



10-12-1414:35:57

### **TABLE OF CONTENTS**

2 / CEO message 4 / Sprint Good Works™ approach Sprint Good Works results:

8 / People

26 / Product

34 / Planet

40 / 2013 performance scorecard

42 / Looking forward

# Message from Dan Hesse, SPRINT CEO

At Sprint, we manage our corporate responsibility actions like every other part of the business. We set goals and report on our results. We meet regularly, measure our progress, and assign accountability for specific targets.

We call our corporate responsibility program Sprint Good Works because we believe that good does indeed work, for both our company and for society. In addition to societal benefits, we also see business benefits like cost reductions, revenue generation and reputation enhancement.

I am pleased with the progress we've made. In 2008, we set aggressive 10-year goals. Almost six years into the plan, we've already met five of our goals three years ahead of schedule.

We focus our Good Works goals on three overarching themes: People, Product and Planet.

### People

Sprint looks for ways to support our employees, our customers and members of our communities. For example, we recently launched the Sprint Accelerator, a new business incubator in our hometown of Kansas City for medical and health applications on mobile platforms. We are helping entrepreneurs launch new businesses, which we hope will lead to job creation.

We have a set of priorities we call the Sprint Imperatives, which guide the way we conduct ourselves professionally. Acting with integrity is at the top of the list and we regularly poll employees to find out whether they feel Sprint is "walking the talk."

### **Product**

We believe in the transformational power of technology to create positive change in the world. Innovation is one of the Sprint Imperatives. Our diverse team of innovative employees was granted an average of over two U.S. patents per business day in 2012 and 2013. Many of these patents were for technology and products that can help improve and enrich lives.

Our commitment to innovation is reflected in our leadership in accessible technology. Sprint endeavors to provide accessible products and services to improve the quality of life for people with disabilities. More than 10,000 U.S. citizens turn 65 every day, and the latest U.S. Census found that people with disabilities make up our country's largest minority group. We want these customers to have access to the benefits that mobile technology has to offer.

We also want to eliminate distracted driving. Mobile phones are one of many potential distractions a driver may encounter, and our industry is working to ensure that our devices are used safely and responsibly. Sprint has created tools that will turn the phone off when it's in a moving car, so the driver can't text or receive texts.

### **Planet**

Sprint remains focused on sustainability. An important part of this mission is reducing our greenhouse gas emissions. Sprint is the only carrier to make a public commitment to reduce the absolute level of greenhouse gas emissions. Eighty-seven percent of our power consumption comes from network use. We're in the process of replacing our entire 3G network and building a new 4G LTE network across the entire country. The new network equipment uses 25 percent less power than the older equipment and provides better performance. Through 2013, we've reduced water use by 30 percent and paper use by 72 percent.

I encourage you to learn more about what we are doing in the areas of People, Products and Planet. I have never been more optimistic about the potential for wireless to improve the quality of life and help create a better, more sustainable world.

Happy Connecting,

San Heme

Dan Hesse CEO, Sprint



## The Sprint Good Works Approach

At Sprint, when we say, "good does indeed work," we're saying that in addition to benefiting our customers, employees and communities, doing the right thing is also good for business. This belief is foundational to our brand and reputation and integral to our success. It transcends our corporate responsibility program; it's built into our business decisions and the actions we take as a company. Doing the right thing is instinctive here.

So how do we focus this instinct within the context of corporate responsibility? For us, a materiality assessment is the most important tool for setting the priorities and guiding the strategy of our corporate responsibility program, Sprint Good Works.

To be effective, a Good Works initiative should register high on two clearly defined dimensions: influence on our business success and importance to stakeholders. By acting on issues that are at the nexus of these two priorities, we connect our company's success with social progress.



social topics and 16 were environmental issues.

### Two priorities: Environmental benefit and social progress

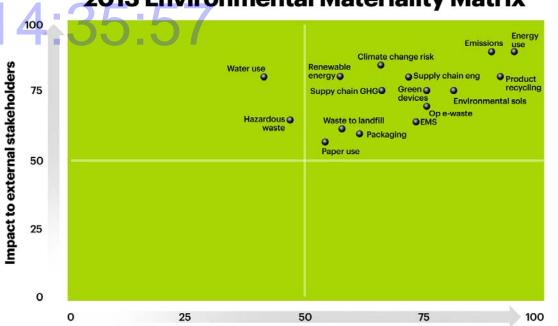
Sprint has extensive operations throughout the United States and in the U.S. Virgin Islands, Puerto Rico and Guam. With approximately 36,000 employees and a network that serves nearly 55 million customers, our operations are significant, and we place great importance on minimizing our environmental footprint and maximizing our positive social impact.



Our corporate responsibility team analyzed these 45 topics in order to select and prioritize those that are highly material to both our business and our key stakeholders.

Each category of topics, social and environmental, is plotted separately on a matrix.

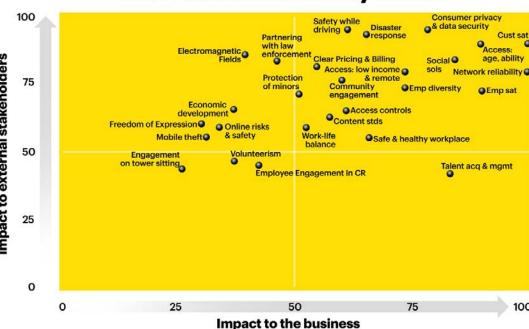
### **2013 Environmental Materiality Matrix**



Impact to the business

The more valuable a topic is to our stakeholders, the higher its position on the vertical axis. Likewise, those topics most valuable to our business are plotted furthest to the right on the horizontal axis. The top right quadrant is the "sweet spot" that reveals the issues with the highest opportunity for shared value between our company and society. These are our Good Works priorities.

### **2013 Social Materiality Matrix**



We refresh our materiality assessment every two years to include emerging issues and reflect changing priorities. Our next materiality matrix will be published in the fall of 2015.

10-12-1414:35:57

### **Defining business success**

How does our corporate responsibility team determine which topics are material to the success of our business?

### **Each one is evaluated based on its potential to:**

- Help differentiate Sprint products and services in the marketplace
- Benefit the Sprint brand and reputation
- Boost customer satisfaction, acquisition and retention
- Boost employee recruitment, retention and development
- Save our company money
- Increase revenue



### Researching stakeholder values

How does our corporate responsibility team know what's important to our stakeholders? We work with a vast group that includes investors, customers, employees, suppliers, partners and many more, to gain knowledge on what's important to them. We also gather information from reliable sources that represent our stakeholders' interests.

### **Examples include:**

- Environmental impact standards
- Universal Declaration of Human Rights
- Global Reporting Initiative Guidelines
- Issue-specific nongovernmental organizations (NGOs)
- SRI surveys
- Media tracking
- ICT peer company citizenship reports
- Public policy





### **Culture**

Here at Sprint, our company culture is elevated by the thrill of innovation and grounded in uncompromising integrity. For us, innovation and integrity are interconnected: integrity is a fine lens that focuses the tremendous power of innovation. Together, these two values guide our company's actions — starting with our own workforce. We expect and empower our employees to act with integrity in all matters. We encourage diversity in all its forms. And we foster an enduring company culture focused on total employee well-being.

People

### 2013 Ethics Helpline reports investigated

One of our core corporate values is to demonstrate integrity in all that we

do — not only through our words, but also in our actions. We have set a high

standard of corporate governance and ethical responsibility that is represented

in our policies, programs and tools that both encourage and manage an ethical workplace environment. Acting with integrity is not just the right thing to do; it is



the unwavering foundation of Sprint.



Human Resources Issues



Falsified records claims



Employee/company security





Other matters

In 2013, for the fifth consecutive year Sprint employees achieved a 100% completion rate in i-Comply, our annual employee certification program. It includes training and resources to help ensure employees fully understand our company's expectations of them. Each year, employees acknowledge their understanding of these expectations and certify they will adhere to corporate policies and guidelines.

Sprint also maintains an Ethics Helpline, a 24-hour resource for employees and other stakeholders to confidentially and safely seek advice or report any suspected violation of the Code of Conduct, such as fraud, sexual harassment, discrimination or any illegal conduct in the workplace.

### **Employee well-being and safety**

At Sprint, we view well-being as a partnership with employees and offer a wide-ranging array of benefits and programs that employees and their families can use to protect their health, finances and future. While offering many programs specifically focused on health, we also recognize that there is more to well-being than physical health. Sprint provides employees resources and programs that focus on all aspects of well-being: career, social, financial, physical and community.

Some of the well-being programs and tools offered include personal health advocates assigned for each Sprint employee, on-site health clinics and fitness centers, financial counseling and seminars, nonprofit volunteer opportunities, education assistance, on-site wellness ambassadors and champions, 401(k) match, employee fitness challenges, cultural celebrations, and medical, prescription and dental benefits. Our Healthy Living Discount gives benefit premium discounts to employees living in tobacco-free homes who complete a confidential Health Assessment.

### **OSHA** Decreased From 158 -141 2012-2013

**OSHA** RECORDABLE INCIDENCE RATE Decreased From 0.40% - 0.35% 2012-2013

# 2013

of employees completed a confidential health assessment

# **Total Sprint**

**7** from 2012

Sprint Alive! is Sprint's employee-wellness program

**Ethics** 

# **Healthy Lifestyle**

To promote a healthy lifestyle, during 2013 Sprint continued our successful Sprint Get Fit program, an eight-week physical activity challenge available to all employees across the U.S. The results were amazing:



Total minutes of activity: 12,471,571

the equivalent of walking

LOWER





### **Diversity**

Sprint strives for a culture of inclusion that attracts, develops and retains a diverse workforce. Our employees' unique experiences and backgrounds are essential to meeting and exceeding our company goals. Because we are representative of the diverse markets we serve, we're better at serving them.

Our Employee Resource Groups (ERGs) reflect our commitment to the growth and professional development of all employees. Sprint ERGs are voluntary groups of like-minded employees dedicated to using their collective knowledge and experience to advance themselves, our communities and our company.

Each ERG is led by a team of employee officers (i.e., president, vice president, operations officer and regional officer).

The ERG Officer Program, a two-year development course, provides curriculum, professional development, mentoring and feedback with executive-level sponsors to further develop the officers' leadership skills and increase our company's talent pipeline.

At the end of 2013, nearly 15 percent of our employees participated in an ERG, an all-time high.

### **Sprint ERGs**

### **ERG Name**

Diamond Network Enlance OASIS Pride

REAL DEAL VETS WISE

### **Focus**

African-American
Hispanic
Asian
Gay, lesbian, bisexual,
transgender, queer (GLBTQ)
Disability
Military Veteran
Women

In 2013, approximately 10,000 employees and guests participated in 60 ERG events ranging from networking, mentoring and professional development to cultural enrichment. 2013 cultural events included honoring Martin Luther King, Jr., Black History Month, Asian Lunar New Year, Women's Health Month, Women's History Month, Cinco de Mayo, National Coming Out Day, Asian Heritage Month, Juneteenth, Gay Pride Month, Hispanic Heritage Months Veterans Day, Disability Awareness Month and collecting care packages for troops.

### **Supplier diversity**

A key part of our diversity efforts is working with a diverse selection of suppliers that can provide unique and cost-effective solutions. Our Supplier Diversity team works to increase company spend with diverse suppliers and to strengthen this supplier base. Today, our supplier diversity program includes more than 600 businesses owned by minorities, women and disabled veterans. Our 2013 diverse supplier spend, reported to Sprint by major suppliers, was \$11.7 billion, compared with \$10.5 billion in 2011 and \$12.5 billion in 2012.

### Recognition

#### **Employer**

Sprint named to the 50 Happiest Companies in America list — CareerBliss (Dec. 2013).

**Dan Hesse named CEO of the Year** — National Eagle Leadership Institute (NELI) (Oct. 2013).

Best Employers for Healthy Lifestyles® Platinum **Award** — National Business Group on Health (May 2013).

### **Inclusion and diversity**

Received a 100 percent score in the Corporate Equality Index for the ninth consecutive year — Human Rights Campaign (Dec. 2013).

Sprint named to the Military Friendly Employers list - G.I. Jobs (Nov. 2013).

No. 2 on the list for the 2013 Best Companies for Employee Resource Groups (ERGs) Awards — Upward SynERGy (Oct. 2013).

Diversity Elite 60 for the seventh year in a row — Hispanic Business (Sept. 2013).

50 Best Companies for Latinas (Honorable Mei - LATINA Style Magazine (Sept. 2013).

Member of U.S. Hispanic Chamber of Commerce "Million Dollar Club," for being a leader in supplier diversity and integrating Hispanic enterprises into strategic sourcing processes — USHCC (Aug. 2013).

Named Corporation of the Year — DiversityNXT (Aug. 2013).

**Sprint a Best of the Best company** — U.S. Veterans Magazine (Aug. 2013).

Named one of 50 Out Front for Diversity Leadership: Best Places for Diverse & Women Managers To Work - Diversity MBA Magazine (May 2013).

Named to 2013 25 Noteworthy Companies list — DiversityInc (April 2013).

Most Valuable Employers for Military for fifth **consecutive year** — Civilian Jobs.com (April 2013).



## Customers

Today we have more choices than ever for keeping in touch. Email, text, chat, video calls, video uploads, photo sharing, tweets, status updates — by enabling people to use them from virtually anywhere, anytime, wireless technology has fueled these new ways of connecting with each other and the world. How will we stay in touch tomorrow? What will be the next amazing way to connect? Whatever's coming, wireless technology will be key to unlocking it.

Sprint aims to be recognized for providing the best wireless customer experience in the industry, and we continue to make great strides. Our steadfast focus on the customer experience has helped us achieve significant improvements in first call resolution and overall customer care satisfaction. According to the 2013 American Customer Satisfaction Index (ACSI), Sprint is the most improved company in customer satisfaction, across all 47 industries, over the last five years. Sprint also ranked highest in delivering the best value among national carriers in the same study.

To hold us accountable to our customers' interests, Sprint uses both internal and external indicators for customer satisfaction. These indicators let us know that our commitment to customer support is being fulfilled. Our internal indicators show that Sprint has seen continued year-over-year improvements in customer satisfaction.

- As more customers have smartphones and we continue to offer unlimited rate plans, our calls per subscriber have declined 28 percent year-over-year. Since 2008, calls per subscriber are down 62 percent.
- As we strive to resolve each customer's issue on the first call while improving each customer's Sprint experience, our efforts have helped reduce the need for customer care credits by 26 percent year-over-year (and by 87 percent since 2008). At the same time, our measurements Indicate near all-time highs in customer satisfaction ratings.

Our success in customer support is because of our dedication to being a customer advocate. Sprint empowers our employees to be advocates through formal programs and training seminars. These programs encourage employees to be involved in generating a positive customer experience and driving new business, ultimately increasing employee commitment and engagement.

One of our ambassador programs, Thank you Thursdays, provides employees with the opportunity to connect with customers through letter-writing campaigns. On designated Thursdays, employees handwrite personal thank you notes to our loyal customers.

surpassing our

### Recognition

10-12

Sprint is the most improved company in customer satisfaction, across all 47 industries, over the last five years — 2013 American Customer Satisfaction Index (May 2013).

Virgin Mobile was the top rated wireless carrier in the 2013 Temkin Customer Service Ratings — Temkin Group (Aug. 2013).

North American Business Connectivity Award: Best-in-Class for Provisioning Within the Large Service Provider Group — ATLANTIC-ACM (June 2013). Sprint named a Strong Performer for Managed Global MPLS Services — Forrester Research, Inc., The Forrester Wave™: Managed Global MPLS Services, Q1 2013 (March 2013).

Sprint named one of only 12 Enterprise Trusted Advisors — Nemertes Research (July 2013).

### **Communities**

We use our resources — funds. people and technology — to enrich the communities where we do business and where our employees live and work. Through the Sprint Foundation and our Local Giving Program, we're able to make a difference in communities nationwide. But nothing makes us prouder than the success of our employee volunteering and giving programs. These efforts reveal a workforce in lockstep with our company's commitment to our communities — a workforce that is. itself, a community of extraordinarily generous people.

### **Volunteerism and philanthropy**

Sprint employees bring the best of their talents into everything they do. Nowhere can this be seen more clearly than in our employee volunteer program and our annual giving campaigns for United Way and Feeding America.

Our Sprint Volunteer Program opens doors for employees to actively volunteer in their local communities through corporate-sponsored projects, group volunteer opportunities and a website that provides information and resources for volunteering. Not only does the program help people and organizations in need, but it also provides leadership opportunities for employees within the company and within their own communities.

# 2013 Volunteerism & Philanthropy

<u>ivivivivivivi</u>

Sprint employees contributed more than

**196,000** Volunteer Hours worth an estimated

Million

**Dollars** for **Doers** & Matching Gifts \* 11 1

United Way received

from Sprint in 2013

Raised \$100K IN 5 DAYSFOR



PLUS an additional

Meals

Sprint employees donated

Feed the Need

Campaign

### **Education**

Part of our Good Works program supports K-12 initiatives that use innovative technologies to enhance educational opportunities.

We believe that education, coupled with the power of technology, can transform learning, energize communities and inspire innovative thinking. That's why Sprint supports innovative programs that combine our technology with quality educational programming in schools and nonprofit organizations across the country.

### **Distracted driving**

In 2013, Sprint continued to raise awareness about the dangers of distracted driving by encouraging employees and customers to make a commitment to driving responsibly by signing the Don't Drive Distracted pledge at sprint.com/drive.

Sprint also joined AT&T, Verizon, T-Mobile and more than 200 other organizations in supporting the It Can Wait campaign to end texting and driving.

The campaign encourages everyone to take a no-texting-while-driving pledge at itcanwait.com and focuses on stories of people who are living with the consequences of texting while driving.

As a result of this multi-carrier joint campaign, 2.4 million pledges were collected in 2013.

To help spread the word to teens, Sprint continued its support of DoSomething.org's Thumb Wars campaign, which provides thumb socks as a visual reminder to help stop teens from texting while driving. The campaign educates teens on the dangers of texting while driving and encourages them to be ambassadors of this initiative by sharing it with their family and friends. More than 80,000 pairs of thumb socks were mailed to teens during

### 2013 education highlights:

- Our Local Giving Program, funded through Sprint Project Connect, provided \$200,000 to 12 nonprofit organizations, which directly impacted more than 60,000 K-12 students. The Sprint Local Giving Program awards grants to nonprofit organizations in the cities of Atlanta, Dallas/Fort Worth, Denver and New York that support programs that serve K-12 youth while using technology to provide a meaningful impact.
- Through at \$100,000 Sprint Project Connect grant, Sprint provided 130 laptops, wireless service and technology support to enable 120 economically disadvantaged sixth-grade students at Oakland Military Institute (OMI). Located in Oakland, CA, OMI is a racially diverse college preparatory academy for sixth-through twelfth-graders. About 83 percent of the students qualify as economically challenged, and more than 43 percent are learning English as a secondary language. Sprint is proud to provide the technology solutions these students and teachers need to access more current educational resources and to achieve their highest educational goals.
- Sprint is a proud supporter of the Green Education Foundation (GEF), a national nonprofit committed to creating a sustainable future through education. Sprint sponsored GEF's 2013 National Green Week, which offers free programs with curricula and hands-on activities to inspire K-12 students and teachers to think holistically about global sustainability. More than 10,000 schools and 5 million students across the country participated in National Green Week. At the end of the event, 76 percent of teachers reported that they are extremely likely to continue to teach sustainability or pursue sustainability projects.

### **Internet safety**

Sprint is a longtime advocate of free and easy access to educational resources for families and educators to keep kids safe online. In 2007, Sprint launched 4NetSafety.com to open the lines of communication about Internet safety and offer free resources for children and adults. 4NetSafety partners include the National Center for Missing and Exploited Children, Boys and Girls Clubs of America, and Family Online Safety Institute. In 2013, through our charitable phone recycling program Sprint Project Connect, we contributed over \$1 million to our Internet safety program, bringing our total contribution to over \$6 million since 2007.

### **Disaster relief**

Sprint proudly joins other corporations nationwide as a member of the Red Cross Annual Disaster Giving Program, providing a yearly gift toward the Red Cross funding base. With this solid financial foundation to draw from, the Red Cross can work fast when disaster strikes. The Sprint Foundation also matches employee donations to the Red Cross.

In addition to our funding support, Sprint created the Sprint Emergency Response Team (ERT) in 2002 to provide immediate restoration of wireless voice, data and IP service, Sprint Mobile Broadband devices, and fully charged Sprint Direct Connect phones to facilitate coordination among disaster relief and emergency response agencies, public safety officials and medical personnel. Since its creation, Sprint ERT has conducted more 6,100 deployments and provided emergency wireless support for close to 2,500 events, including the 2013 Colorado Black Forest Wildfire, Central Illinois tornado, and the Moore, Oklahoma, tornado.

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### Recognition

Sprint awarded OneKC award for community leadership and corporate achievement — Kansas City Area Development Council (Nov. 2013)

packed 11,600
Lunches
— to support —
Moore, OK
Tornado Responders
and Displaced Families



## **Products**

Wireless technology means growth on two important dimensions. One is adoption, how quickly new technologies are embraced and spread throughout the world. The other is innovation, the growth of technological capability and the possibilities it engenders, A new advance in wireless doesn't just make a familiar experience better; often it enables entirely new ways to connect with each other and the world. Together, these two aspects of growth adoption and innovation — set up amazing opportunities for the wireless industry to affect positive social change.





Sprint recognizes the powerful role technology can play in reducing communications barriers faced by individuals with disabilities, and we are committed to working with suppliers and manufacturers to create accessible technology that improves the quality of life for people with disabilities.

During 2013, we continued to expand our product solutions for customers who are blind or visually impaired, those who are Deaf, have hearing loss or have a speech disability, individuals with cognitive or mobility disabilities, and the aging population.

### 2013 achievements include:

- Launching the Kyocera Kona, the first feature phone in the U.S. wireless industry to offer verbal translation enabling Internet browsing.
- Launching the LG Optimus F3™, the first U.S. smartphone to come preloaded with TalkBack by Google and the Sprint Accessible Now startup wizard, which provides immediate voice guidance on how to set up and activate the phone, making it more accessible for blind and visually impaired consumers.
- Introducing a unique Accessible Education ID Pack that makes it simple for students with visual, physical, perceptual, developmental, cognitive or learning disabilities to access Web-based educational resources on their smartphones.

### **Sprint Relay**

Sprint is proud to serve as the largest and most technologically advanced Telecommunications RelayService provider in the nation, with more than 23 years of experience in providing relay services to enable people who are Deaf, have hearing loss, those who are Deaf-blind or have a speech disability. Sprint Relay provides intrastate relay services for 32 states, Puerto Rico, the U.S. Virgin Islands, the federal government and the country of New Zealand. Sprint also provides internet-based Captioned Telephone (CapTel) services to all U.S. states and territories.

### 2013 accessible product highlights:

- Bringing CapTel service to Delaware residents.
- Opening the first CapTel center outside of the U.S. in Auckland, New Zealand.
- Announcing the availability of Wireless CapTel by Sprint powered by Raketu for all iOS-powered devices, which allows users to read conversations with real-time word-for-word captions on their wireless phones.

### **Accessibility Recognition**

Sprint awarded the 2013 Disability Matters
Marketplace Award for unique wireless
applications and Sprint Accessibility ID Packs
— Springboard Consulting (Feb. 2013).

Sprint named DisAbility Champion winner for 2013 for outstanding achievements in employing individuals with disabilities and fostering an inclusive workplace environment — Business Leadership Network of Greater Kansas City (Oct. 2013).

Sprint awarded New Zealand's prestigious 2013 Telecommunications and InternetAward for providing CapTel service in the country.



### **Assurance Wireless**

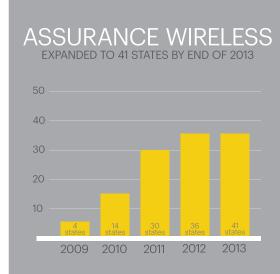
For customers facing economic hardship, Sprint offers Assurance Wireless, a no-contract service plan that offers the best value in calling plans among major Lifeline Assistance programs. At the end of 2013, Assurance Wireless was offered in 41 states, making it available to 82 percent of Lifeline-eligible consumers.

### **Environmentally responsible devices**

We believe that developing more sustainable products is one of our greatest opportunities to make a positive difference in our environment. It is in this spirit that we set an ambitious goal of ensuring 70 percent of devices launched meet our environmental criteria. Through the end of 2013, Sprint surpassed this goal and reached 71.4 percent.

Our success is due in part to our work to move the wireless industry toward a single global standard for sustainable devices. Sprint partnered with Underwriters Laboratories Environment to develop UL 110, a standard for wireless devices that applies to materials use, energy consumption, end-of-life management, packaging and more. Every wireless phone Sprint launches is required to go through the UL 110 assessment process. As a result, Sprint has more wireless phones certified as meeting UL 110 than any other wireless carrier worldwide.

In 2013, Electronic Product Environmental Assessment (EPEAT) announced it would adopt UL 110 as the environmental purchasing requirement used by eight national governments, including the U.S., as well as educational and healthcare systems and multinational corporations. This partnership will drive widespread adoption of the UL 110 standard and significantly expand the number of devices worldwide that meet the strict EPEAT criteria for greener electronics.



### **Sustainable solutions for consumers**

In addition to providing more devices with eco-friendly features than any other wireless carrier, Sprint offers solutions to help our customers live a greener lifestyle. In conjunction with Earth Day in 2013, Sprint unveiled the Green Zone mobile app, which provides instant access to green mobile content including shopping, lifestyle tips, creating a greener workout, and navigating the fast-changing world of hybrid cars. The app is available through Google Play and to Sprint users who download the Green ID Pack.

Sprint also launched the Motorola P4000 Universal Portable Power Pack, which is part of the EcoMoto™ family of products and contains no BFRs or PVC and is certified CarbonFree®. This portable power pack can recharge smartphones, tablets, MP3 players, Bluetooth® headsets, cameras and more. The P4000's housing is 25 percent post-consumer recycled plastic by weight, and the product comes in 100 percent curbside recyclable packaging.

### **Sustainable solutions for business**

Our commitment to sustainable innovation includes providing businesses with solutions that boost worker productivity, reduce operational costs, cut carbon emissions and enable flexible, work anywhere arrangements for employees. Sprint collaborates with and supports a large and diverse group of innovative companies to create smarter wireless solutions that change the way people work and businesses operate.

In 2013, Sprint announced a new, first-to-market offer, Sprint Cloud Optimizer, available with Microsoft's cloud productivity solution Office 365. Sprint Cloud Optimizer can benefit a wide variety of work scenarios, including keeping employees connected while in transit between meetings, providing an option when employees have only high-cost connectivity available to them while traveling, and supporting remote employees and those working in areas where an optimal connection may not be available.

Sprint also enables businesses to go paperless with Canvas Mobile Forms, a cloud-based software service that replaces paper forms with efficient mobile forms and apps that can be used on smartphones, tablets and computers. Launched in 2013, Canvas helps businesses reduce costs, simplify operations and boost productivity by eliminating paper-based processes and streamlining operations. It also has a built-in ROI tool so businesses can calculate their potential savings.



### **Device recycling leadership**

With millions of wireless phones being retired across the globe, Sprint has taken a leadership role in both developing more sustainable products and ensuring they are responsibly recycled at the end of their lives. We have set an ambitious goal of collecting for reuse and recycling 90 percent of the devices we sell by 2017. Through 2013, we are at 46.6 percent.

Sprint was the first U.S. carrier to launch a Buyback program that offers an instant, in-store credit of up to \$300 for any eligible device, regardless of carrier or manufacturer. Today, more than four out of every 10 customers in Sprint retail stores participate in the Buyback program.

Not only does our Buyback program benefit customers by offsetting some of the cost of their next device, it's also good for business. We avoid substantial operating costs by reusing most of the devices we collect. By using these remanufactured phones to support replacement devices through our handset insurance program, Sprint has avoided \$1 billion in cost to the business through 2013.

And of course, our Buyback program is good for the environment by preventing millions of discarded devices from entering the waste stream.

Sprint's device recycling program also includes a charitable component where consumers can contribute the net proceeds from their device to Sprint Project Connect. These funds go to programs that empower youth to succeed in a digital world by learning how to use technology in safe, sustainable, and innovative ways. Charitable partners in 2013 included the Boys & Girls Clubs of America and the National Center for Missing and Exploited Children.

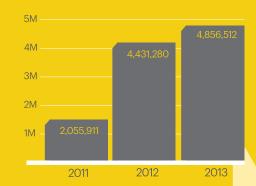
Through our Buyback program and Sprint Project Connect, Sprint has collected more than 57 million devices for reuse or recycling.

### Recognition

Recycling
Recognized for breaking world
record for recycling the most cell
phones in one week —
Guinness World Records
(Sept. 2013).

The Sprint Buyback Program ranks No. 1 overall among major U.S. carriers — Compass Intelligence (March 2014).

# VOLUNTARY DEVICE COLLECTIONS



To further cement Sprint's leadership in device recycling, in 2013, GUINNESS WORLD RECORDS® recognized Sprint for shattering the record for the number of cell phones recycled in one week: 103,582 cell phones, more than double the previous record.



are reused and remanufactured.

The last

of phones collected
— the ones that can'
be salvaged — are
broken into parts an
materials that can be
reused for jewelry,
plumbing supplies.

31

### **Safety solutions**

Technology can play a huge role in helping businesses reinforce policies and minimize risk and make it easier for their employees to focus on driving. In 2013, Sprint joined the FCC in showcasing technology solutions that help combat distracted driving. Solutions featured at the event included:

- Sprint Drive First application, which locks an Android mobile phone when the phone's GPS detects motion above 10 miles per hour. The app can direct incoming calls to voicemail and silences distracting alerts. In September 2013, the Sprint Drive First application became available for free in Google Play on Sprint CDMA Android™-powered smartphones.
- Geotab, which provides the world's most sophisticated GPS fleet management solutions. Geotab helps organizations develop company-wide management policies to improve driver behavior, and enhance driver safety and on-road productivity. In 2013, Sprint announced the availability of Geotab plug-and-play solutions to states, local governments and authorized nonprofits.
- FleetSafer distracted driving application, which helps commercial fleet operators promote safe, legal and responsible use of smartphones. The application ensures that smartphones and tablets conform to the organization's safety policies and best practices regarding texting, emailing or communicating while driving. In 2013, Sprint made FleetSafer more broadly available through our direct sales team.

### **Mobile health**

In 2013, Sprint introduced the Mobile Health Accelerator, a startup initiative based out of the Sprint Accelerator entrepreneurial building in Kansas City. The Mobile Health Accelerator, powered by Techstars, is a mentor-driven program for startups designed to cultivate innovative ideas from the community to bring together the future of mobile technology and health care. From remote patient monitoring to e-prescriptions to making sense of ever-growing volumes of data, technology is poised to reduce costs, improve productivity and increase quality in health care.



The Sprint Mobile Health Accelerator will provide entrepreneurs in this field an amazing advantage to hone their business strategies and be mentored by leading technology experts from Sprint, regional healthcare leaders and successful entrepreneurs from around the country. The program was announced in 2013 and culminates in June 2014, when the 10 selected startup companies pitch their ideas to an audience of investors and business leaders.

33



At Sprint, we put tremendous planning, effort and resources into fighting global climate change. We do it because that's what it's going to take to save our planet.

But in order for our endeavors to work, they must be matched and amplified thousands of times over. Protecting our planet requires huge commitments by not only our company, but also our suppliers, partners, the wireless industry and the entire global market. This urgent call for rapid, sweeping worldwide change is unprecedented in history. It will not happen without leadership, so those in a position to lead now have to step up.

Sprint is in this position. That is why we have become our industry's leader in sustainable business practices, and it's why we are forging a path for others to follow — in the wireless industry and as far beyond as we can reach.



# Energy ///// & Greenhouse Gas

E M I S S I O N S

Our efforts in 2013 to reduce our impact on global climate change were remarkable: We achieved two of our 10-year energy goals three years ahead of schedule.

Our Greenhouse Gas (GHG) emissions

36% (compared with our original goa 20 percent reduction by 2017)

were reduced by a total of

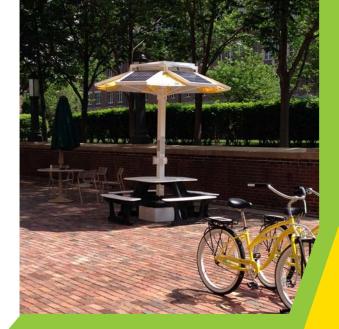
Achieving our GHG emissions goals will help us realize a cost savings of more than

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We improved our carbon efficiency by 64.77% (compared with our original goal. 75 percent reduction by 2017)

# The primary drivers of improvement during 2013 include:

- Our Network Vision program, which is re-engineering our network structure and operations with the goal of increasing efficiency and enhancing coverage, call quality and data speeds. The new network equipment uses 25 percent less power than the older equipment and provides better performance.
- More sustainable retail store construction, including implementing Building Automation Systems (BAS) to monitor heating and cooling activities. In 2013, Sprint realized a 14 percent decrease in energy consumption due to these automation systems.



### Renewable and alternative energy

Renewable energy is another key piece in our overall plan to reduce our impact on global climate change. Sprint plans to acquire 10 percent of the total electricity we use from renewable sources by 2017. We reached 5.97 percent through the end of 2013.

At our Overland Park, KS Headquarters, we have implemented several renewable and alternative energy sources such as wind, solar and hydrogen. Our most recent feature is a solar-powered picnic table that provides an outside charging station and Sprint mobile hotspot, offering employees the option to work effectively outdoors.

As a wireless service provider, part of our responsibility is to plan ahead for potential climate change impacts and energy cost volatility. We are increasing our already significant deployment of hydrogen fuel cells to provide back-up power at our cell sites, and we see renewable energy as a means to reduce our vulnerability to the volatile fossil fuel-based energy costs in the future.

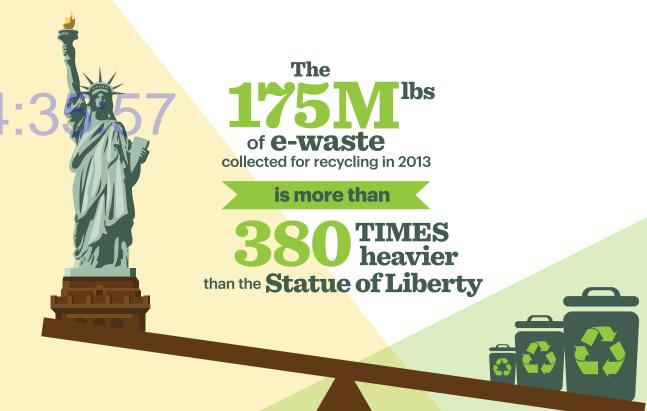
Electricity Use		Network	п	Real Estate	Retail	Total
2007	MWh	3,086,401	125,128	329,033	99,409	3,639,971
2013	MWh	2,419,589	104,291	238,714	71,578	2,834,172
Difference (2013 - 2007)	MWh	666,812	20,837	90,319	27,831	805,799
2013 Avg. Cost/MWh	\$	\$114.56	\$65.31	\$74.45	\$125.32	n/a
2013 Total Cost Savings	\$	\$76,389,983	\$1,360,864	\$6,724,250	\$3,487,781	\$87,962,878

### **Network and IT e-waste**

In addition to our substantial device recycling initiatives, Sprint has committed to sending all of our network and IT e-waste for reuse or recycling by 2017.

### 2013 e-waste highlights:

- Through the decommissioning of our iDEN Nextel National Network as part of our Network Vision program, we diverted more than 175 million pounds of electronic waste from landfills, saving the company more than \$275 million. This is possibly the single largest e-waste effort in the world!
- In accordance with our zero e-waste goal stated in our industry-leading Electronics Stewardship Policy, we recycled all network equipment shed through the Network Vision program, including switching equipment, radios, antennas, coax cables, 15 million pounds of lead-acid batteries and more.
- 99.998 percent of our network and IT e-waste collected was handled by e-waste recyclers with third-party certification for responsible recycling.



### **Natural resource reduction**

Sprint has set aggressive goals to conserve natural resources by using paper and water efficiently and by optimizing how we dispose of waste. By 2017, we expect to reduce our use of paper by 40 percent, reduce the amount of annual water purchased by 30 percent, and reduce our operational waste-to-landfill by 30 percent. In 2013, we achieved our paper and water goals three years ahead of schedule.

# **2013 natural resource reduction highlights: Paper**

- Through 2013, we surpassed our paper use goal of 40 percent and achieved our largest reduction yet: 71.63 percent!
- This achievement saved approximately \$24 million in 2013 alone.
- Sprint is on track to achieve our 2017 goals for FSC-certification, recycled content and supplier compliance, as well.

Paper Purchasing (Use)		Marketing	п	Real Estate	Retail	Total
2007 Paper Purchased	Metric Tons	17,890	9,545	977	311	28,723
2013 Paper Purchased	Metric Tons	5,002	2,879	96	172	8,149
Difference (Between '07 and '13)	Metric Tons	12,888	6,666	881	139	20,574
2013 Avg. Cost/MT	\$	\$1,168	\$1,176	\$1,477	\$1,477	n/a
2013 Total Cost Savings	\$	\$15,058,984	\$7,841,408	\$1,301,399	\$205,775	\$24,407,565

### Water

- Through 2013, we surpassed our water use goal of 30 percent, achieving 30.33%.
- In 2013, Sprint began exploring zero blowdown technology for open loop cooling and smart irrigation systems to drive further reductions.

Water	Total
2007 Use in Kgal	373,587
2013 Use in Kgal	260,677
Difference (2013 - 2007)	112,910
2013 Avg. Cost/Kgal	\$4.84
2013 Total Cost Savings	\$546,484

### **Operational waste**

- Our real estate operations averted millions of pounds of waste, including 74,000 tons of solid waste, in 2013.
- Our Overland Park, KS, headquarters' compost efforts diverted more than 54 tons of food waste from landfills during the past two years. The addition of food waste collection in break rooms and two cafeteria food pulpers increased collection to 91 tons.
- More than 300 Sprint locations were added to the company's national waste and recycle program in 2013, which drove an additional 143 percent increase in waste diversion. We now have a total of 555 sites across the country participating in the program.

### Recognition

Sprint named to Dow Jones Sustainability Index (DJSI) North America for the third consecutive year — DJSI (Sept. 2013).

Sprint named to both the Disclosure Leadership Index and Performance Leadership Index — Carbon Disclosure Project S&P 500 Climate Change Report 2013 (Sept. 2013).

Sprint is the leader among all global telecommunications companies on Cool IT Leaderboard — Greenpeace International (May 2013).

Sprint named the highest-ranking U.S. company in the 2013 Environmental Tracking Carbon Rankings — Environmental Investment Organisation (May 2013).

North American Mobile & Wireless Green Excellence Award — Frost & Sullivan (March 2013).

### **Sustainable suppliers**

We work across our supply chain of more than 38,000 suppliers to build mutual commitment to sustainability, and our approach is recognized as best in class. Our 2013 engagement practices earned Sprint the EPA's 2014 Climate Leadership Award in the Supply Chain Leadership category.

Sprint completed an initial supplier assessment in 2011. Our discussions with suppliers revealed a lack of resources available to help small and medium-sized businesses address a basic materiality assessment or measure and report GHG. We also discovered many suppliers did not believe they had the resources to "take on" sustainability. In response, Sprint created several unique tools to help our suppliers address their environmental impacts.

One of these tools is a new supplier guide, which provides information to help suppliers meet our materiality assessment and GHG measurement and reporting criteria. We published the new guide as a free resource on our website in 2013. Sprint has also held education and collaboration summits for specific categories of suppliers, such as those in the print and paper industry.

This approach is bringing Sprint closer to our goal of having 90 percent of our supply chain (based on sourceable spend) meet certain environmental and social criteria, including measuring and reporting GHG emissions, publishing a human rights policy, publishing an environmental policy, and more. Through 2013, we achieved 79 percent. By influencing our suppliers to more fully engage on sustainability and reduce their carbon footprints, we believe we will have a stronger and more resilient supply chain and increased opportunities for partnership.



# 2013 Corporate Responsibility Performance Scorecard

### **Sustainability Scorecard**

Priority area	2017 goal	Through 2011	Through 2012	Through 2013
Reduce our impact on global climate change				
Greenhouse Gas Emissions	Reduce GHG emissions 20% (MT of CO2-e)	10.35%	18.81%	29.36%*
	Improve carbon efficiency 75% (MT CO2e/TM data)	59.88%	74.68%	84.77%*
Total Electrical Use	Reduce electrical use 20% (kWh)	3.44%	7.92%	19.34%*
Renewable Energy	Source 10% of total kWh from renewable sources	3.06%	5.25%	5.97%*
Reduce our use of natural resources				/_
Operational Waste	Reduce operational waste to landfill by 30%			
	% of Square Footage (OC) reporting	74.80%	81.90%	86.70%
	% Recycled operational waste (MT)	26.73%	35.65%	38.44%
Network and IT e-waste	Reuse/recycle all Network and IT e-waste			
	Metric tons of e-waste collected annually	1,448	9,143	8,109
Water Use	Reduce Water use by 30% by 2017	27.20%	26.52%	30.33%*
Paper Use	Reduce paper volume 40%	57.20%	64.52%	71.63%
Promote a socially and environmentally sound s	upply chain			
Supplier Responsibility	90% of suppliers (based on \$) meet Sprint social and environmental criteria	55%	79%	79%
	% Sourceable Spend Assessed	91%	87%	87%
Reduce the environmental impact of our produc	ts and services			
Phone Recycling	90% device collection rate for reuse/recycling	40.0%	44.5%	46.6%
	Voluntary device collections (Buyback/Project Connect)	2,055,911	4,431,280	4,856,512
Sustainable Devices (2)	Ensure 70% of devices launched meet Sprint's environmental criteria	66.3%	52.0%	71.4%

<sup>\*</sup>Includes data from Clearwire as a result of Sprint's 2013 acquisition of them (transaction closed on July 9, 2013).



### **Social Scorecard**

Priority area			Through 2012	Through 2013
Improve customers' experience and earn their long-term loyalty				
	American Customer Satisfaction Index (on a scale of 0 to 100)	72	71	71
	Sprint postpaid churn	1.85%	1.89%	1.93%
	Sprint prepaid churn	3.28%	3.01%	3.72%
Promote a diverse and inclusive workplac	9			
Total Workforce: Ethnicity	Asian	5%	5%	6%
	Black	21%	21%	19%
	Hispanic	14%	16%	15%
	White	56%	54%	55%
	Other/Non-specified	4%	4%	5%
Total Workforce: Gender	Female	45%	45%	42%
	Male	55%	55%	58%
Management: Ethnicity	Non-white	27%	24%	24%
	White	73%	76%	76%
Management: Gender	Female	35%	34%	34%
1.25.57	Male	65%	66%	66%
Location	United States	99.5%	99.5%	99.9%
	Other	0.5%	0.5%	0.1%
Promote ethical conduct				
i-Comply	Percentage of employees that complete Sprint's annual i-Comply certification to acknowledge their understanding of and compliance with corporate policies and guidelines.	100%	100%	100%
Promote a safe and healthy workplace				
	OSHA Recordable Incidence Rate	0.46	0.40	0.35
	OSHA Recordable Cases	191	158	141
	Days Away, Restricted, or Transferred (DART) Rate	0.17	0.12	0.12
	Lost Workday Cases	74	47	49
	Lost Time Severity Rate	7.06	5.65	5.0
	Days Away from Work	2946	2241	2008
	Total Hours Worked (in millions)	83.4	79.2	80.2
	Number of Fatalities	0	0	0
Support our communities through contrib	utions and employee volunteerism			
	Employee volunteerism (in hours)	152,000	129,000	196,000
	Sprint Foundation grants (in millions)	\$4.9	\$4.2	\$4.2
	Sprint Project Connect Grants, funding from Sprint's charitable phone recycling program (in millions)	\$.985	\$.859	\$1.75

## Looking forward

The results of our Good Works in 2013 have intensified our forward momentum, propelling us toward higher ambitions, larger endeavors and more daunting challenges. We're exploring new ways to save energy and water such as zero-water technology and smart irrigation, new mobility solutions for people with disabilities or concerns about safety and privacy, and many more exciting possibilities to help create positive environmental and social change.

As we get closer to seeing our 2017 goals become successes, our corporate responsibility program will maintain an exceptional level of performance and continue to add explicit value to the business.

### **Innovating to create shared value**

At Sprint, innovation has always been inherent in our culture and our business. Today and moving forward, an important focus of our innovative thinking and expertise is to create new products and services that are both material to our success and important to our stakeholders.

To that end, we will continue to prioritize connecting with our stakeholders. We recognize that the insights we gain from our ongoing engagement have high value for us and yield opportunities that are unlikely to come through other channels.

Our corporate responsibility team is adept at identifying opportunities to create shared value for our business and our society. Their expertise will play an ever more pivotal role in developing our product and services pipeline with an eye toward pursuing both social progress and the health of our business.

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### Following are some of the near-term corporate responsibility (CR) objectives we are pursuing.

- Deliver, track and report the business value of corporate responsibility including cost reduction and revenue growth in order to accelerate internal and external acceptance of CR as a core business practice.
- Develop and nurture an innovation pipeline focused on CR "innovation with purpose" with a goal to contribute \$10M in incremental annual revenue by 2017.
- Demonstrate the viability of the blind/low vision market, and continue working to differentiate Sprint within the accessibility market.

Sprint has become the market leader in accessible wireless solutions for beople with impaired vision. Using this recognition and expertise as an apportunity to grow wireless revenues is shared value creation at its best.

- Expand public advocacy efforts on topics of shared interest (climate change, accessibility, etc.).
- 5. Expand sustainability criteria for device manufacturers to include other types of wireless devices.
- 6. Enhance CR education and engagement efforts within Sprint's executive team.
- 7. Improve stakeholder communication through sprint/com/responsibility and social media efforts.
- Expand efforts to educate suppliers on the business benefits of CR and help them achieve a higher level of adherence to Sprint's supplier criteria.
- Ramp up the efforts of our device recycling working committee to identify and address opportunities as well as challenges and costs involved in achieving our target of 90 percent device recycling by 2017.

Thank you for taking the time to learn about our approach to corporate responsibility and the results we've achieved so far. The people of Sprint genuinely appreciate your interest in our Good Works.

If you have any questions or comments about what we've shared in this report, in our GRI index, or on our Corporate Responsibility website, or if you have ideas or best practices we should consider, please contact us at csr@sprint.com. As always, we value external feedback. The field of Corporate Responsibility is changing on a daily basis, and our partnerships with individuals and organizations beyond our company is vital to our continued success.

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