found in the IRS Form 990, which upon filing, will be made available on Broadcom Foundation’s website at www.broadcomfoundation.org. We have no transactions or information to report pursuant to California Corporations Code, Section 6322, regarding self-dealing, indemnifications, or advances between Broadcom Foundation and any director, officer, or holder of more than ten percent (10%) of the Foundation’s voting power.

Respectfully submitted,

Gregg S. Morrison
Chief Financial Officer
Broadcom Foundation
XI

Financial Statements

For the Year Ended December 31, 2012
(With Independent Auditors’ Report Thereon)
Financial Statements Table of Contents

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Financial Statements:

Statement of Assets and Net Assets – Modified Cash Basis .......................................................... F2
Statement of Support, Revenues and Expenses – Modified Cash Basis ......................................... F3
Notes to Financial Statements ....................................................................................................... F4
We have audited the accompanying financial statements of Broadcom Foundation (a nonprofit Organization), which comprise the statement of assets and net assets – modified cash basis as of December 31, 2012, the related statement of support, revenues and expenses – modified cash basis for the year then ended, and the related notes to the financial statements.

Management’s Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 1; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor’s Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the organization’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organization’s internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets and net assets of Broadcom Foundation as of December 31, 2012 and the changes in its net assets for the year then ended in accordance with the modified cash basis of accounting described in Note 1.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Report on Summarized Comparative Information

We have previously audited Broadcom Foundation’s 2011 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated April 9, 2012. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2011 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Irvine, California
April 12, 2013
### Statement of Assets and Net Assets – Modified Cash Basis

December 31, 2012
(With comparative information for the prior year)

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents (note 2)</td>
<td>$ 2,229,713</td>
<td>4,158,655</td>
</tr>
<tr>
<td>Investments (note 2)</td>
<td>72,222,223</td>
<td>69,285,677</td>
</tr>
<tr>
<td>Total Assets</td>
<td>$74,451,936</td>
<td>73,444,332</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unrestricted</td>
<td>$ 74,451,936</td>
<td>73,444,332</td>
</tr>
<tr>
<td>Temporarily Restricted</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Permanently Restricted</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Total Net Assets</td>
<td>$74,451,936</td>
<td>73,444,332</td>
</tr>
</tbody>
</table>

See accompanying notes to financial statements – modified cash basis
### Statement of Support, Revenues and Expenses – Modified Cash Basis

For the Year Ended December 31, 2012  
(With comparative information for the prior year)

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Support and revenues:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions (note 4)</td>
<td>$ –</td>
<td>25,000,000</td>
</tr>
<tr>
<td>Investment income (note 3)</td>
<td>4,891,196</td>
<td>1,380,008</td>
</tr>
<tr>
<td>Donated services and facilities</td>
<td>36,584</td>
<td>21,764</td>
</tr>
<tr>
<td>Total support and revenues</td>
<td>4,927,780</td>
<td>26,401,772</td>
</tr>
<tr>
<td><strong>Expenses:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grants</td>
<td>$ 3,483,600</td>
<td>2,525,167</td>
</tr>
<tr>
<td>Awards</td>
<td>17,500</td>
<td>–</td>
</tr>
<tr>
<td>Salaries and benefits</td>
<td>184,500</td>
<td>61,609</td>
</tr>
<tr>
<td>Professional fees</td>
<td>28,220</td>
<td>32,267</td>
</tr>
<tr>
<td>Administrative fees</td>
<td>107,451</td>
<td>90,483</td>
</tr>
<tr>
<td>Miscellaneous expenses</td>
<td>141</td>
<td>10</td>
</tr>
<tr>
<td>Donated services and facilities</td>
<td>36,584</td>
<td>21,764</td>
</tr>
<tr>
<td>Excise tax</td>
<td>62,180</td>
<td>28,117</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td>3,920,176</td>
<td>2,759,417</td>
</tr>
<tr>
<td>Increase (decrease) in unrestricted net assets</td>
<td>1,007,604</td>
<td>23,642,355</td>
</tr>
<tr>
<td>Net assets at beginning of year</td>
<td>73,444,332</td>
<td>49,801,977</td>
</tr>
<tr>
<td><strong>Net assets at end of year</strong></td>
<td>$ 74,451,936</td>
<td>73,444,332</td>
</tr>
</tbody>
</table>

See accompanying notes to financial statements – modified cash basis
Notes to Financial Statements – Modified Cash Basis

For the Year Ended December 31, 2012

(1) Summary of Significant Accounting Policies

Organization and nature of services – The Broadcom Foundation (the “Foundation”) was incorporated on April 28, 2009. The Foundation is a 501(c)(3) California nonprofit public benefit corporation organized and operated exclusively for charitable, scientific, and educational purposes.

Basis of accounting – The Foundation prepares its financial statements on the modified cash basis. Under this basis, revenue is recognized when collected, rather than when earned, and expenses are recognized when paid, rather than when incurred. Consequently, interest and dividends receivable, accounts payable and accrued liabilities are not included in the accompanying financial statements.

Financial Statement Presentation – The Foundation has implemented the financial statement presentation recommended by the Financial Accounting Standards Boards (FASB) in its Auditing Standards Codification (ASC) 958-205, Presentation of Financial Statements. Under ASC 958-205, the Foundation is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Unrestricted net assets are net assets comprised of contributions that have no external restrictions and are intended to fund current and future operations.

Temporarily restricted net assets are net assets subject to donor-imposed stipulations that may or will be met either by actions of the Foundation and/or the passage of time.

Permanently restricted net assets are net assets subject to donor-imposed stipulations that must be maintained permanently by the Foundation.

Contribution – The Foundation recognizes all contributions received as income in the period received. Unconditional contributions are reported as unrestricted, temporarily restricted, or permanently restricted depending on the existence of donor stipulations that limit the use of the support.

Contributions that are restricted by the donor are reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the contribution is received. All other donor-restricted contributions are reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Support, Revenues and Expenses – Modified Cash Basis as net assets released from restrictions.

Donated services and facilities – Donated services are recognized if the services received create or enhance nonfinancial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Other volunteer services that do not meet these criteria are not recognized in the financial statements as there is no objective basis of deriving their value. Donated facilities are reflected in the accompanying statements at their estimated fair value at date of receipt. The Foundation reported donated services and facilities from Broadcom Corporation in the amounts of $30,020 and $6,564, respectively, for the year ending December 31, 2012.

Cash and cash equivalents – The Foundation considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Fair value – The Foundation follows ASC 820-10, Fair Value Measurements. ASC 820-10 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC 820-10 are described below:

- Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.
- Level 2 - Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.
- Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Investment Policy – On January 28, 2010, the Board of Directors approved the Foundation’s Investment Policy which will govern the investment objectives and policies, standards of prudence and performance expectations for the Foundation’s invested assets. The primary objective of the Foundation’s Investment Fund is to attain an average return of at least six percent (6%) per year over rolling periods of ten years. The six percent return is net of management fees.

Per the investment policy, the percentage of equity investments should not exceed 75% of total invested assets at market value and the performance objective of the total equity fund investments is to achieve a return of at least eight percent (8%) over time.

The Broadcom Foundation (the “Foundation”) was incorporated on April 28, 2009. The Foundation is a 501(c)(3) California nonprofit public benefit corporation organized and operated exclusively for charitable, scientific, and educational purposes.

Basis of accounting – The Foundation prepares its financial statements on the modified cash basis. Under this basis, revenue is recognized when collected, rather than when earned, and expenses are recognized when paid, rather than when incurred. Consequently, interest and dividends receivable, accounts payable and accrued liabilities are not included in the accompanying financial statements.

Unrestricted net assets are net assets comprised of contributions that have no external restrictions and are intended to fund current and future operations.

Temporarily restricted net assets are net assets subject to donor-imposed stipulations that may or will be met either by actions of the Foundation and/or the passage of time.

Permanently restricted net assets are net assets subject to donor-imposed stipulations that must be maintained permanently by the Foundation.

Contribution – The Foundation recognizes all contributions received as income in the period received. Unconditional contributions are reported as unrestricted, temporarily restricted, or permanently restricted depending on the existence of donor stipulations that limit the use of the support.

Contributions that are restricted by the donor are reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the contribution is received. All other donor-restricted contributions are reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Support, Revenues and Expenses – Modified Cash Basis as net assets released from restrictions.

Donated services and facilities – Donated services are recognized if the services received create or enhance nonfinancial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Other volunteer services that do not meet these criteria are not recognized in the financial statements as there is no objective basis of deriving their value. Donated facilities are reflected in the accompanying statements at their estimated fair value at date of receipt. The Foundation reported donated services and facilities from Broadcom Corporation in the amounts of $30,020 and $6,564, respectively, for the year ending December 31, 2012.

Cash and cash equivalents – The Foundation considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Fair value – The Foundation follows ASC 820-10, Fair Value Measurements. ASC 820-10 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC 820-10 are described below:

- Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.
- Level 2 - Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.
- Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Investment Policy – On January 28, 2010, the Board of Directors approved the Foundation’s Investment Policy which will govern the investment objectives and policies, standards of prudence and performance expectations for the Foundation’s invested assets. The primary objective of the Foundation’s Investment Fund is to attain an average return of at least six percent (6%) per year over rolling periods of ten years. The six percent return is net of management fees.

Per the investment policy, the percentage of equity investments should not exceed 75% of total invested assets at market value and the performance objective of the total equity fund investments is to achieve a return of at least eight percent (8%) over time.
XII Notes to Financial Statements – Modified Cash Basis

(1) Summary of Significant Accounting Policies (cont.)

The percentage of fixed income investments should not be less than 25% of total invested assets at market value and the benchmark for fixed income investments is the Barclays Intermediate Government/Credit Index. The objective will be to outperform this benchmark over rolling periods of three-to-five years.

Investments shall have a maximum maturity of ten (10) years from date of purchase or be purchased on a yield to call or yield to put basis when the call or put date is within 10 years. Weighted Average Duration shall be between 80% and 120% of stated benchmark.

The eligible investments are U.S. Treasury Securities, United States Agency Securities from acceptable issuers, Exchange-Traded Funds/Money Market Funds/Mutual Funds, and any of the following meeting specific rating or other criteria: Municipal or Build-America Bonds, Foreign Government Bonds, Corporate Notes and Bonds, and Commercial Paper.

Income taxes – The Foundation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (the “Code”) and corresponding California statute as a charitable organization whereby only unrelated business income, as defined by Section 512(a)(1) of the Code, is subject to federal income tax. The Foundation is subject to a 2% federal excise tax on net taxable investment income because it is classified as a Private Foundation under the Internal Revenue Code. The excise tax is reduced to 1% if certain requirements are met. Accordingly, a payment for excise tax has been reported in the accompanying financial statements.

ASC Topic 740, Income Taxes, prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return, and provides guidance on derecognition, classification, interest and penalties, disclosure, and transition. Management believes that no such uncertain tax positions exist for the Foundation at December 31, 2012.

Use of estimates – The preparation of financial statements in accordance with the modified cash basis of accounting requires management to make estimates and assumptions that affect the reported amounts of assets and net assets and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Comparative data – The information included in the accompanying financial statements for the prior year has been presented for comparison purposes only and does not represent a complete presentation in accordance with generally accepted accounting principles.

Subsequent events – Management has evaluated subsequent events through April 12, 2013, which is the date of the financial statements, and noted that there were no items that require financial statement disclosure.
## Cash, Cash Equivalents and Investments

Cash and investments held by the Foundation are reported in the accompanying financial statements as follows at December 31, 2012:

<table>
<thead>
<tr>
<th>Description</th>
<th>Fair Value</th>
<th>Quoted Prices</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>in Active Markets for</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Identical Assets</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Significant Other</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Observable Inputs</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Significant</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Unobservable</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Inputs</td>
</tr>
<tr>
<td>Cash</td>
<td>$2,229,713</td>
<td>$2,229,713</td>
</tr>
<tr>
<td>Short-term corporate bonds</td>
<td>967,560</td>
<td>967,560</td>
</tr>
<tr>
<td>U.S. Agency securities</td>
<td>9,531,074</td>
<td>9,531,074</td>
</tr>
<tr>
<td>U.S. Treasury securities</td>
<td>1,051,250</td>
<td>1,051,250</td>
</tr>
<tr>
<td>Municipal bonds</td>
<td>7,444,241</td>
<td></td>
</tr>
<tr>
<td>Foreign government bonds</td>
<td>2,514,394</td>
<td></td>
</tr>
<tr>
<td>Corporate bonds-Industrial</td>
<td>9,253,237</td>
<td>9,253,237</td>
</tr>
<tr>
<td>Corporate bonds-Financial</td>
<td>7,839,361</td>
<td></td>
</tr>
<tr>
<td>Corporate bonds-Utility</td>
<td>3,605,745</td>
<td></td>
</tr>
<tr>
<td>Collateralized mortgage obligations</td>
<td>349,983</td>
<td></td>
</tr>
<tr>
<td>Equity securities</td>
<td>22,516,867</td>
<td>22,516,867</td>
</tr>
<tr>
<td>Mutual funds</td>
<td>7,148,511</td>
<td>7,148,511</td>
</tr>
<tr>
<td>Total</td>
<td>$74,451,936</td>
<td>$43,444,975</td>
</tr>
</tbody>
</table>

For fair value measurements using significant other observable inputs (Level 2), the market approach was used in determining the fair values of each class of assets or liabilities. These are frequently traded between willing buyers and sellers and are, therefore, market priced.
The Foundation carries its investments at fair value. The difference between fair value and cost is recorded as an unrealized gain (loss). The unrealized gain (loss) for the year ended December 31, 2012 is as follows:

<table>
<thead>
<tr>
<th>Investment Type</th>
<th>Fair Value</th>
<th>Unrealized Gain (Loss)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>2,229,713</td>
<td>-</td>
</tr>
<tr>
<td>Short-term corporate bonds</td>
<td>967,560</td>
<td>(33,940)</td>
</tr>
<tr>
<td>U.S. Agency securities</td>
<td>9,531,074</td>
<td>143,521</td>
</tr>
<tr>
<td>U.S. Treasury securities</td>
<td>1,051,250</td>
<td>1,562</td>
</tr>
<tr>
<td>Municipal bonds</td>
<td>7,444,241</td>
<td>195,635</td>
</tr>
<tr>
<td>Foreign government bonds</td>
<td>2,514,394</td>
<td>49,652</td>
</tr>
<tr>
<td>Corporate bonds - industrial</td>
<td>9,253,237</td>
<td>186,872</td>
</tr>
<tr>
<td>Corporate bonds - financial</td>
<td>7,839,361</td>
<td>333,526</td>
</tr>
<tr>
<td>Corporate bonds - utility</td>
<td>3,605,745</td>
<td>95,645</td>
</tr>
<tr>
<td>Collateralized mortgage obligations</td>
<td>349,983</td>
<td>1,067</td>
</tr>
<tr>
<td>Equity securities</td>
<td>22,516,867</td>
<td>2,507,659</td>
</tr>
<tr>
<td>Mutual funds</td>
<td>7,148,511</td>
<td>173,795</td>
</tr>
<tr>
<td></td>
<td>$ 69,950,138</td>
<td>3,654,994</td>
</tr>
</tbody>
</table>

Less: Unrealized gain (loss) recorded in prior year $(947,871)

Unrealized gain (loss) recognized for year ended December 31, 2012 $2,707,123

Investment income for the year ended December 31, 2012 consisted of the following:

- Interest $1,338,649
- Dividends 938,104
- Realized gain (loss) 191,547
- Unrealized gain (loss) 2,707,123

Less: Investment fees $(284,227)

Total investment income $4,891,196

Broadcom Corporation previously made an unrestricted contribution of $50,000,000 to the Foundation in accordance with a pledge agreement dated June 29, 2009. In June 2011, Broadcom subsidiaries made an additional unrestricted contribution of $25,000,000 to the Foundation.

The Foundation’s Board of Directors approved the use of the unrestricted contribution to grant scholarships in the areas of math and science to qualified 501(c)(3) organizations and universities. The Board is required to make annual, qualifying distributions equal to five percent (5.0%) of the monthly average net asset value of the investments to support the grant program of the Foundation.

Broadcom Corporation provides facilities and various financial, administrative, and other services to the Foundation. These amounts have been reflected in the accompanying financial statements. Broadcom Corporation pays the salary of the Foundation’s Executive Director, contracted in November 2009, who dedicates 50% of her time providing services to the Foundation. The Foundation reimbursed Broadcom Corporation for their portion of the Executive Director’s salary, benefits, and travel expenses during the year ended December 31, 2012 in the amount of $184,500, which has been reflected in the accompanying financial statements.