CORPORATE RESPONSIBILITY AT INTEL

DO WONDERFUL

2018-2019 REPORT

TABLE OF CONTENTS

Introduction 2
Letter From Our CEO 3
Celebrating 50 Years of Innovation 4
Corporate Responsibility at Intel 5
Awards and Recognition 6

Our Business 7
Company Profile 8
Our People 15
Integrated Strategy, Governance, and Ethics 18
Stakeholder Engagement 21
Respecting Human Rights 22
Sustainable Development Goals 24
Performance Summary and Goals 25

Environmental Sustainability 27
Strategy and Management Approach 28
Climate and Energy 30
Water Stewardship 34
Waste Management 36
Greener Buildings and the Internet of Things 37
Product Ecology 38

Supply Chain Responsibility 39
Strategy and Management Approach 40
Combating Forced and Bonded Labor 44
Supplier Environmental Impact 45
Responsible Minerals Sourcing 46

Diversity and Inclusion 48
Strategy and Management Approach 49
Inclusive Workforce 50
Supplier Diversity and Inclusion 52
Building a Diverse Technology Industry 53

Social Impact 54
Strategy and Management Approach 55
Employees Changing the World 56
Empowering Communities 58
Intel Foundation 59

Appendix 60
About This Report 61
Independent Limited Assurance Statement 62
Non-GAAP Financial Measures 63
Intel 2018 Water Inventory by Location and Source 64
2018 Environmental, Health, and Safety Violations 66
Top 100 Production, Capital, Services, and Logistics Suppliers 67

For a high-level overview of Intel's approach to Corporate Responsibility, supporting documents and data, past reports, and to customize a report with the sections you choose, visit our Corporate Responsibility and Report Builder websites.

We prepared this report using the Global Reporting Initiative* (GRI) Standards, and self-declare the report to be prepared in accordance with the GRI Standards: Comprehensive option. Our GRI Content Index is provided on our Report Builder website. We also use other recognized frameworks to inform the content of this report, including the UN Global Compact, UN Sustainable Development Goals, the Sustainability Accounting Standards Board Standards, and the Financial Standards Board—Task Force on Climate-Related Financial Disclosures.

In 2018, we continued to advance our integrated reporting strategy to include environmental, social, and governance information in our 2018 Annual Report on Form 10K and 2019 Proxy Statement, available on our Investor Relations website.

A LETTER FROM OUR CEO

We enter our second half-century not only having delivered another year of record financial performance, but setting ourselves on a new journey of innovation that promises to make Intel even more critical to our customers and the world.

Because our work and the innovations that we enable are so closely linked to the growth not only of business but of society, they must be accompanied by leadership in our role as a global citizen. The many dimensions of this important responsibility are described in this Corporate Responsibility Report, which reflects our company's commitment to transparency and stakeholder engagement. It also showcases the contributions of the more than 100,000 Intel employees in making a positive impact.

I am proud of the progress we made in 2018:

Environmental Sustainability. We expanded our use of green power throughout our global operations and made significant progress toward our goal to restore 100% of our global water use by 2025. We also achieved our 2020 goal to conserve 4 billion kWh of energy and continued to collaborate with others to apply technology to address environmental challenges.

Supply Chain Responsibility. In 2018, we were honored to receive the Responsible Business Alliance's inaugural Compass Award for our work to eliminate forced and bonded labor throughout the technology industry. We continued to enable our suppliers—and their suppliers—to develop their own corporate responsibility strategies; set high environmental, social, and ethical standards; and be transparent about their performance.

Diversity and Inclusion. I am especially proud that Intel reached full representation[1] of women and underrepresented minorities in our U.S. workforce and gender pay equity across our global workforce. We also reached our $100 million commitment for spending on women-owned businesses more than a year early and continued to work toward reaching our 2020 goal of $1 billion in spending with diverse suppliers by 2020.

Social Impact. In celebration of Intel's 50th anniversary, we challenged our employees to go out into the world and "Do Wonderful." They did so in a big way, with more than 68,000 employees volunteering approximately 1.5 million hours of service in our local communities throughout the year. Through the passion of our employees and the power of our technology, we continue to improve lives and broaden access to opportunity.

This company is unbelievable in its ability to solve problems, and we are applying our technology and business acumen to overcome some of the biggest challenges the world faces—from addressing climate change, treating complex diseases, and improving safety, to ensuring that the next generation of innovators is diverse and inclusive.

I am humbled and grateful to find myself writing this letter as the current steward of this special company. I truly believe our second half-century promises to be even more remarkable than our first.

BOB SWAN, Chief Executive Officer
Intel Corporation

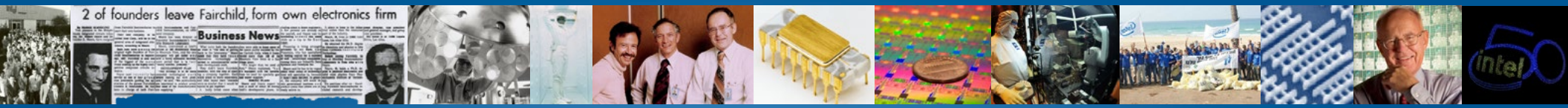
[1] Full representation means that Intel's workforce now reflects the percentage of women and underrepresented minorities available in the U.S. skilled labor market.

Intel was built with a purpose: to ponder what might be possible—to imagine, question, and then do wonderful things in pursuit of a better future. Our 50th anniversary is an important moment for us to honor our heritage and accomplishments of the past while celebrating how we're creating a bright future for Intel today and a better world tomorrow.

1968
Intel is founded.

2018
Transforming from PC to data-centric.

2068
The future is what you make it.



1968 — A NEW VENTURE

Robert Noyce and Gordon Moore leave Fairchild Semiconductor and incorporate their new venture as N M Electronics. Soon after, they purchase the rights to use the Intel name from a company called Intelco.

1988 — INTEL FOUNDATION ESTABLISHED

With a commitment to improving lives around the world, the Intel Foundation invests in science, technology, engineering, and mathematics (STEM) programs, provides disaster relief, and amplifies the impact of employee donations and volunteerism.

1994 — FIRST ENVIRONMENTAL, HEALTH, AND SAFETY REPORT

Intel was an early mover in voluntary public reporting on environmental data, and continues to evolve its commitment to transparency through its annual Corporate Responsibility Report and exploreintel.com website.

2004 — DRIVING RESPONSIBILITY IN OUR SUPPLY CHAIN

Intel became a founding member of the EICC, now known as the Responsible Business Alliance, beginning years of work to drive supplier accountability on labor and environmental performance, as well as responsible minerals sourcing.

2008 — LEADING IN GREEN POWER

Intel becomes the largest voluntary corporate purchaser of green power in the U.S., and continues to increase its investment in subsequent years, with 100% of its U.S. and European power coming from renewable sources in 2018.

2009 — COMMITMENT TO HUMAN RIGHTS

Intel formalizes its commitment to respecting human rights by adopting the Intel Global Human Rights Principles and joining the United Nations Global Compact.

2012 — SETTING AMBITIOUS GOALS

Intel launches new 2020 sustainability goals to drive long-term leadership and continuous improvement.

2015 — TRANSFORMING FOR A DATA-CENTRIC ERA

Intel reshapes itself for data-centric growth with organic and inorganic investments spanning AI, autonomous driving, and more.

2018 — ACHIEVED FULL REPRESENTATION

Intel's U.S. workforce reflects the percent of women and underrepresented minorities available in the U.S. skilled labor market; in early 2019 Intel also achieved global pay equity.

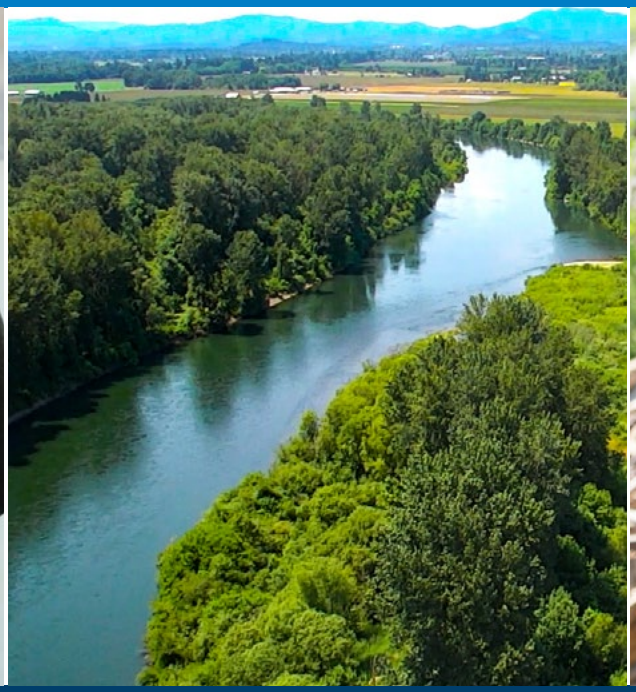
Intel at 50
Innovation platform for a new era

Intel's impact on the world has been felt through a progression of tech waves, including the personal computer, the Internet, and cloud computing. The next and even more profound digital transformation is the integration of computing into virtually every human activity.

Computing is about to become infinitely more diverse. It will evolve into new form factors and adapt to extreme cost and environmental constraints.

It will power experiences informed by data that are always-on, always-learning, and able to excel at specialized tasks. With our manufacturing and engineering expertise, we continue to deliver the products and technologies that are the foundation for the world's innovation.






CORPORATE RESPONSIBILITY AT INTEL

Our commitment to corporate responsibility and sustainability—built on a strong foundation of transparency, governance, and ethics—creates value for Intel and our stockholders by helping us mitigate risks, reduce costs, build brand value, and identify new market opportunities. We set ambitious goals for our company and make strategic investments to advance progress in the areas of environmental sustainability, supply chain responsibility, diversity and inclusion, and social impact that benefit the environment and society. Through our technology we enable more people to harness the power of data to help address society's most complex issues—from climate change and energy efficiency, to economic empowerment and human rights.

This report provides a comprehensive summary of our approach to corporate responsibility management and our performance for 2018-19.

AWARDS AND RECOGNITION

Third-party recognition gives us valuable feedback on our programs and practices, and helps drive continuous improvement over time. Below is a selection of the corporate responsibility awards and recognitions that Intel received in 2018.

CDP. "A" Rating on Water Survey, "A" Rating on Supply Chain Engagement, "A-" Rating on Climate Survey

Center for Political Accountability. CPA-Zicklin Index of Corporate Political Disclosure and Accountability – Trendsetter Company

Corporate Knights. Global 100 Most Sustainable Corporations in the World

Corporate Responsibility magazine. 100 Best Corporate Citizens

Dow Jones Sustainability Indices. North America Index

EcoAct Dow Jones 30 on Sustainability Reporting Performance

Ethisphere Institute. World's Most Ethical Companies*

Fatherly. 50 Best Companies to Work for New Dads

Forbes. World's Most Reputable Companies & Most Valuable Brands

Forbes. Best Employers for Women

Fortune. World's Most Admired Companies

Fortune. Fortune 2018 Change the World List

FTSE Group. FTSE4Good Index

Gartner. Top 25 Supply Chains

Human Rights Campaign. Corporate Equality Index

Ipreo. ESG Leaders Index

ISS Ethix. Top ratings for Environmental and Social Disclosure

JUST Capital and *Forbes*. America's Most Just Companies

KnowTheChain. Top benchmark for action to eradicate forced labor from supply chain

MSCI, Inc. MSCI Global Sustainability Index

Reputation Institute. RepTrak* World Leading CSR Companies

Responsible Business Alliance. Compass Award for leadership in eliminating forced labor in the ICT industry

Smart Energy Decisions. Industrial Onsite Renewable Energy Award

Sustainalytics. Leader rating and Global Sustainability Leaders Index

U.S. Water Alliance. U.S. Water Prize for commitment to restoring 100% of water used

Wall Street Journal. Management Top 250

Working Mother. 100 Best Companies & Best Companies for Dads

OUR BUSINESS

We are a world leader in the design and manufacturing of essential products and technologies that power the cloud and an increasingly smart, connected world. In 1968, Intel was incorporated in California (reincorporated in Delaware in 1989), and our technology has been at the heart of computing breakthroughs ever since. We have evolved from a PC-centric company with a server business to a data-centric company, and have begun the next phase of our journey—to build a world that runs on Intel® solutions.

$70.8B RECORD REVENUE

Our growth in 2018 was primarily driven by our data-centric businesses, while our PC-centric business exceeded our expectations.

50 YEARS OF INNOVATION

Throughout 2018, we celebrated our golden anniversary and the wonderful things we are doing to create a bright future for Intel and the world.

TOP 100 RANKING

Forbes, in partnership with JUST Capital, again included Intel among the top companies in the JUST 100 list of America's best corporate citizens.

COMPANY PROFILE

Our Vision and Strategy

Our vision is if it is smart and connected, it is best with Intel. This vision is supported by our commitment to corporate responsibility, our relentless pursuit of Moore's Law, and the talent of our amazing employees.

Five years ago, we set out a strategy to transform from a PC-centric to a data-centric company. The proliferation of data from the cloud, to the network, and out to the edge; the impending transition to 5G; and the growth of artificial intelligence (AI) and analytics have driven a profound shift in computing, creating massive amounts of largely untapped data and a significant opportunity. Our innovation strategy includes investments in advanced manufacturing processes and packaging, architectures, memory, interconnects, security technologies, and software, as part of our efforts to be the leading end-to-end platform provider.

Our transition is well underway, as evidenced by our 2018 revenue, of which roughly half was earned from data-centric businesses, and the expansion of our total available market (TAM), which we last estimated at more than $300 billion.[1]

Our employees are executing our strategy by developing compelling technology and delivering innovative products to our customers, enabling strong financial growth and record results. Realizing the economics of Moore's Law has been and will continue to be a strategic priority, making possible the innovation of new high-performance products and improving user experience at exponential rates while balancing performance, cost, and power to meet our customers' needs.

Our Strategic Priorities

[1] Source: Intel calculated 2022 TAM derived from industry analyst reports and internal estimates.

WE ARE A WORLD LEADER

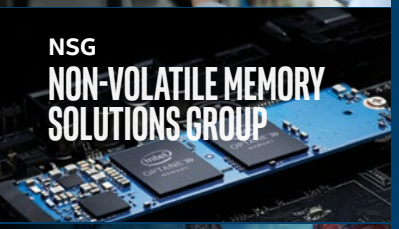
in the design and manufacturing of essential products and technologies that power the cloud and an increasingly smart, connected world.

OUR VISION

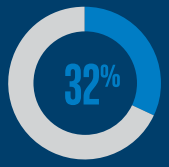
is if it is smart and connected, it is best with Intel.

OUR COMMITMENT

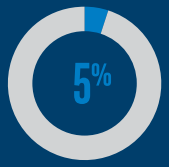
to corporate responsibility and sustainability leadership is deeply integrated throughout our business.



DATA-CENTRIC BUSINESSES[1]



of Intel's Total Revenue



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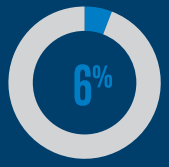
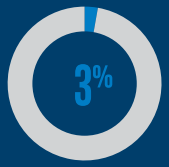
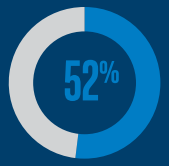


of Intel's Total Revenue



of Intel's Total Revenue

PC-CENTRIC



of Intel's Total Revenue

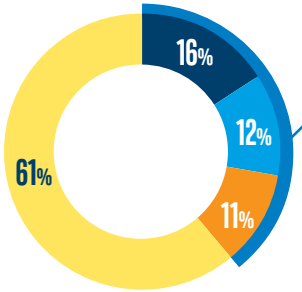
[1] Data-centric businesses include DCG, IOTG, NSG, PSG, and all other business, including Mobileye.

How We Organize Our Business

As of December 31, 2018, we organized our business into PC-centric and data-centric businesses. The PC-centric portion of our business included our Client Computing Group, while the data-centric businesses included the Data Center Group, Internet of Things Group, Non-Volatile Memory Solutions Group, Programmable Solutions Group, and all other businesses, including Mobileye. For additional information about Intel's business organization and operations, refer to the 2018 Annual Report on Form 10-K.

Our Customers

Our customers are looking for solutions that can process, analyze, store, and transfer data—turning it into actionable insights, amazing experiences, and competitive advantages. Enabling our customers to move faster, store more, and process everything is at the core of our strategy. The Intel® architecture platform provides the foundation for new solutions that take advantage of this growth of data. We sell our products primarily to original equipment manufacturers (OEMs) and original design manufacturers (ODMs). ODMs provide design and manufacturing services to branded and unbranded private-label resellers. In addition, our customers include other manufacturers and service providers, such as industrial and communication equipment manufacturers and cloud service providers, who buy our products through distributor, reseller, retail, and OEM channels. Our worldwide reseller sales channel consists of thousands of indirect customers—systems builders that purchase Intel® processors and other products from our distributors. For additional information about our customers, refer to the 2018 Intel Annual Report on Form 10-K.



OUR THREE LARGEST CUSTOMERS ACCOUNTED FOR 39% OF OUR NET REVENUE

Dell
HP
Lenovo
All others

In 2018, our three largest customers accounted for 39% of our net revenue.

Our Competitors

We face intense competition across our broad product portfolio from other companies that offer platform products, accelerator products, memory and storage products, or connectivity products. We also compete with internally developed semiconductors from OEMs, cloud service providers, and others, including customers. For additional information about our competition, refer to the 2018 Intel Annual Report on Form 10-K.

Our Products

We are at the forefront of developing new technologies and new products as building blocks for the increasingly smart and connected world. These technologies and products are utilized as integrated solutions for a broad spectrum of markets. From processing to transferring, storing, and analyzing data, our broad product portfolio offers innovative solutions to a wide array of customers. These products, such as our gaming CPUs, may be sold directly to end consumers, or they may be further integrated by our customers into end products such as notebooks and storage servers. Combining some of these products—for example, integrating field-programmable gate arrays (FPGAs) and memory with Intel® Xeon® processors in a data-center solution—enables incremental synergistic value and performance.

In 2018, our focus on product segmentation, innovation, and performance in PCs continued as we launched 9th Gen Intel® Core™ processors, which target the growing gaming market segment. To extend the growth momentum in data-centric businesses, we continue to offer innovative new products that provide higher performance and better value for our customers. We expect that our leadership products such as the second generation Intel® Xeon® Scalable processors and Intel® Stratix® 10 SX FPGA will further advance our opportunity in AI and help our customers process and analyze the flood of data. From autonomous driving and AI to the 5G network, we are making progress to expand and compete in the data-centric world. We have significant revenue generated from AI applications, completed successful 5G trials with partners, and revealed our plan to commercialize self-driving vehicles through a joint venture starting 2019.

For more information about our products, read our 2018 Annual Report on Form 10-K.

OUR PRODUCT PORTFOLIO

Platform products
A CPU and chipset, an SoC, or a multichip package processes data and controls other devices in a system. They are primarily used in solutions sold through CCG, DCG, and IOTG.

Accelerators
Silicon products that can operate alone or accompany our processors in a system, such as FPGAs, visual processing units (VPU), and Mobileye EyeQ SoC.

Boards and systems
Server boards and small form factor systems such as the Intel® NUC.

Connectivity
Cellular modem, Ethernet controllers, silicon photonics, fabric, WiFi, and Bluetooth.

Memory and storage
SSD, persistent memory, and memory components.

Product Stewardship

We are committed to product responsibility and strive to minimize the environmental impact of our products at all phases in their life cycle: development, production, use, and ultimate disposal. For more information, see "Product Ecology" in the Environmental Sustainability section of this report. By considering accessibility during product development, Intel designs products that are accessible to a wider range of users—including children, the growing senior population, and people with diverse abilities. We also recognize that innovation, growth, and the continued success of our business and the high-tech industry depend on individuals' trust in their use of technology and in the responsible, protected collection and processing of their data. Intel strives to help improve cybersecurity both as a consumer and a developer of technology. For more detail, see "Respecting Human Rights" later in this section of the report.

Product Security

The security of our products is one of our most important priorities. We build security into our products[1] and we encourage our customers and others in the technology industry to do the same. We strive to design, manufacture, and sell the world's most secure technology products, and we are continuously innovating and enhancing security capabilities for our products.

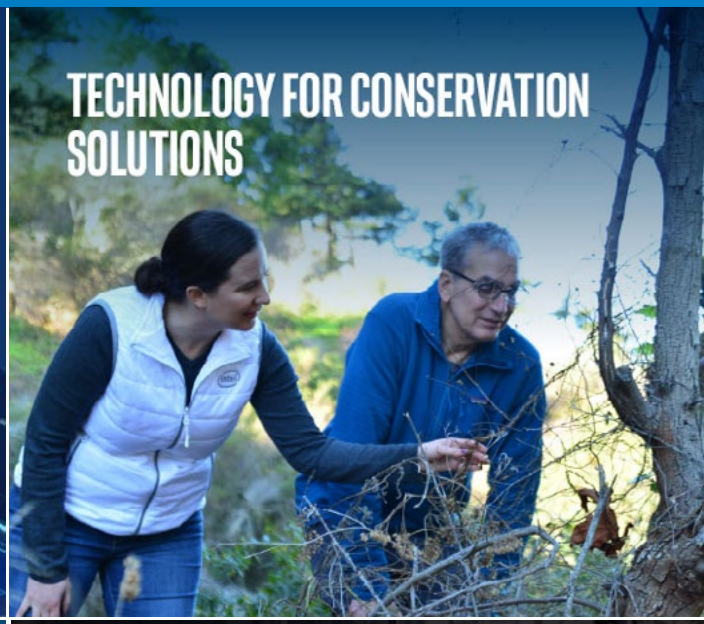
The security of our products is an ongoing priority, not a one-time event. It begins with a commitment to proactive security research, is carried forward through our Security Development Lifecycle, where security is engineered into our products from the outset. Once products are released, we continue to actively support them and address vulnerabilities. We are committed to ongoing collaboration with the industry to share hardware and software innovations that will accelerate industry-level progress in security. We also are committed to funding academic and independent research into the prevention and mitigation of potential security threats. Learn more about product security at Intel and our Security First Pledge.

[1] No computer system can provide absolute security under all conditions. Built-in security features available on select Intel® Core™ processors may require additional software, hardware, services, and/or an Internet connection. Results may vary depending upon configuration. Consult your PC manufacturer for more details. For more information, visit www.intel.com/technology/security.

APPLYING INTEL® TECHNOLOGY TO SOLVE

GLOBAL CHALLENGES

Intel technology and investments empower individuals, companies, and governments to improve lives around the world. We are at the forefront of new technologies that are increasingly being used to solve global challenges.



Our Capital

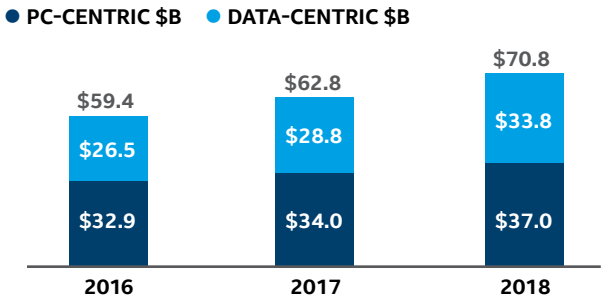
In line with the International Integrated Reporting Council's framework and six capitals concept, we have outlined how we deploy capital to execute our transformation strategy in ways that reflect our corporate values, delight our customers, and create value for our stockholders. Our six capitals are summarized here and described in more detail in our 2018 Annual Report on Form 10-K.

We empower and invest in attracting and retaining talented employees who enable the development of solutions and enhance our intellectual and manufacturing capital. Our effective utilization of natural resources and focus on corporate responsibility result in trusted relationships that support the growth of our business. Through these activities, we strive to develop the world's best semiconductors, deliver great customer experiences, efficiently manage our supply chain, improve the communities in which we operate, and, ultimately, generate financial capital that is reinvested in our business and returned to stockholders.

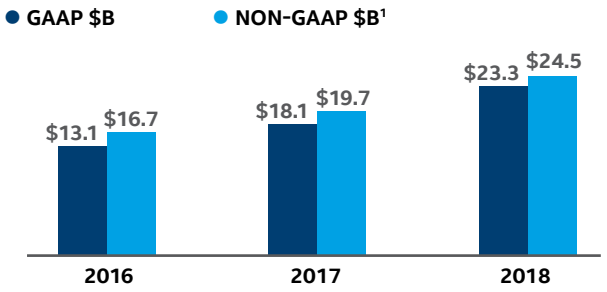
DRIVERS	STRATEGY	VALUE
Cash flow and capital allocation strategy	Leverage financial capital to invest in the business, acquire and integrate strategic investments, and provide returns to stockholders in the forms of dividends and share repurchases.	We strategically invest financial capital to create value for our stockholders. Over the last five years, we: • Generated $113 billion cash from operating activities • Generated $59 billion in free cash flow[1] • Returned $55 billion to stockholders
Research and development (R&D) and IP rights	Invest significantly in R&D to ensure our process and product technologies compete successfully as we pursue our strategy to make the world's best semiconductors and realize new data-centric opportunities.	We develop IP for our platforms to enable next-generation products, create synergies across our businesses, provide a higher return as we expand into new markets, and establish and support our brands.
Capital assets and strategic supply chain investments	Invest timely and at a level sufficient to meet customer demand for current technologies and prepare for future technologies.	Our worldwide manufacturing scope and scale enable innovations to provide our customers and consumers with a broad range of leading-edge products in high volume.
Employees and culture	Develop the talent needed to keep the company at the forefront of innovation and create a diverse, inclusive, and safe workplace.	We attract and retain talented and engaged employees who can deliver their workplace best every day and who create the intellectual capital we rely on to develop and advance our technologies and manufacturing.
Supply chain responsibility and positive social impact	Build trusted relationships for both Intel and our stakeholders, including local communities, governments, suppliers, customers, and employees.	We collaborate on programs to empower underserved communities through education and technology, and on initiatives to advance accountability and capabilities across our global supply chain, including advancing respect for human rights.
Resource efficiency	Continually strive to reduce our environmental footprint through efficient and responsible use of natural resources and materials used to create our products.	Our proactive efforts help us mitigate climate and water risk, achieve efficiencies, lower costs, and position us to respond to the needs and expectations of our stakeholders.

[1] See "Non-GAAP Financial Measures" within "Other Key Information" in the 2018 Annual Report on Form 10-K.

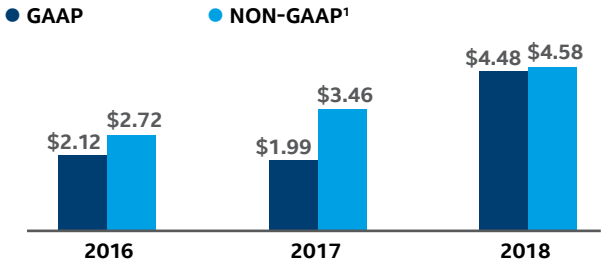
REVENUE



OPERATING INCOME



DILUTED EPS



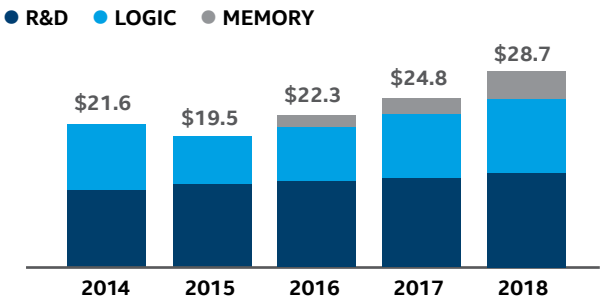
The preparation of consolidated financial statements is in conformity with U.S. generally accepted accounting principles (GAAP). We have included key metrics that we use to measure our business, some of which are non-GAAP measures. Refer to the Appendix for a reconciliation of Non-GAAP Operating Income and Non-GAAP EPS to comparable GAAP measures.

[1] See "Non-GAAP Financial Measures" within "Other Key Information" in the 2018 Annual Report on Form 10-K.

Financial Capital. Our financial capital allocation strategy focuses on building stockholder value. We do this by first investing in ourselves and growing our capabilities. We then look to supplement and strengthen our capabilities through acquisitions and strategic investments. And finally, we provide the return realized by these investments to our stockholders. For additional 2018 financial information, see the 2018 Annual Report on Form 10-K.

Intellectual Capital. Every year we make a significant investment in R&D, as it is a critical factor in achieving our strategic objectives to make the world's best semiconductors, lead the AI and autonomous revolution, and provide leading end-to-end platform solutions. Successful R&D efforts can lead to new products and technologies, or improvements to existing ones, which we seek to protect through our Intellectual Property rights (IP). We focus our R&D activities on six areas of engineering to advance our product capabilities: process technology, architecture, memory, interconnect, security technologies, and software. We have increased our investments in R&D in each of the last five years and intensified our focus on key priorities in product technology while exiting non-core businesses, such as our divestiture of Wind River Systems, Inc. during 2018.

R&D AND CAPITAL INVESTMENTS $B

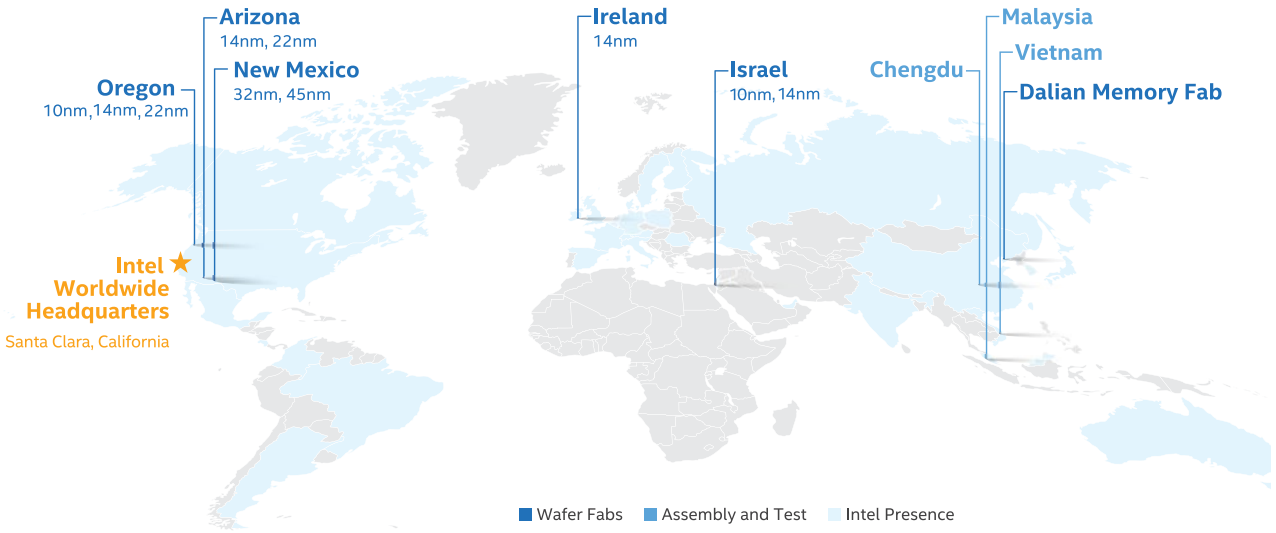


Intel Capital, our global investment organization, invests across a broad spectrum of technology innovation to encourage the creation of the technologies of tomorrow. Intel Capital equity investments—in AI, the data center, the Internet of Things, autonomous driving, semiconductor manufacturing, security, diversity, and other areas—support our strategic objectives. Learn more about Intel Capital.

We own and develop significant IP and related IP rights around the world that relate to our products, services, R&D, and other activities and assets. Our IP portfolio includes patents, copyrights, trade secrets, trademarks, maskwork, and other rights. For a detailed discussion of our IP rights, see our 2018 Annual Report on Form 10-K.

Human Capital. Given the highly technical nature of our business, our success depends on our ability to attract and retain talented and skilled employees to create the technology of the future. Our global workforce of 107,400 is highly educated, with approximately 85% of our people working in technical roles. We invest in creating a diverse, inclusive, and safe work environment where our employees can deliver their workplace best every day. We also provide our employees with a wide range of opportunities to support their ongoing career development.

For well over a decade, we have tracked and publicly reported on key human capital metrics, including workforce demographics, diversity and inclusion data, turnover rates, and training data. For more detail, see "Our People" later in this section of this report.



The map marks our manufacturing facilities and their primary functions as of May 2019, as well as the countries where we have a significant R&D or sales and marketing presence. Approximately half of our wafer manufacturing is conducted within the U.S. In 2018, we continued to ramp the 10-nanometer (nm) process node in our Oregon and Israel locations and to expand our memory fab, Fab 68.

Manufactured Capital. We are an integrated device manufacturer. Unlike many other semiconductor companies, we primarily design and manufacture our products in our own manufacturing facilities. We see our in-house manufacturing as one of our most critical forms of capital and an important advantage.

In addition to manufacturing products in our own factories, we use third-party foundries to manufacture wafers for certain components. We also leverage subcontractors to augment capacity to perform assembly and test in addition to our in-house manufacturing, primarily for chipsets and adjacent products.

Social and Relationship Capital. We are committed to operating with transparency, and through open and direct communication, we work to develop trusted relationships with all stakeholders, including employees, customers, suppliers, governments, and communities.

We also empower our employees to give back to the communities where we operate and engage them in corporate responsibility and sustainability initiatives. Our commitment to stakeholder collaboration and investments in social impact initiatives, including support of the United Nations Sustainable Development Goals, has resulted in our reputation as a leading corporate citizen, which has created value for Intel in terms of social license to operate and a positive operating environment.

We provide high-skill, high-paying jobs at Intel sites around the world and also impact economies through our R&D ecosystem spending, sourcing activities, consumer spending by our employees, and tax revenue. In addition, Intel makes sizable capital investments and provides leadership in public-private partnerships to spur economic growth and innovation. Our investments in education and digital skills training also help communities and countries advance economic development and improve competitiveness.

In recent years, we have engaged with third-party organizations to conduct analyses of the direct, indirect, and induced economic impacts of our operations inside and outside the U.S.[1] For example, a 2017 study by PwC estimated our Intel Ireland operations have had an average annual contribution to the Irish economy of over $1.1 billion since we began operations there in 1989, and a 2018 study by Samuel Neaman Institute for National Policy Research estimated our Intel Israel operations contributed $5.2 billion to the Israeli economy in 2017. Intel's Oregon operations supported $27.1 billion in economic activity across the state in 2016. In addition to 20,000 Intel positions, our Oregon operations supported 18,600 other jobs in the state, and our capital investment projects in Oregon between 2013 and 2016 supported 37,700 more jobs.

For more information on our social and relationship capital, see "Stakeholder Engagement" later in this section, and the Supply Chain Responsibility and Social Impact sections of this report.

Natural Capital. Driving to the lowest environmental footprint possible helps us achieve efficiency, lower costs, and respond to the needs of our customers and community stakeholders. We invest in conservation projects and set company-wide environmental targets, seeking to drive reductions in greenhouse gas emissions, energy use, water use, and waste generation. We focus on building energy efficiency into our products to help our customers lower their own emissions and energy costs. We also collaborate with policymakers and other stakeholders to identify opportunities to apply technology to environmental challenges such as climate change and water conservation. For more information, see the Environmental Sustainability section of this report.

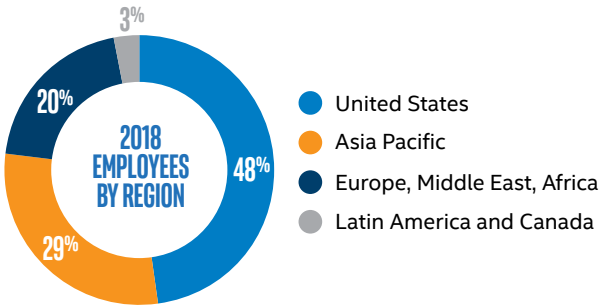
[1] The studies present a snapshot in time and while similar frameworks are utilized across the studies, there are methodological differences based on geographic factors and locally accepted practices.

OUR PEOPLE

We invest significant resources to attract, develop, recognize, and reward the highly skilled people who keep Intel at the forefront of innovation. Our investments make Intel an employer of choice and foster a rich and powerful culture that allows us to make a profound impact on the world.

Building an inclusive workforce, industry, and ecosystem is critical to helping us drive our business forward, and we have a long-standing commitment to inclusive workplace policies. Detailed information on our diversity and inclusion initiatives is available on our Diversity website and in the Diversity and Inclusion section of this report.

Intel's Human Resources (HR) organization has primary responsibility for the management of our workplace and talent development activities, and the Intel Values, Intel Code of Conduct, and Intel Global Human Rights Principles form the foundation of our workplace policies and practices.



As of December 29, 2018, we had 107,400 employees worldwide, with approximately half of those employees located in the U.S. A list of sites with more than 50 employees is included on the Report Builder website.

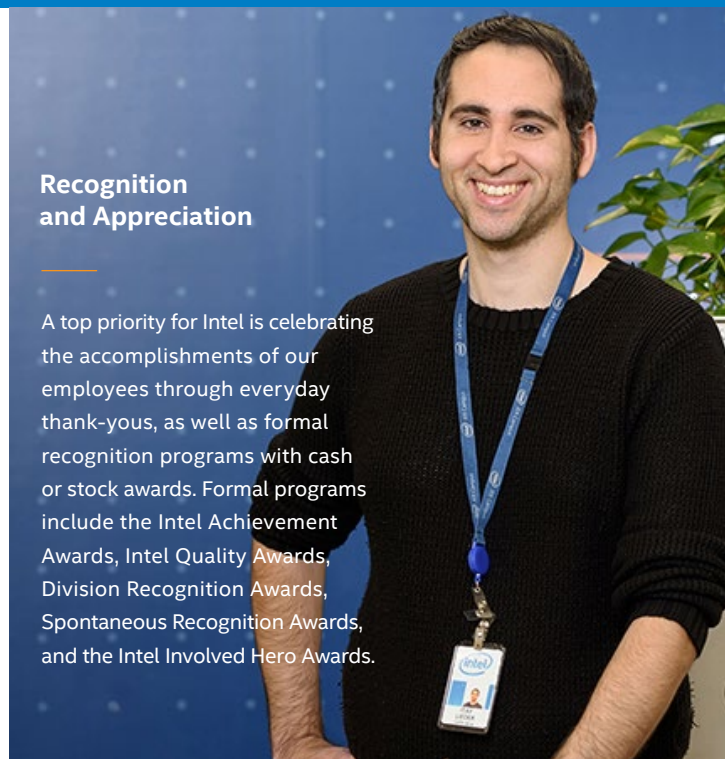
Communication and Engagement

Our success depends on employees understanding how their work contributes to the company's overall strategy. We use a variety of channels to facilitate open and direct communication, including open forums with executives; quarterly Organizational Health Polls; and engagement through more than 30 different employee resource groups, including the Women at Intel Network, the Network of Intel African American Employees, the Intel Latino Network, and others.

Growth and Development

Each year, we deliver over a million hours of web-based and face-to-face training for different employee segments: New to Intel, Employee Development, Manager Development, and Leader Development. Through the "Managing at Intel" course, we have been training every manager in the company in inclusive management practices and providing resources and tools to support them.

We also create on-the-job development opportunities through rotation or temporary assignment programs. Our web-based development tool enables employees to apply for part-time or temporary assignments across the company. In addition, our U.S. sabbatical program creates growth opportunities through job coverage assignments; many of the employees who completed sabbatical coverage assignments in 2018 gained valuable management experience by covering for their direct managers.



Recognition and Appreciation

A top priority for Intel is celebrating the accomplishments of our employees through everyday thank-yous, as well as formal recognition programs with cash or stock awards. Formal programs include the Intel Achievement Awards, Intel Quality Awards, Division Recognition Awards, Spontaneous Recognition Awards, and the Intel Involved Hero Awards.

2018 LEARNING AND DEVELOPMENT STATISTICS

	Employees	Contingent Workers	Total
Total learning hours delivered[1]	1,799,000	167,000	**1,966,000**
Number of learners who received training	124,000	76,000	**200,000**

Most of Intel's internal courses are led by employee volunteers who leverage their skills and knowledge of a particular subject to teach other employees.

[1] Includes a mix of training methods, such as instructor-led classroom, virtual classroom, and multimedia.

Employee Health, Safety, and Wellness

Our health, safety, and wellness programs help employees enjoy a better quality of life and contribute to Intel's success. Our innovative, flexible, and convenient employee programs include on-site health centers and fitness classes and facilities.

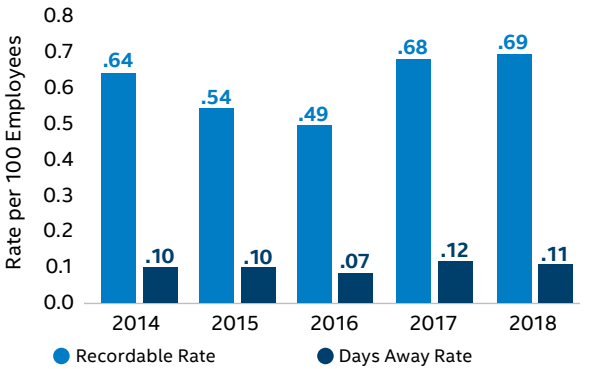
Our ultimate goal is to achieve zero serious injuries through continued investment in and focus on our core safety programs and injury-reduction initiatives. The Intel Environmental, Health, and Safety Policy guides us to "provide a safe and injury-free workplace"—not only for our employees, but also for contractors working at our sites. We maintain a fully integrated multi-site registration for Occupational Health and Safety Assessment Series (OHSAS) 18001, the internationally recognized standards for occupational safety and health management systems. We set high safety training and performance expectations with our suppliers during our contracting process, including contractor orientation for new suppliers. For more information, see the Supply Chain Responsibility section of this report.

Health and safety training helps employees understand their safety responsibilities, and covers information needed for specific jobs (such as electrical safety, ergonomics, control of hazardous materials, and chemical safety). We also have implemented Wellnomics office ergonomics software, which aims to reduce ergonomic-related injuries by encouraging employees to take micro-breaks, complete desk exercises, and more. We continue to maintain our comprehensive, corporate-wide EHS compliance assurance program. For information about this program and our Notices of Violation, refer to the Environmental Sustainability section of this report.

Intel ended 2018 with an Occupational Safety and Health Administration (OSHA) recordable rate of 0.69, compared to the most recently published U.S. semiconductor industry average recordable rate of 1.0.[1] Our days away case rate[2] was 0.11 compared to the semiconductor industry average of 0.5.[1] Ergonomic-related or "cumulative trauma disorders" (CTDs) remained the most prevalent type of injury experienced at Intel in 2018, followed by strain/sprains and cuts/lacerations. Our First Aid to Recordable Ratio for CTDs increased from 1.7 to 1 in 2017 to 2.1 to 1 in 2018.

The increases in the rates above were driven in part by our focus in 2018 on encouraging early reporting based on our review of our 2017 injury data and trends from our employee safety culture surveys. Early reporting is critical, as it increases the chance of employees getting better more quickly and requiring less medical care over time. In 2018, in recognition of the International Labor Organization's (ILO) World Day for Safety and Health at Work, we launched a comprehensive "Global Safety Always" campaign at 43 Intel sites. Our goal was to increase employee awareness of reporting, ergonomics, and situational safety using multi-media approaches and manager guidance. As a result of the campaign and other efforts, reporting of injuries—primarily CTDs—increased 20% across Intel. Our focus on a strong safety culture and encouragement of early reporting will continue to be a focus area for us in 2019. Read more.

RECORDABLE AND DAYS AWAY INJURY RATES



Rate based on 100 employees working full time for one year; data as of March 18, 2019. Note, certain historical figures have been updated based on new reported cases received.

The Intel® Vitality program for U.S. employees focuses on four pillars of wellness: mindset, nutrition, movement, and recovery. In 2018, 12,165 of our employees engaged in the program, and 69% of participants have used the program for the four years it has been offered. A total of 312,122 engagements/services were completed in 2018, a 274% increase over 2017. This program has a 91% satisfaction rate and is considered one of the most valued Intel programs by our employees.

Globally, we have 36 on-site health clinics to attend to work-related employee health and safety needs. In addition, we have five Health for Life Centers at our sites in Arizona, New Mexico, and Oregon to provide primary care and specialty services (including acupuncture, chiropractic, behavioral health services, and physical therapy) to our employees and their eligible dependents. The centers are integrated with our other on-site health and wellness program offerings and have a 95% satisfaction rate.

[1] https://www.bls.gov/web/osh/summ1_00.htm

[2] Days away begins the day after the accident.

Compensation and Benefits

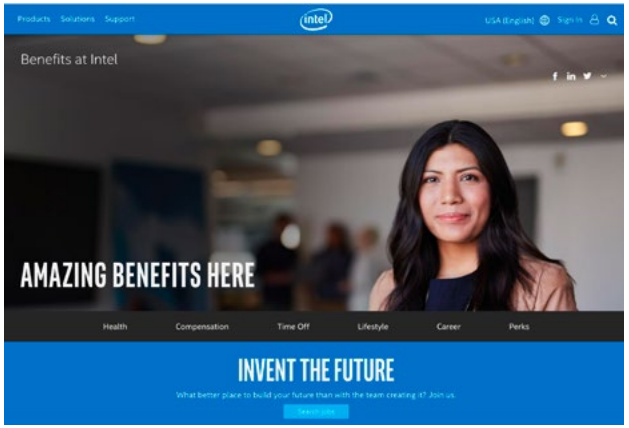
We strive to provide pay, benefits, and services that help meet the varying needs of our employees. Our total rewards package includes market-competitive pay, broad-based stock grants and bonuses, a popular Employee Stock Purchase Plan, healthcare and retirement benefits, paid time off, flexible work schedules, paid sabbaticals, fertility assistance, and on-site services. For more than a decade, we've performed an annual compensation analysis in the U.S. to ensure pay equity by gender and race/ethnicity. In 2018, we began globalizing our analytics and in early 2019 achieved gender pay equity globally. Our bonus programs, among the top one-third of our industry and tech competitors, link employees' compensation directly to Intel's net income, financial, and operational performance goals:

Quarterly Profit Bonus: A cash profit-sharing bonus paid to employees four times per year based on Intel's profitability.

Annual Performance Bonus: Cash awards based on Intel's achievement of financial and operational goals. Since 2008, we have included criteria related to corporate responsibility metrics such as diversity and inclusion and environmental performance.

Stock Equity Plans: We grant equity in the form of Restricted Stock Units (RSUs) to approximately 90% of global employees each year. In addition, we doubled the contribution limit from 5% to 10% of eligible pay in early 2019 in our Employee Stock Purchase Plan, where eligible employees can purchase stock through payroll deductions at 85% of fair market value on specific dates.

We also offer comprehensive health benefits, including medical, dental, and vision insurance plans, and a 365/24/7 Employee Assistance Program for employees and their families. We offer market-competitive retirement plan options, including 401(k) retirement contributions by Intel.



BENEFITS AT A GLANCE

Learn more about our comprehensive benefits at intel.com/benefits.

Measuring Our Progress

We use a variety of methods to solicit employee feedback on Intel culture, management, career opportunities, compensation, and benefits. The Organizational Health Poll (OHP) is one channel by which employees can voice their perceptions of the company and their work experience. The poll, usually administered once per quarter, randomly invites roughly 25% of the employee population to participate (excluding those previously invited), resulting in most employees having the opportunity to participate about once per year. Trends in areas such as employee emotional commitment, job fit, trust, and organizational direction are monitored at the corporate, business group, and country levels.

Individual business groups also conduct their own surveys to gather employee input and assess progress. For example, our Ethics Program Office surveys employees on the state of ethics at the company, and our Corporate Services organization measures satisfaction with workplace design, cafeterias, and other on-site employee services. In 2018, we also surveyed employees regarding their views on corporate responsibility and 85% reported that Intel's corporate responsibility efforts contribute to why they are proud to work at Intel.

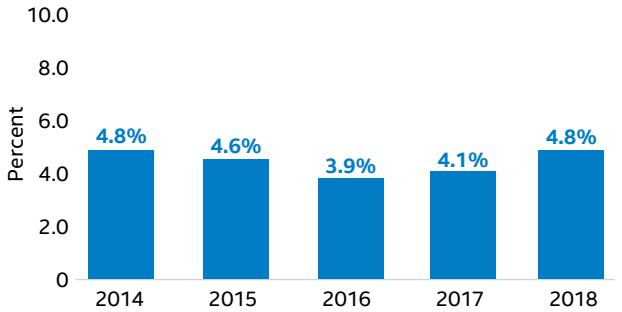
86% "I like the kind of work I do."[1]

83% "I would like to be working at Intel one year from now."[1]

85% "I know what I need to do to be a valued contributor at Intel."[1]

[1] Responses from the 2018 Organizational Health Poll, averaged from quarterly polls.

UNDESIRED VOLUNTARY GLOBAL TURNOVER



Our undesired voluntary turnover increased from 4.1% in 2017 to 4.8% in 2018. Over the past five years, our undesired voluntary turnover rate has been below 5%, and our rate is also lower than our industry benchmark. These figures include all regular Intel employees who voluntarily left Intel, but do not include Intel contract employees, interns, or employees who separated from Intel due to divestiture, retirement, voluntary separation packages, death, job elimination, or redeployment.

INTEGRATED STRATEGY, GOVERNANCE, AND ETHICS

Embedding Corporate Responsibility

We believe that our integrated approach to financial matters, corporate governance, and corporate responsibility drives increased accountability, improves decision making, and ultimately creates long-term value.

We also believe that embedding corporate responsibility across the company is the most effective management approach. We have established cross-functional Management Review Committees (MRCs) consisting of senior executives who manage corporate responsibility and sustainability activities across the organization. Our global Corporate Responsibility Office acts as an internal adviser to the business groups and MRCs to drive strategic alignment and incorporate external stakeholder input into decision processes. Many Intel business groups have established teams dedicated to corporate responsibility issues, or conduct due diligence and implement policies and procedures for specific issues. Read more about the oversight and management of all areas of Corporate Responsibility in each section of this report and on the Report Builder website.

We have developed CSR-related guidelines and policies that take into account the concept of shared value and frameworks such as the United Nations Global Compact, International Labor Standards, OECD Guidelines for Multinational Enterprises, and the United Nations Sustainable Development Goals (SDGs). We have outlined how our strategies support the SDGs in "Sustainable Development Goals" later in this section of this report.

Intel Guidelines and Policies on Strategic Corporate Responsibility Issues

- Intel Values
- Intel Code of Conduct
- Intel Human Rights Principles
- Intel Anti-Slavery and Human Trafficking Statement
- Intel RBA Commitment Letter
- Intel EHS Policy
- Intel Climate Change Policy
- Intel Water Policy
- Intel Political Accountability Guidelines
- Intel Responsible Minerals Sourcing Policy
- Intel Corporate Accessibility Policy

ACCESS DOCUMENTS AT:
intel.com/responsibility

INTEGRATED VALUE FRAMEWORK

Risk Management

License to Operate and Governance

- Regulatory risk (e.g., environmental)
- Community engagement
- Supply chain

Operations

Cost Savings and Continuous Improvements

- Operational efficiency
- Management quality
- Employee engagement

Brand

Reputation and Goodwill

- Differentiation
- Trusted partner
- Goodwill

Revenue

Growth and Innovation

- Market expansion
- Product innovation
- New customer needs

Embedding corporate responsibility and sustainability into our business and decision-making creates value for Intel in four main ways. It helps us: reduce risk and protect our license to operate, improve the efficiency and effectiveness of our operations, protect and build brand value, and drive revenue growth through innovation and identification of market opportunities.

Linking Compensation to Corporate Responsibility Factors

Since 2008, we have linked a portion of our executive and employee compensation to corporate responsibility factors in our Annual Performance Bonus (APB). The formula for determining APB payouts is based on both absolute and relative financial performance and the achievement of certain operational goals. In 2018, the operational goals component included metrics related to our diversity and inclusion objectives. Previous metrics have focused on areas such as carbon emissions and recycling. For more information, see our 2019 Proxy Statement.

Investor Outreach

During 2018, our integrated outreach team, led by our Investor Relations group, Corporate Responsibility office, and Corporate Secretary's office—and including representatives from other business groups as needed—met to discuss a wide range of issues, including environmental, social, and governance (ESG) topics with investors representing an aggregate of at least 50% of our outstanding shares. We believe that our approach to engaging openly with our investors on topics such as financial issues, corporate governance, executive compensation, and corporate responsibility drives increased corporate accountability, improves decision making, and ultimately creates long-term value.

We also continued to further integrate corporate responsibility information into our 2018 Annual Report on Form 10-K, 2019 Proxy Statement, and Investor Relations website and to align with external reporting frameworks in response to investor feedback.

Corporate Governance and Board Oversight

Since 2003, the Board's Corporate Governance and Nominating Committee has been responsible for reviewing and reporting to the Board on corporate responsibility and sustainability issues at Intel. The feedback we receive through our investor outreach activities is communicated to the Committee on a regular basis throughout the year, and to our full Board once a year. The Committee receives formal updates at least twice each year on the company's corporate responsibility performance, including a review of the annual Corporate Responsibility Report and specific corporate responsibility issues such as political contributions, climate change, human capital and workforce, and human rights issues. A number of directors have expertise in key corporate responsibility areas, including human capital and environmental sustainability. As part of every Board search, our Board is committed to actively seeking women and minority candidates, as well as candidates with diverse backgrounds, experiences, and skills. In 2018, Intel joined the Thirty Percent Coalition, which focuses on strategies to increase female representation on corporate boards. Through our partnerships, we aim to not only increase the available talent for our Board, but to also support increased female board representation across our industry.

One of the Board's functions is the oversight of risk management. The Board receives periodic briefing and informational sessions by management on the types of risks the company faces and enterprise risk management. Management is responsible for identifying risk and risk controls related to significant business activities; mapping the risks to company strategy; and developing programs and recommendations to determine the sufficiency of risk identification, the balance of potential risk to potential reward, and the appropriate ways to control risk.

A full description of the Board's responsibilities, director biographies, and compensation practices are available in our 2019 Proxy Statement.

Ethics and Compliance

Each year, our CEO communicates with all employees and managers about the importance of ethics and legal compliance. This "tone from the top"—reiterated by our senior leadership and combined with our annual ethics and compliance training, regular communications throughout the year, bi-annual ethics culture surveys and awareness trainings, and educational resources on our employee intranet site—helps to create an ethical and legally compliant culture. In 2018, Ethisphere Institute once again named Intel to its annual list of the World's Most Ethical Companies* and we celebrated Global Ethics Day by asking employees around the world to share why ethics at Intel matters to them. Read more.

We maintain a robust process for reporting misconduct, and employees are encouraged to raise ethical questions and concerns, and to ask questions about policies or procedures. We maintain multiple channels for employees to report concerns, including reporting anonymously, as permitted by applicable law. The anonymous reporting channel consists of a telephone and online reporting tool managed by a third party. We clearly communicate Intel's non-retaliation policy, which prohibits retaliation against anyone who, in good faith, reports a concern or participates in an investigation.

The Board and senior management receive periodic reports of statistics related to misconduct, as well as details about key investigations that are in progress or completed. Our Ethics and Compliance Business Champions encourage employees within the business units to stay current with their ethics and compliance training, review quarterly case investigations with leaders of their respective business groups, and raise employee awareness about the importance of and the mechanism for asking questions and reporting concerns. The largest categories of verified cases in 2018 were corporate travel card misuse, conflict of interest, expense reporting misconduct, falsification of documents, and misuse of other assets. Consistent with our commitment to maintain the highest levels of ethics and compliance, we address concerns through senior management discussions, employee communications, process and controls improvements, and individual corrective action measures, where appropriate.

Each year, Intel's Ethics and Compliance Oversight Committee (ECOC) invites various Intel organizations to assess and report on ethics and compliance in their respective businesses or sites, and reviews risk topics that span business groups.

The Intel Code of Conduct

The Intel Code of Conduct affirms the principles that guide the behavior of employees of Intel and its subsidiaries, non-employee members of our Board of Directors regarding their Intel-related activities, independent contractors, consultants, suppliers, and others who do business with Intel. Through the Code, which is available in 14 languages, we seek to promote honest and ethical conduct, deter wrongdoing, and support compliance with applicable laws and regulations. We also communicate our ethical expectations, including compliance with our Code principles and anti-corruption policies, to our suppliers and third parties.

All employees are expected to complete annual Code of Conduct training, through which they also certify adherence to the Code. In addition, a targeted population completes an annual disclosure process to monitor compliance with the Code. Depending on their roles and geographic locations, certain employees are assigned more in-depth ethics and compliance training on topics such as anti-corruption, import-export compliance, insider trading, and antitrust. In 2018, for example, over 98% of our population took Code of Conduct training and about 35% of our workforce received additional training on other topics such as anti-corruption and/or anti-trust.

Public Policy and Political Accountability

Intel works with governments, organizations, and industries around the world to advocate for policies that encourage new ideas, promote fair commerce, and protect resources. We also work to educate political candidates about the implications of public policy decisions for our business, and provide financial support to candidates who hold positions consistent with our business objectives. Our trade association memberships help us work collaboratively with other companies and groups to address key public policy issues.

The Intel Political Accountability Guidelines outline our approach to making political contributions, including senior management and Board-level review processes and our commitment to transparency. Decisions on political contributions, whether from the Intel Political Action Committee (IPAC) or corporate funds, consider Intel's business objectives, corporate policies, and the public policy priorities outlined on our Public Policy and Corporate Responsibility websites.

We publish reports on our corporate contributions, IPAC contributions, and trade association membership dues on our Report Builder website.

2018 CONTRIBUTIONS

Contribution Type	Amount
Corporate contributions, including state and local candidates, campaigns, and ballot propositions	$177,500
Intel Political Action Committee contributions	$669,100

Direct Corporate Contributions. Intel makes relatively few direct political contributions using corporate funds, and has a policy of not making independent political expenditures or funding electioneering communications.

Intel Political Action Committee. No corporate funds are contributed to IPAC other than for administrative purposes, and all employee participation in IPAC is voluntary. IPAC's approach targets balanced support of Democratic and Republican candidates each cycle.

Industry and Trade Associations. We disclose trade association membership dues and payments to other tax-exempt organizations such as 501(c)(4) and 501(c)(6) organizations annually, including the reported portion of dues used for political purposes for annual dues over $50,000.

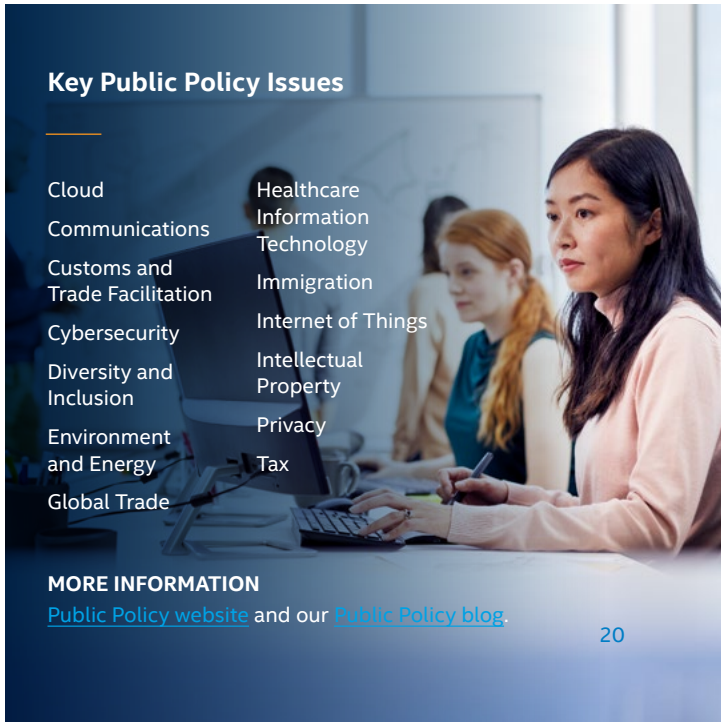
Lobbying Expenses. Intel files quarterly reports with the Secretary of the U.S. Senate and the Clerk of the U.S. House of Representatives that detail our lobbying activities. These reports can be found in the Senate's Lobbying Disclosure Act Database. In 2018, our reported lobbying expenditures totaled $4 million, compared to $3.7 million in 2017.

We regularly evaluate our political spending for effectiveness and alignment as part of our contributions process. We recognize that it is impractical and unrealistic to expect that our company, stockholders, and stakeholders will agree with every issue that a politician or trade association may support, particularly given our strategy of bipartisan giving.

We assess recipients' overall voting records related to our key policy issues and make funding decisions that we believe in aggregate will have the greatest benefit for our stockholders and key stakeholders. Decisions are also made based on states and districts with a significant Intel presence and leadership on committees of jurisdiction on important Intel priorities. In 2018, in response to stakeholder concerns with one of our IPAC contributions, we further enhanced our review process by adding reviews of public statements to our existing reviews of voting records to better assess alignment with our values. When we identify some degree of misalignment, we will communicate directly with contributions

Intel was named a "Trendsetter" company in the 2018 CPA-Zicklin Index of Corporate Political Disclosure and Accountability.

recipients. In cases of significant misalignment across our multiple key public policy issues, we will take action to realign future funding decisions. We also work to make our priorities and positions on key issues clear by including information on our Public Policy website and by publicly supporting amicus briefs or other joint policy communications. In 2018, we published statements on our Public Policy blog covering a range of issues important to our business and industry, from regulation of AI, autonomous vehicles, 5G, and other emerging technologies, to diversity and inclusion, immigration, data privacy, and cybersecurity.



Key Public Policy Issues

- Cloud
- Communications
- Customs and Trade Facilitation
- Cybersecurity
- Diversity and Inclusion
- Environment and Energy
- Global Trade
- Healthcare Information Technology
- Immigration
- Internet of Things
- Intellectual Property
- Privacy
- Tax

MORE INFORMATION

Public Policy website and our Public Policy blog.

STAKEHOLDER ENGAGEMENT

We are committed to operating with transparency and, through open and direct communication, we work to develop trusted relationships with all stakeholders, including employees, customers, suppliers, governments, and communities. We maintain formal management systems to engage with, listen to, and learn from our stakeholders and incorporate their input into our thinking and planning.

In addition to face-to-face meetings, a number of online channels provide us with valuable, ongoing input on our performance and strategy. Our corporate responsibility e-mail account enables stakeholders to share their issues, concerns, and comments directly with members of our corporate responsibility team, who respond to hundreds of messages each year on a wide variety of topics. We also receive and respond to feedback through our CSR@Intel blog, Exploreintel.com website, Facebook page, and @WeAreIntel Twitter account.

The corporate responsibility materiality matrix below illustrates how we identify, prioritize, and take action surrounding the topics we believe are of greatest interest to our stakeholders regarding Intel's environmental, social, and economic performance.

1. IDENTIFY

We use a range of methods and inputs to identify priority topics and emerging issues from our stakeholders.

Sources:

- CSR and social media channels
- ESG investor outreach meetings
- Results of community advisory panels and surveys
- Customer data requests and survey data
- Employee open forums and surveys
- Meetings with governments
- Human rights impact assessment and ethics and compliance processes
- Research on external standards, trends, and frameworks

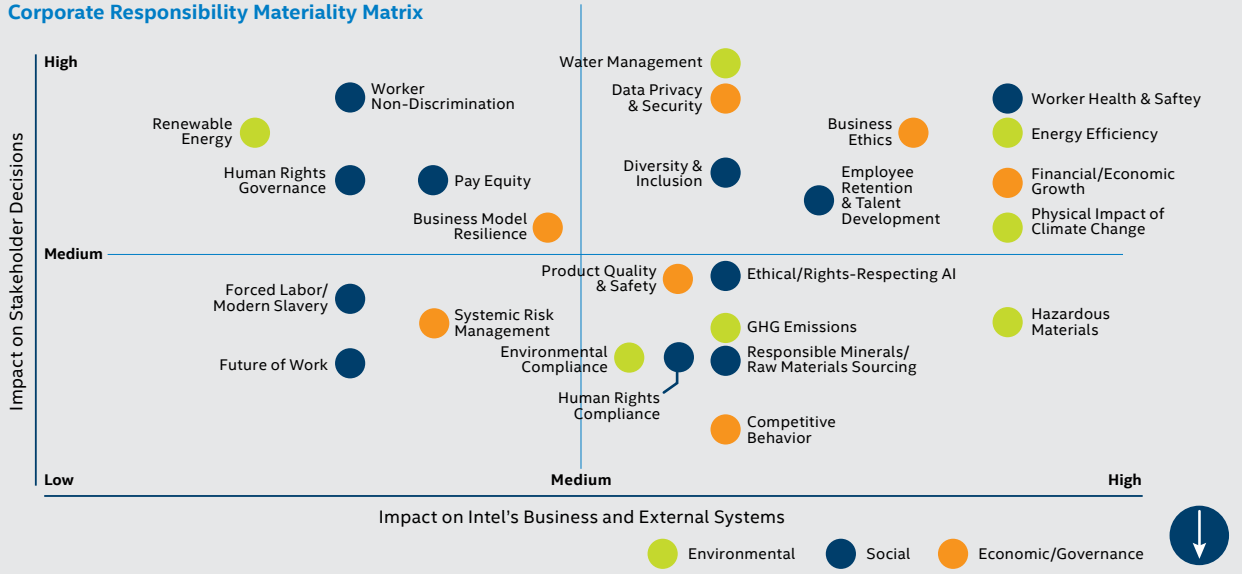
Stakeholder Review:

In 2018, we engaged a third party to update our materiality assessment, including review of external reporting standards (including the Global Reporting Initiative, the Sustainability Accounting Standards Board, and the International Integrated Reporting Committee), assessment of issues identified through stakeholder dialogue during the year, and completion of additional interviews with internal and external stakeholders.

2. PRIORITIZE

We review issues and consider both the potential impact on stakeholder decisions and the impact on Intel's business and external systems.

Corporate Responsibility Materiality Matrix



3. TAKE ACTION

We use this information to inform changes to our strategies, goals, and ongoing engagement and disclosure practices.

RESPECTING HUMAN RIGHTS

Human rights are the fundamental rights, freedoms, and standards of treatment to which all people are entitled. Intel's Global Human Rights Principles, adopted in 2009, formalize our commitment to respecting human rights; embody common principles laid out in multiple frameworks, including the United Nations Guiding Principles on Business and Human Rights; and apply to all employees and contingent workers, including those in our subsidiaries.

We are committed to maintaining and improving systems and processes to avoid complicity in human rights violations related to our own operations, supply chain, and products. We also look for opportunities to apply our technology to support the advancement of human rights.

Intel has established an integrated approach to managing human rights across our business, including board-level oversight and the involvement of senior-level Management Review Committees. Our Corporate Responsibility Office manages our human rights program, and responsibility is also embedded across the company through a cross-Intel Human Rights Steering Group and close partnerships with global teams that develop and implement policies and actions related to our human rights risks.

Our Approach to Managing Human Rights

Our Operations

Our goal is to cultivate a safe, diverse, and respectful work environment where employees can thrive and innovate. As a founding member of the Responsible Business Alliance (RBA),[1] we hold ourselves accountable to the same expectations we have for our suppliers. We apply the same high expectations and human rights standards for all our employees, regardless of where they work.

The Intel Environmental, Health, and Safety Policy guides us to "provide a safe and injury-free workplace" through our core safety programs and injury-reduction initiatives—not only for our employees, but also for contractors working at our sites. In addition, the Intel Water Policy reinforces our respect for the human right to water by helping us responsibly meet our operational needs as well as those of our communities.

Our Supply Chain

We have invested significant time and resources in collaborating with others to influence system-level, industry-wide improvements to protect and empower workers in the global electronics supply chain and reduce community impacts. For more information, see the Supply Chain Responsibility section of this report.

Our Products

We have long been committed to respecting privacy and security related to the development and use of our products. Our Privacy by Design and Security Development Lifecycle (SDL) processes define actions, deliverables, and checkpoints aimed at integrating security and privacy protections into our products and services. Our development process includes an analysis of how products protect against unauthorized access, use, destruction, modification, or disclosure of personal information, and we review the security and privacy implications of our products with internal or external experts. Intel does not participate in any efforts to decrease security in technology and does not design back doors for access into our products. We also publish our Intel Privacy Notice, which outlines our general approach to managing personal information. In addition, we advocate for global policies and standards to protect data privacy and security, and proactively communicate our positions on our Public Policy blog.

As Intel invests in new technologies such as AI, autonomous driving, virtual reality, and 5G, we are engaging various stakeholders to evaluate the potential for these technologies to infringe on human rights. The challenges vary by product or service, but include product misuse, algorithmic bias, algorithmic transparency, privacy infringement, limits on freedom of expression, and health and safety impacts. We continually assess our policies and practices to identify, assess, and mitigate emerging risks.

[1] Formerly the Electronic Industry Citizenship Coalition (EICC).

Our Salient Human Rights Risk Areas

- Discrimination
- Health and Safety
- Forced Labor
- Working Hours
- Living Wage
- Raw Materials
- Water
- Privacy
- Freedom of Expression

SEE MORE. For more detail, see our Salient Human Rights Risk mapping on the Report Builder website.

Advancing Respect for Human Rights

In 2016, we engaged a third party to conduct a human rights impact assessment (HRIA) to review our processes and validate our human rights risks. The HRIA confirmed that we were addressing our most salient human rights risks, and reaffirmed our need to assess potential risks associated with emerging technologies. In 2018, we built on the results of that assessment and conducted an additional internal Artificial Intelligence and Autonomous Driving HRIA, including assessment of potential risks related to product misuse, algorithmic bias, algorithmic transparency, privacy infringement, limits on freedom of expression, and health and safety. To begin addressing these challenges, in 2018 we formed an internal AI Ethics and Human Rights team and co-hosted a Business and Human Rights AI roundtable that brought together leading technology companies to improve learning about potential human rights risks related to emerging technologies.

2019 Human Rights Priorities

- Continue to assess and engage in dialogue regarding potential human rights impacts of emerging technologies such as AI and autonomous driving.
- Advance our responsible minerals sourcing program to address social impacts of cobalt as well as conflict-affected and high-risk areas (CAHRAs) beyond the Democratic Republic of Congo (DRC). For more details, see "Responsible Minerals Sourcing" in the Supply Chain section of this report.
- Continue our work to combat forced and bonded labor in the second tier of our supply chain with approximately 50 of our strategic suppliers to assess and address the risk of forced and bonded labor with at least three of their major suppliers.

Salient Risk	Value Phase	Related Policies
Discrimination	Operations, Supply Chain, Products	• Equal Opportunity and Diversity Guideline • RBA Code of Conduct
Forced Labor	Supply Chain	• Intel Anti-Slavery and Human Trafficking Statement • RBA Code of Conduct
Freedom of Expression and Privacy	Products	• Intel Privacy Policy
Health and Safety	Operations, Supply Chain, Products	• Intel Environmental, Health, and Safety Policy • RBA Code of Conduct • Intel Product Safety Policy
Living Wage	Supply Chain	• RBA Code of Conduct
Raw Minerals	Supply Chain	• Intel Responsible Minerals Sourcing Policy
Water	Operations	• Intel Water Policy
Working Hours	Supply Chain	• RBA Code of Conduct

Above is a high-level mapping of our salient human rights risks within our value chain and the relevant supporting policies, in addition to the Intel Code of Conduct and Intel Human Rights Principles.

$14M+ Returned Fees

We are working to combat forced and bonded labor in our supply chain, including prohibiting holding worker passports and charging worker fees to obtain employment. Since 2014, our suppliers have returned over $14 million in fees to workers as a result of our efforts. For more, see "Combating Forced and Bonded Labor" in the Supply Chain section of this report.

SUSTAINABLE DEVELOPMENT GOALS

The United Nations Sustainable Development Goals (SDGs) are aimed at stimulating action in areas of critical importance for humanity and the planet. We believe that the achievement of the SDGs will be critical to creating a life of dignity and opportunity for all, and we believe technology will play a key role in achieving the SDGs. We support many of these goals through our corporate responsibility and sustainability strategies. In particular, we use the goals below to inform the ongoing development of our strategies, initiatives, and long-term goals. We also believe that information communications technology (ICT) can play an enabling role in the implementation of all of the SDGs. Intel, Nethope, and the UN Foundation developed an SDG ICT Playbook that outlines technology trends, opportunities, and innovative case studies that global leaders can reference as they develop their strategies and actions to address the SDGs.

Environmental Responsibility

SDG 6: Ensure access to water and sanitation for all

SDG 12: Ensure sustainable consumption and production patterns

SDG 13: Take urgent action to combat climate change and its impacts

We have made significant investments and set aggressive goals to reduce the environmental footprint of our global manufacturing operations, including goals and policies on climate change and water conservation. We continue to work toward our 2020 sustainability goals, and to invest in conservation projects, alternative energy, and product energy efficiency. We collaborate with governments, leading companies, and nonprofits on innovative environmental projects, and proactively invest in our technology "handprint" to empower others to use Intel technology to reduce their environmental footprints and support sustainable consumption and production. In 2018, we also made progress on our goal to restore 100% of our global water use by 2025 through our funding of collaborative projects to support local watersheds.

Supply Chain Responsibility

SDG 8: Promote inclusive and sustainable economic growth, employment, and decent work for all

SDG 12: Ensure sustainable consumption and production patterns

With our purchasing power and policies, we help our suppliers contribute to the achievement of these two goals in particular. Our efforts are designed to protect vulnerable workers throughout the global supply chain, and include setting clear supplier expectations and investing in assessments, audits, and capability-building programs. We collectively address issues through our leadership in the Responsible Business Alliance, including industry initiatives on key issues such as advancing responsible minerals sourcing, addressing human rights risks such as forced and bonded labor, and improving transparency on the environmental impacts in the global electronics supply chain.

Diversity and Inclusion

SDG 5: Achieve gender equality and empower women and girls

SDG 10: Reduce inequality within and among countries

In 2015, we set a bold hiring and retention goal to achieve full representation of women and underrepresented minorities in Intel's U.S. workforce by 2020. We committed $300 million to support this goal and accelerate diversity and inclusion both at Intel and across the technology industry. Through our efforts we achieved full representation of women and underrepresented minorities in the U.S. in 2018, two years ahead of schedule. We also continued to work toward our goal to increase our annual spending with certified diverse-owned suppliers to $1 billion by 2020.

Social Impact

SDG 4: Ensure inclusive and quality education for all and promote lifelong learning

SDG 5: Achieve gender equality and empower women and girls

SDG 10: Reduce inequality within and among countries

As a leading creator and driver of technology, Intel is uniquely positioned to understand what skills today's youth will need for tomorrow's jobs. To create the best future possible for everyone and ensure that the next generation of innovators is diverse and inclusive, we provide our expertise and both financial and in-kind support to help communities, governments, NGOs, and educators reach their goals. We encourage our employees to share their experience, talents, and passions in communities around the world, and provide volunteer opportunities to help address local and global problems. The Intel Foundation acts as a catalyst for change by amplifying the investments of Intel employees across a broad spectrum of personal philanthropy and volunteerism and by working with NGOs, nonprofits, and governments on innovative programs that support underserved and disenfranchised populations.

PERFORMANCE SUMMARY AND GOALS

Progress Toward Goals

The following table provides a high-level summary of our company-wide goals in key corporate responsibility areas. More detailed discussions of our performance to goals and our future goals is integrated into each relevant section of this report. During 2019, we will continue to work toward achieving our 2020 goals while developing new long-term goals.

	Goal	Progress By the End of 2018	Status
Environmental Sustainability	Reduce direct greenhouse gas (GHG) emissions by 10% on a per unit basis by 2020 from 2010 levels.	32% reduction since 2010	On track
	Grow the installation and use of on-site alternative energy to three times our 2015 levels by 2020.	~2.5x increase in installations	On track
	Continue 100% green power in our U.S. operations and increase renewable energy use for our international operations from 2015 to 2020.	100% U.S. and EU, 25% Israel, 71% globally	On track
	Achieve cumulative energy savings of 4 billion kWh from 2012 to 2020.	4 billion kWh saved	Achieved
	Increase the energy efficiency of notebook computers and data center server products 25x by 2020 from 2010 levels.[1]	8.5x (data center server products) and 14x (notebooks) since 2010	At risk
	Reduce water use on a per unit basis below 2010 level by 2020.	23% reduction since 2010	On track
	Restore 100% of our global water use by 2025.	86% returned and restored[2]	On track
	Achieve zero hazardous waste to landfill by 2020.[3]	~4% sent to landfill	At risk
	Achieve a 90% non-hazardous waste recycle rate by 2020.	90% recycled	Achieved
	Design all new buildings to a minimum LEED* Gold certification between 2015 and 2020.	48 buildings certified to date	On track
Supply Chain Responsibility	Reach 90% compliance annually to each of our 12 environmental, labor, ethics, health and safety, and diversity and inclusion supplier expectations.	Achieved 90%+ compliance for 8 of 12 expectations	At risk
	Implement an enhanced green chemistry screening and selection process for 100% of new chemicals and gases by 2020.	Initial assessment complete	On track
Diversity and Inclusion	Increase our annual spending with diverse-owned suppliers to $1 billion by 2020.	$777 million spent in 2018	On track
	Achieve full representation of women and underrepresented minorities at Intel in the U.S. by the end of 2018.[4]	Full representation achieved	Achieved
Social Impact	Through the Intel® She Will Connect program, reach 5 million women in Sub-Saharan Africa by 2020.	5 million women reached	Achieved

[1] Data center energy efficiency is determined by server energy efficiency (as measured by SPECpower_ssj2008 or equivalent publications and using a 2010 baseline of an E56xx series processor-based server platform) as well as technology adoption that raises overall data center work output (such as visualization technology). Notebook computer energy efficiency is determined by average battery life, battery capacity, screen size, and number of recharge cycles of volume notebook computers in that model year.

[2] Represents the total volume of water return through on-site water management practices plus restoration projects funded through the end of 2018. During 2018, 259 million gallons of water were restored as a result of completed projects supported by Intel. Through the end of 2018, we had funded a total of 14 projects that are estimated to restore more than 1 billion gallons per year (BGY) once complete. Our goal will be achieved when our return (i.e., discharge) and Intel-funded restoration projects equal our fresh water withdrawals.

[3] We define zero hazardous waste to landfill as less than 1%.

[4] Full representation means that Intel's workforce now reflects the percentage of women and underrepresented minorities available in the U.S. skilled labor market.

Key Performance Indicators

Report Section	2018	2017	2016	2015	2014
Our Business and Financial Results					
Net revenue (dollars in billions)	$70.8	$62.8	$59.4	$55.4	$55.9
Net income (dollars in billions)	$21.1	$9.6	$10.3	$11.4	$11.7
Provision for taxes (dollars in billions)	$2.3	$10.8	$2.6	$2.8	$4.1
Research and development spending (dollars in billions)	$13.5	$13.0	$12.7	$12.1	$11.5
Capital investments (dollars in billions)	$15.2	$11.8	$9.6	$7.3	$10.1
Employees at year end (thousands)	107.4	102.7	106.0	107.3	106.7
Safety – recordable rate[1]/days away case rate[1,2]	0.69/0.11	0.68/0.12	0.49/0.07	0.54/0.10	0.64/0.10
Environmental Sustainability					
Greenhouse gas emissions (million metric tonnes of CO_2 equivalent)[3]	2.58	2.46	1.62	2.00	2.08
Energy use (billion kWh – includes electricity, gas, and diesel)	8.3	7.3	6.5	6.4	5.9
Total water withdrawn (billions of gallons)[4]	12.8	11.1	9.4	9.0	8.4
Hazardous waste generated (thousand tons)/% to landfill	95.2/4%	78.8/3%	63.6/0.7%	61.6/2%	49.4/0.4%
Non-hazardous waste generated (thousand tons)/% recycled	129.0/90%	108.0/85%	81.0/82%	80.8/82%	94.7/86.4%
Supply Chain Responsibility					
On-site supplier audits (third-party and Intel-led audits)[2]	221	170	157	113	116
Diversity and Inclusion					
Women in our global workforce	27%	27%	26%	25%	25%
Women on our Board at year end	20%	17%	18%	18%	18%
Social Impact					
Employee volunteerism rate	64%	36%	38%	41%	39%
Worldwide charitable giving (dollars in millions)[5]	$84.2	$89.6	$122.7	$90.3	$102.3

[1] Rate based on 100 employees working full time for one year; data is as of March 18, 2019.

[2] Previous years' figures are updated to reflect the most current information.

[3] Including Scope 1 and Scope 2 Market Based Method.

[4] We define water withdrawals, or water usage, as total gallons of incoming fresh water (i.e., drinking quality) used.

[5] Includes total giving (cash and in-kind) from Intel Corporation and the Intel Foundation.

ENVIRONMENTAL SUSTAINABILITY

Our long-standing commitment to environmental leadership helps us achieve efficiency, reduce costs, and respond to the needs of our customers and community stakeholders. We invest in conservation projects and set company-wide environmental targets, seeking to drive reductions in greenhouse gas emissions, energy use, water use, and waste generation. We also work with others to apply Intel® technology to environmental challenges such as climate change and water conservation.

100% WATER RESTORATION GOAL

We treat and return approximately 80%[1] of the water we use to local communities and watersheds, and in 2018 made significant progress toward our goal to restore 100% of our global water use by 2025.

71% GREEN POWER

We continued our commitment to green power with the expansion of green power purchasing to Israel. At the end of 2018, 71% of our global power and 100% of the power we used in our U.S. and European Union operations was green power.

17.4M LEED*-CERTIFIED SQ. FEET

We have achieved Leadership in Energy and Environmental Design* (LEED*) certification for 17.4 million square feet in 48 buildings—roughly 26% of our total operational space.

[1] Represents our global average over the past eight years, which typically varied between 75-85%.

STRATEGY AND MANAGEMENT APPROACH

Building on our historical reductions in energy consumption, water use, and waste generation, we work to minimize our environmental footprint—even as Intel grows.

The Intel Code of Conduct, Climate Change Policy, Water Policy, and Environmental, Health, and Safety Policy guide our sustainability strategy and help us set goals. We work to engage all of our employees in reducing our environmental impact.

Governance and Management

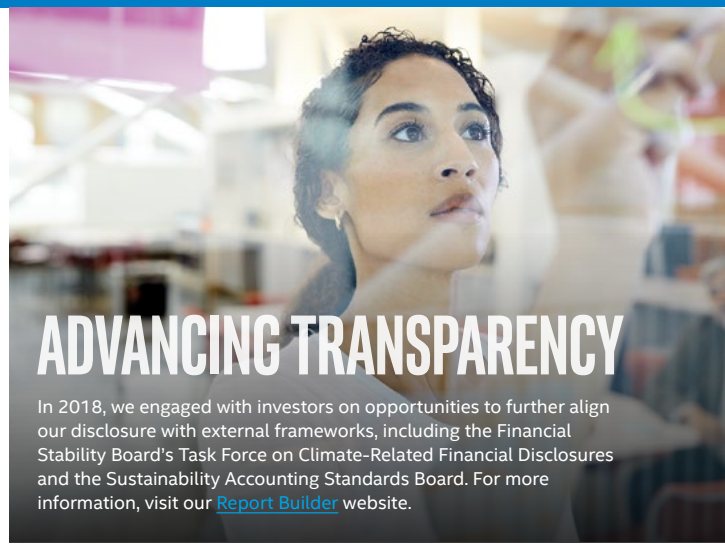
Unlike many companies in the electronics industry that outsource their production, we manufacture the majority of our products in our own wafer fabrication facilities. As a result, Intel's direct environmental footprint is more significant than those of our "fab-less" competitors, whose manufacturing footprints sit in their supply chains. We consider environmental impact when we select sites, design buildings, set performance levels for manufacturing tools, and establish goals for production processes.

For over a decade, Intel has maintained:

- Multi-site, third-party-verified ISO 14001 registration to evaluate the effectiveness of our environmental management system.
- ISO 50001 Energy Management standards at five of our 12 manufacturing sites to demonstrate our energy-efficiency improvements and commitments.
- Environmental, health, and safety (EHS) program self-assessments to validate site-level EHS compliance.

Our senior corporate EHS professionals also partner with legal counsel to complete internal audits related to compliance, management systems, and business risk at various Intel sites. The audits include in-depth documentation and records reviews, interviews with site leadership, and physical inspections related to EHS compliance.

Key to our chemical management strategy is a comprehensive review of materials, which starts with a regulatory search of all applicable chemical regulations and use restrictions. The search includes Intel-specific restrictions (which often go beyond regulatory requirements), and local and global regulations. We then identify the environmental and safety controls needed to protect personnel and the environment during a chemical's intended use, as well as ensure suppliers have completed their due diligence to enable Intel to receive and use chemicals legally at all manufacturing sites.



On an annual basis, we report Intel's emissions, waste transfers off-site, and treatment of reportable chemicals in the U.S., in accordance with state and U.S. Environmental Protection Agency (EPA) regulations.

EHS COMPLIANCE REPORTING DATA

Year	Number of NOVs	Fines or Fees
2014	4	$143,000
2015	11	$0
2016	8	$0
2017	11	$8,075
2018	8	$1,600

In 2018, officials made 150 visits (including audits and inspections) to Intel sites across the globe, including 56 health and safety agency inspections, 22 fire protection agency inspections, and 72 environmental agency inspections. Intel received four environmental Notices of Violations (NOVs), two fire protection-related NOVs, and two health and safety-related NOVs in 2018.

Details on NOVs are provided in the Appendix of this report, and previous NOV data can be accessed on our Report Builder. Senior management reviews all NOVs to ensure root cause corrective actions for all identified concerns are put in place and tracked to completion.

Rewarding Employee Efforts

Through company-wide recognition, awards, and grants, we encourage employees to propose and implement projects to reduce environmental impact, support local communities, and generate bottom-line results. A few employee projects from 2018 included:

Low-Temp Soldering
A team of employees was recognized for developing a low-temperature soldering method to assemble circuit boards in products like PCs and phones. The technology minimizes warpage while enabling the building of thinner and more energy-efficient products. Intel is sharing the soldering method industry-wide because research shows that manufacturing products using the new technology could save the carbon equivalent of up to 50 million pounds of coal burned each year. Read more about their technological breakthrough.

Creating Compost
Employee volunteers in Malaysia received a Winners of Wonder grant from the Intel Foundation in 2018 to build a food waste composting station at a local school. The volunteers also educated students about the benefits of turning food waste into organic compost.

Farm2School
Seeking to educate their community about food waste and sustainability, Intel volunteers in California are using a Winners of Wonder grant to recover cosmetically imperfect, but nutritious produce that local farms previously would have discarded. The group is setting up farm tables at low-income schools to distribute the produce while educating students and their families about food waste.

Employee Engagement

Our "Learn, Act, Share" model helps employees understand sustainability issues, priorities, and goals; work together to take action; and share information about our priorities with others.

The Intel Sustainability Leaders Speaker Series provides direct communication between employees and the company's environmental leaders, and fosters a corporate-wide sustainability community. Launched in 2011 as a lunch discussion among three employees, the series now reaches employees via video teleconference across nine campuses. We attribute the success of the series to the employees who voluntarily organize it outside of their regular jobs and to our employees' desire to learn about the company's environmental pursuits.

Collaboration

To better understand how Intel compares to others in our industry, we regularly benchmark our environmental performance with semiconductor and other large companies. To build a supportive policy environment for private sector leadership on climate change, Intel participates in organizations such as the Center for Climate and Energy Solutions (C2ES), the American Council for an Energy-Efficient Economy (ACEEE), and the Alliance to Save Energy (ASE). In addition, we work with the U.S. Green Building Council, which aims to expand the number of manufacturers implementing green building practices. For more information on our approach to environmental policy issues, read the Public Policy section of this report.

Supply Chain Environmental Impact

We disclose our carbon footprint, water data, and climate- and water-related risks and opportunities through CDP. In 2018, we again requested that our top suppliers also report through CDP and required suppliers to set carbon reduction goals. To learn more about this effort and other environmental expectations we have for our suppliers, see the Supply Chain Responsibility section of this report.

In December 2018, more than 1,000 employees from our technology and manufacturing groups participated in our internal Intel Manufacturing Excellence Conference (IMEC). IMEC showcases industry-leading innovations in manufacturing made possible by our employees and recognizes world-class manufacturing practices. The conference featured a number of employee- driven projects focused on reducing environmental impact, including projects related to green buildings, chemical waste reductions, and energy conservation.

One project, led by Alfred Rosales at our Assembly Test Manufacturing site in Vietnam, demonstrated a new approach to utilizing eco modes and sleep modes for factory tools to optimize power and utility usage, and reduce costs. The project's cross-functional team developed an automated sleep mode for idle processing equipment, which in a test pilot reduced power and water consumption on idle equipment by more than 80%. The team is now working to extend the concept to other manufacturing sites, with the potential to reduce our overall Assembly and Test energy usage by up to 4%.

CLIMATE AND ENERGY

Climate change is a serious environmental, economic, and social challenge. We focus on reducing our own direct climate "footprint"—the emissions resulting from our own operations, our supply chain, and the marketing and use of our products. We also focus on increasing our "handprint"—the ways in which Intel technologies help others reduce their footprints. In addition, we collaborate with others to drive industry-wide improvements and policy change.

Our Climate Change Policy outlines our formal position and provides a more detailed history of our climate change actions.

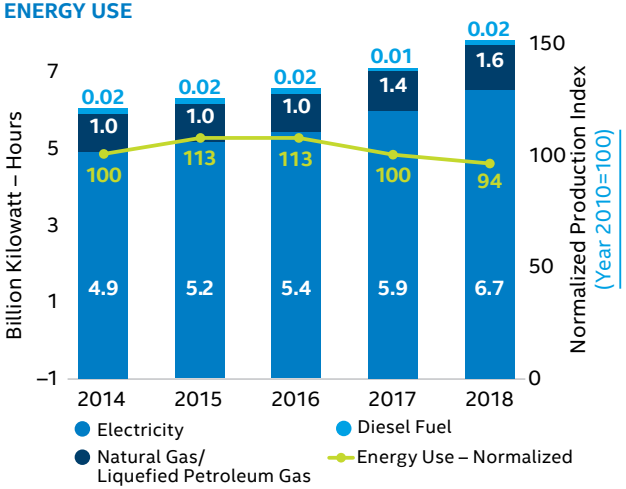
Reducing Our Operational Carbon Footprint

For two decades, Intel has set aggressive greenhouse gas (GHG) reduction goals to conserve energy and minimize air emissions. Over that time, our Scope 1 and 2 emissions have decreased by about 36% on an absolute basis. We have committed to reduce our direct GHG emissions by 10% on a per unit basis from 2010 levels, while we continue to expand our manufacturing capacity. Reducing our energy use is key to our overall climate change strategy, and we continue to purchase renewable energy and invest in alternative energy installations.

We also collaborate with others to minimize emissions across the semiconductor industry. For example, we eliminated the use of Class 1 ozone-depleting substances in our manufacturing in the 1990s, and have significantly reduced the use of fluorinated gases in semiconductor production. We also work to minimize our emissions of particulate matter (PM), volatile organic compounds (VOCs), hazardous air pollutants (HAPs), nitrogen oxides (NOx), and carbon monoxide (CO) through the use of thermal oxidizers, wet electrostatic precipitators (WESPs), and wet scrubbers.

Since 2012, we have invested more than $200 million in energy conservation projects in our global operations, resulting in cumulative savings of more than 4 billion kWh and cost savings of approximately $500 million through the end of 2018. Through the use of large-scale heat recovery chillers or heat pumps, we have had particular success in reducing the amount of fossil fuel required to heat our cleanrooms.

ENERGY USE



Our 2018 absolute energy use increased 14% compared to 2017 due to our manufacturing growth around the world, but our 2018 normalized energy use decreased 6% from 2017, indicating that we are more efficiently using energy on a per unit manufacturing basis. In 2018, approximately 80% of our global energy use was grid energy (electricity).

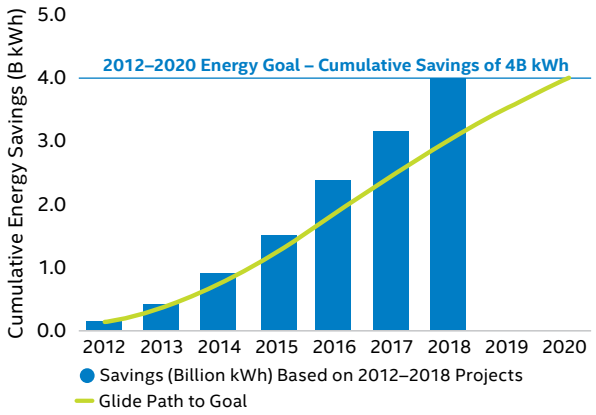
GOAL

ENERGY CONSERVATION

Achieve cumulative energy savings of 4 billion kWh from 2012 to 2020.

Our Progress: Achieved

Since 2012, we completed more than 2,000 energy conservation projects that have resulted in cumulative energy savings of more than 4 billion kWh, enabling us to achieve our 2020 energy goal two years ahead of schedule.



Our Information Technology (IT) organization has improved the efficiency of our data center operations to increase compute, storage, and IT capabilities while only minimally increasing the carbon footprint. In 2018, IT added over 4MW of high-density computing power that consumes about 10 times less cooling energy than the industry average.[1]

[1] Intel IT: Extremely Energy-Efficient, High-Density Data Centers.

GOAL

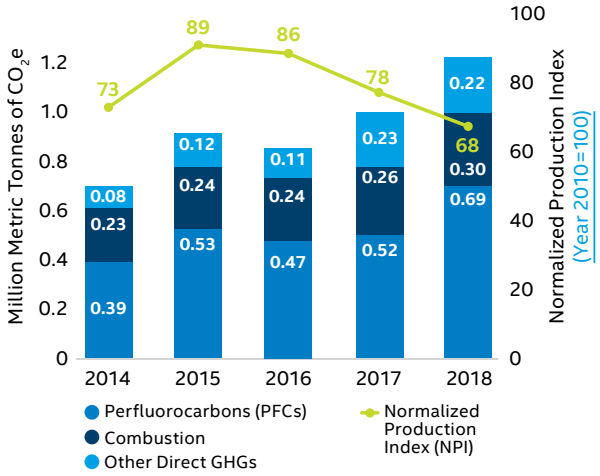
DIRECT GREENHOUSE GAS EMISSIONS

Reduce direct GHG emissions by 10% on a per unit basis by 2020 from 2010 levels.

Our Progress: On track

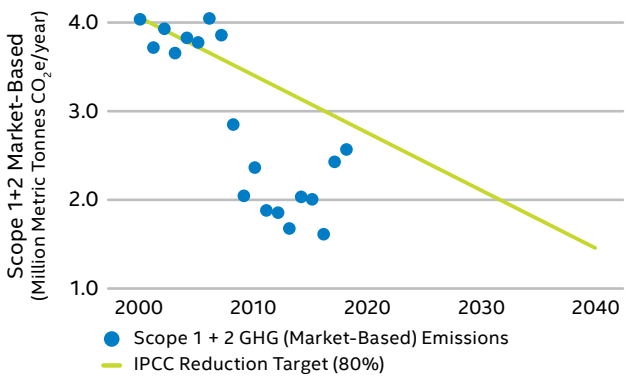
In 2018, our direct GHG emissions decreased 32% on a per unit, or "intensity" basis, and we are on track to meet our 2020 goal.

Per unit is based on the number of die produced and made available for sale.



Since 2012, we have invested more than $200 million in energy conservation projects in our global operations, resulting in cumulative savings of more than 4 billion kWh and cost savings of approximately $500 million.

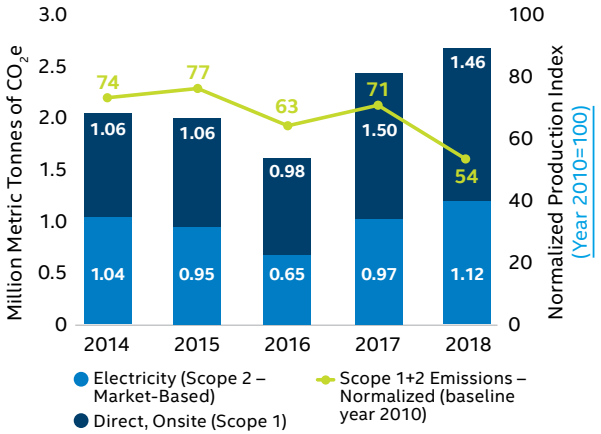
INTEL'S GHG EMISSIONS – WHERE ARE WE HEADED?



We track our greenhouse gas emissions against science-based carbon targets recommended by the Intergovernmental Panel on Climate Change.

Our emissions calculations are based on Global Reporting Initiative Standards, the World Resources Institute/World Business Council for Sustainable Development's The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, and internal criteria defined by Intel management. Additional GHG emissions reporting is publicly available in our CDP questionnaire response.

SCOPE 1 + 2 GREENHOUSE GAS EMISSIONS



Our combined Scope 1 (direct) and Scope 2 (indirect) emissions decreased by 25% (intensity) and increased by 5% (absolute) from 2017 to 2018 due to manufacturing growth.

2018 GREENHOUSE GAS EMISSIONS REPORTED BY CATEGORY (METRIC TONNES OF CO_2E)

Scope	Emissions	Notes
Scope 1 (Direct) Emissions	1,458,000	
Scope 2 (Indirect, Electricity)	1,120,000	Market-based method[1]; includes renewable/REC purchases.
Scope 1 and 2 Total	**2,578,000**	
Scope 3 Total	**20,979,000**	Indirect/value chain.
Leased Vehicles and Commuting	517,000	Employee leased vehicles and commuting.
Logistics and Distribution	150,000	Upstream and downstream transport and distribution.
Employee Business Travel	129,000	Air travel, car rentals, and hotel stays.
Supply Chain	4,600,000	Represents 2018 estimate based on approximately 90% of materials used in manufacturing.
Capital Goods	142,000	Extraction, production, and transport of capital goods purchased.
Fuel and Energy Related Activities	107,000	Impacts related to extraction, production, and transportation of fuels and energy purchased, not already included in Scope 1 or 2. Market-based method.[2]
Waste Generated in Operations	2,000	Disposal and treatment of waste generated in our operations.
Product Energy Usage	14,931,000	Represents the GHG emissions of the product lifetime (4,035,000 metric tonnes of CO_2 annualized).
Processing of Sold Products	401,000	Processing of intermediate products sold to downstream manufacturers.

[1] Location-based Method Scope 2 Emissions (does not account for any renewable energy/REC purchases) = 2,919,000 metric tonnes CO_2e/year.

[2] Market-based method includes renewable/REC purchases. Location-based method emissions (does not account for any renewable energy/REC purchases) = 227,000 metric tonnes CO_2e/year.

Alternative Energy

In addition to working to conserve energy, we invest in green power and on-site alternative energy projects that provide power directly to Intel buildings. Since 2008, Intel's renewable energy supply and renewable energy attribute purchases have totaled approximately 31.5 billion kWh of green power.

Intel campuses in 15 countries now have approximately 95 alternative energy installations using 20 different technology applications, such as solar hot and cooling water systems, solar electric photovoltaic-covered parking lots, and mini bio-energy, geo-energy, and micro wind turbine array systems. These on-site projects, which include pilots of innovative technology applications, help us displace grid-supplied carbon-intensive energy sources and identify future installation and technology opportunities for both Intel and the broader alternative energy market. When installed, our projects are often the largest corporate on-site projects of their type in a country or region.

Green Power Purchasing

For more than a decade, Intel has been one of the top voluntary corporate purchasers of green power in the U.S. EPA's Green Power Partnership (GPP) program. In addition to generating on-site and off-site green power and purchasing green power from our utility suppliers, we purchase green attributes from multiple sources of generation. These includes wind, solar, low-impact hydro, and geothermal, which are certified and verified by nonprofit validation accreditors such as the Center for Resource Solutions' Green-e* program to meet the requirements of the GPP program.

Our approach to green power and alternative energy investments has been to reduce our own carbon footprint while encouraging others to take similar actions. We aim to stimulate the market to make these options less expensive and more accessible over the long term. We are encouraged by actions we have seen over the past decade—by companies, investors, utilities, and governments—to increase commitments and investments in renewable energy supplies and apply new technologies.

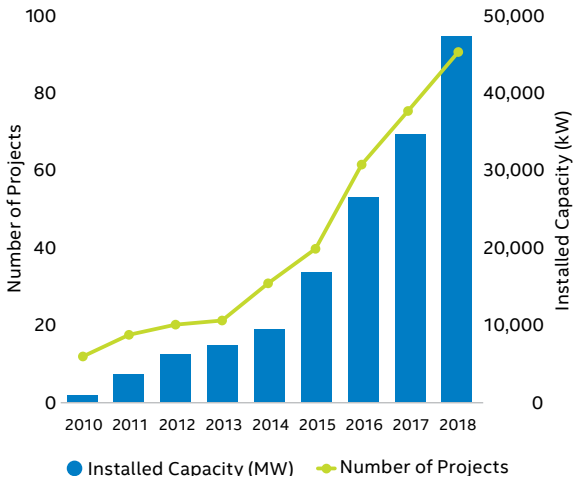
GOAL

ALTERNATIVE ENERGY AND GREEN POWER

Grow the installation and use of on-site alternative energy to three times our 2015 levels, continue 100% green power in our U.S. operations, and increase renewable energy use for our non-U.S. operations by 2020.

Our Progress: On track

Since 2015, we have more than doubled our number of on-site renewable and alternative energy projects. We continued our 100% green power purchase commitment for the U.S. and have reached 100% renewable energy use for our European operations. Additionally, 25% of our Israel operations were powered by green energy in 2018, and we increased that figure to 50% in early 2019. Intel is the largest private corporate purchaser of green power in Ireland and Israel, and is among the top purchasers in the U.S. In 2019 we are exploring additional non-U.S. locations to increase electric power purchase from renewable hydro sources and establish green attribute trading.



ALTERNATIVE ENERGY GENERATION SYSTEMS AND RECOGNITIONS. We have distributed energy generation systems installed in 46 buildings across 15 countries and states. Below are both on-site and off-site alternative energy sourcing examples and selected recognitions.

United States

U.S. EPA Green Power Partnership – National Top 100 and a top leader for the past 11 years

Two of the largest corporate solar carports, over 15 MW and nearly 7,000 spots covered

Ranked top 20 for on-site installed solar electric facilities

Solar power purchase contract enabling a new 100 MW solar installation to be constructed in Arizona

First and largest micro wind turbine array[1]

European Union

100% renewable energy use in our sites

India

First and largest fuel cell power project[1]

Largest solar-powered adsorption cooling system[1]

Largest solar thermal system install on single roof[1]

Ireland

Largest voluntary green power purchaser

Israel

First energy generation from water/air exhaust system[1]

One of the largest purchasers of voluntary green attributes, accounting for 25% of our Israel energy use in 2018 and 50% in early 2019

Malaysia

Largest solar thermal system installation in a semiconductor plant[1]

Vietnam

First and largest solar photovoltaic rooftop power project[1]

[1] At installation.

Product Energy Efficiency

The vast majority of environmental impact related to the use of our products pertains to energy consumption. Each generation of process technology enables us to build products that offer higher performance, lower cost, and improved energy efficiency compared to previous generations. Building energy efficiency into our products not only reduces our scope 3 emissions, but also lowers the scope 2 emissions of our customers by reducing their energy costs and environmental impact.

GOAL

PRODUCT ENERGY EFFICIENCY

Increase the energy efficiency of notebook computers and data center server products 25x by 2020 from 2010 levels.[1]

Our Progress: At risk

Intel continues to lead the industry in maximizing the productivity and energy efficiency of data center server products. While we continue to improve energy efficiency in our products (8.5x for data center products and 14x for notebooks since 2010), we are at risk to meet our 2020 energy-efficiency targets.

We are reevaluating our data center energy-efficiency goals to account for Intel server roadmap changes and the server industry transition to a new active server efficiency metric based on the Server Efficiency Rating Tool (SERT*). We plan to collect more data on SERT and the current SPECpower_ssj2008 metric in 2019 to establish new long-term energy-efficiency targets.

For notebook computers, we are evaluating alternative options that focus on our processors' energy efficiency rather than that of finished systems, due to the diversity of system ingredients now available in the market. Investments in the PC ecosystem have resulted in advancements that improve system energy efficiency.

Intel announced a collaboration[2] with two liquid crystal display (LCD) panel manufacturers to reduce notebook display power consumption by 50%. Select PCs shipping with these new displays are expected to be an order of magnitude more energy efficient than the 2010 notebook baseline while delivering more processing performance and capabilities than the configuration assumed in the 2020 goal. Intel also partnered with the U.S. EPA and U.S. Department of Energy (DOE) to finalize November 2018 ENERGY STAR* 7.1 requirements focused on notebook computers' energy consumption reduction.

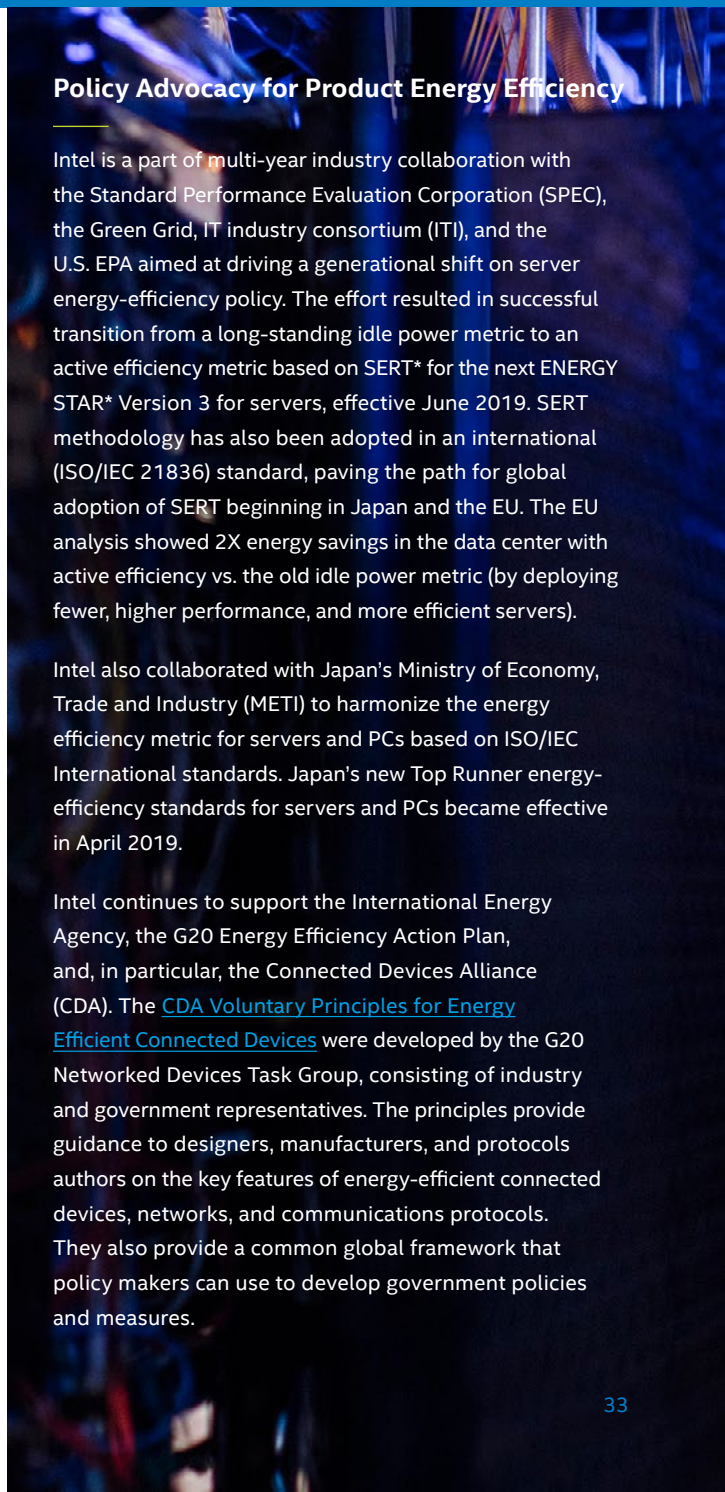
Desktop PCs continue to be an important client segment, and we have enabled platform capabilities to meet the new California Energy Commission Energy Efficiency Standard[3] requirements for computers that began on January 1, 2019. We are on track to achieve 50% desktop idle power reduction by 2021 from a 2017 baseline.

As part of our carbon footprinting efforts, we have estimated that the total GHG emissions due to energy consumption by Intel® processors in servers and desktop and notebook computers sold in 2018 equated to 4,035,000 metric tonnes. This figure represents 2018 emissions from products sold in 2018, calculated using the U.S. ENERGY STAR typical energy consumption model for computing products and the Greenhouse Gas Protocol Corporate Value Chain Accounting and Reporting Standard. The lifetime emissions associated with these processors is 14,931,000 metric tonnes of CO_2e.

[1] Data center energy efficiency is determined by server energy efficiency (as measured by SPECpower_ssj2008 or equivalent publications and using a 2010 baseline of an E56xx series processor-based server platform), as well as technology adoption that raises overall data center work output (such as virtualization technology). Notebook computer energy efficiency is determined by average battery life, battery capacity, screen size, and number of recharge cycles of volume notebook computers in that model year.

[2] Pushing the Boundaries of Modern Computers at Computex.

[3] Energy Efficiency Standards for Computers and Monitors.



Policy Advocacy for Product Energy Efficiency

Intel is a part of multi-year industry collaboration with the Standard Performance Evaluation Corporation (SPEC), the Green Grid, IT industry consortium (ITI), and the U.S. EPA aimed at driving a generational shift on server energy-efficiency policy. The effort resulted in successful transition from a long-standing idle power metric to an active efficiency metric based on SERT* for the next ENERGY STAR* Version 3 for servers, effective June 2019. SERT methodology has also been adopted in an international (ISO/IEC 21836) standard, paving the path for global adoption of SERT beginning in Japan and the EU. The EU analysis showed 2X energy savings in the data center with active efficiency vs. the old idle power metric (by deploying fewer, higher performance, and more efficient servers).

Intel also collaborated with Japan's Ministry of Economy, Trade and Industry (METI) to harmonize the energy efficiency metric for servers and PCs based on ISO/IEC International standards. Japan's new Top Runner energy-efficiency standards for servers and PCs became effective in April 2019.

Intel continues to support the International Energy Agency, the G20 Energy Efficiency Action Plan, and, in particular, the Connected Devices Alliance (CDA). The CDA Voluntary Principles for Energy Efficient Connected Devices were developed by the G20 Networked Devices Task Group, consisting of industry and government representatives. The principles provide guidance to designers, manufacturers, and protocols authors on the key features of energy-efficient connected devices, networks, and communications protocols. They also provide a common global framework that policy makers can use to develop government policies and measures.

WATER STEWARDSHIP

Semiconductor fabrication requires significant water use. By responsibly managing our water use, we can meet our business needs as well as those of our communities. To learn more, read the Intel Water Policy.

Our water strategy has three main objectives: **conserve** water used in our operations, **collaborate** on water initiatives with local communities, and **create** technology solutions to help others reinvent how they use and conserve water. We have invested more than $254 million in water conservation projects at our global facilities since 1998. We estimate that our water conservation efforts saved over 4.4 billion gallons of water in 2018. We also completed new projects in 2018 that we estimate will save approximately 337 million gallons annually, once operational. To date, our water conservation efforts have saved around 64 billion gallons of water, enough to sustain over 580,000 U.S. homes for one year.

We currently treat and return approximately 75-85% of our withdrawals of water back to municipal water treatment operations, where it can be treated and reused for irrigation or other purposes in the community or returned to the water environment. We consume the remaining 15-25% in our operations, primarily through evaporation or landscape irrigation.

In addition to our goal to reduce water withdrawals on a per unit basis below the 2010 level by 2020, in 2017 we announced a new goal to restore 100% of our global water use by 2025. This commitment aims to close the gap in our water balance (i.e., water consumed) by funding collaborative community-based projects that restore water in amounts equivalent to what Intel consumes.

See details about our water footprint by location and water risk assessment in the Appendix.

GOAL

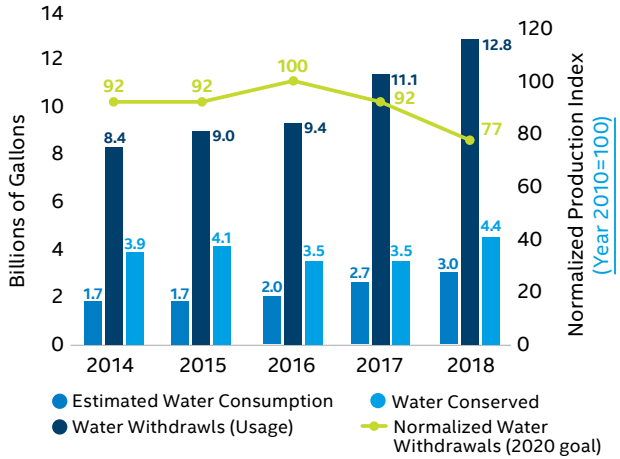
WATER USE

Reduce water use on a per unit basis below 2010 level by 2020.

Our Progress: On track

Our 2018 water withdrawals decreased by 23% on an intensity basis from the baseline year 2010 and we are on track to meet our goal.

WATER MANAGEMENT



Our 2018 normalized water use decreased by 17% from 2017, and our absolute water use increased by 15%. We define water withdrawals, or water usage, as total gallons of incoming fresh water (i.e., drinking quality) used. "Operations" includes all manufacturing and non-manufacturing sites with 2,000 or more employees where Intel has operational control. We define water consumption as the portion of water use that is not returned to a municipality or the original water source.

GOAL

WATER RESTORATION

Restore 100% of our global water use by 2025.

Our Progress: On track

During 2018, Intel funded nine new projects benefiting Arizona, New Mexico, and Oregon watersheds, bringing the total to 14 funded projects that are estimated to restore more than 1 billion gallons per year once complete. Based on projects completed or partially completed through the end of 2018, more than 259 million gallons were restored to the environment through Intel's support. This brings the total amount of water returned or restored to 80%, and with all projects funded and in progress to date to 86%. Our goal of restoring 100% of our water use will be achieved when our direct return (i.e., discharge) and Intel-funded restoration projects equal our fresh water withdrawals. Read more.

Conserve

Below are examples of the types of water conservation projects we implemented in 2018:

On-Site Water Reclaim. To reduce our consumption of fresh water, our strategy is to use water efficiently and to recycle or reclaim water on site for industrial purposes or irrigation. In 2018, for example, a team of engineers at our Qiryat Gat fabrication facility in Israel completed a project that will enable us to reclaim water from cooling towers. We estimate that the system will result in the reclamation of approximately 94 million gallons of water per year while also reducing chemical usage by 25-30%.

Waste Stream Water Recovery. During our wafer cleaning processes, rinse water with clean chemical residue is directed to our chemical collection systems. These chemical waste streams are treated at our waste treatment suppliers' sites. In 2018, we worked with our existing vendor to separate the water from the cleaning chemistry from our Arizona operations. The water is directed to a local municipality for purification and discharge into the ecosystem. The effort recovered approximately 189,000 gallons of water discharges to the Greater Chicago municipality. The specialty cleaning chemicals are recycled as fuel in secondary industries. We are investigating similar actions for our Ireland and Oregon operations.

Collaborate

The following are examples of restoration projects we funded in 2018 as part of our commitment to restore 100% of our global water use by 2025:

Lower Salt River Restoration, National Forest Foundation. Tonto National Forest, north of Phoenix, Arizona, is one of the most visited U.S. National Forests. Invasive and noxious weed infestations were threatening native plant species and increasing susceptibility to wildfire, which impacts water flowing to the Salt River, a key water source for the Phoenix metro area. This project aims to restore 70 acres of habitat by replacing the invasive plants with native species and revegetating the area burned in the 2017 Cactus Fire. Once complete, the project will restore an estimated 89 million gallons of water per year. As part of Intel's community and employee engagement commitment, 134 Intel employees and their families and friends attended a 2018 volunteer event to plant 1,200 native trees in the area.

Middle Deschutes Instream Flow Restoration, the Deschutes River Conservancy. The Deschutes River offers miles of camping, floating, hiking, and fishing in Central Oregon. Since the late 1800s, the Middle Deschutes has been heavily impacted by water withdrawals, including some of the state's largest irrigation diversions, resulting in the river being severely depleted during the summer months—causing higher stream temperatures, inadequate habitat to support healthy native trout populations, and a decline in overall river health. Through this project, irrigation districts and farmers voluntarily leave their water in stream for an agreed-upon period, thereby restoring approximately 81 million gallons of water in the river and moving the river closer to restoration.

For more information on these and other projects, visit our Water Restoration website.

Create

We work to develop technologies that enable both Intel and others to improve water management. For example, in 2018 we created and piloted a low-cost Internet of Things water sensor solution at our India site to track the pH, conductivity, temperature, and turbidity of discharge water. The pilot uses an Intel Internet of Things gateway to aggregate water quality data and pass it to a cloud-based server to enable more efficient water quality tracking and analysis. In 2018, we also funded a study and convened a workshop with sustainability and technology leaders to better understand how emerging technologies can be applied to water management. Read more.

INTEL'S WATER FOOTPRINT (in gallons per year)

Water flows through our facilities and is treated and returned for reuse. In 2018, we conserved 4.4 billion gallons on site, and brought in 12.8 billion gallons of fresh water (purchased, on-site well, and rainwater captured) and 0.9 billion gallons of reclaimed water to use in our manufacturing facilities. About 10.7 billion gallons of water were treated on site and returned to our communities, while 3.0 billion gallons were consumed (lost to evaporation and irrigation).

WASTE MANAGEMENT

Intel has long been committed to recycling and circular economy strategies, with an intense focus on finding ways to recover and regenerate resources.

Most of the waste we generate is tied to product manufacturing. Building and updating facilities also results in significant construction waste. Approximately 42% of our waste is classified as hazardous, the disposal of which is regulated. The other 58% is non-hazardous, and includes non-regulated wastes such as plastics, metals, organics, and paper.

Hazardous Waste

Although our absolute and per unit hazardous waste generated have risen as the complexity of our manufacturing processes has increased, we recycled approximately 70% and sent approximately 4% of it to landfills in 2018. To achieve our 2020 hazardous waste goal, multiple groups across Intel are working to recycle or recover waste streams for reuse, or even convert them into sources of revenue.

GOAL

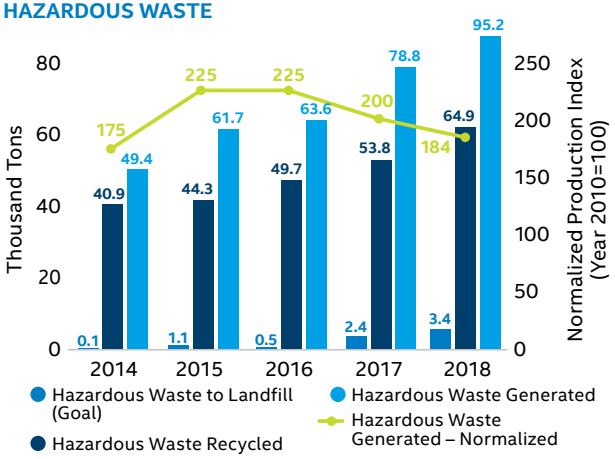
HAZARDOUS WASTE

Achieve zero hazardous waste to landfill by 2020.

Our Progress: At risk

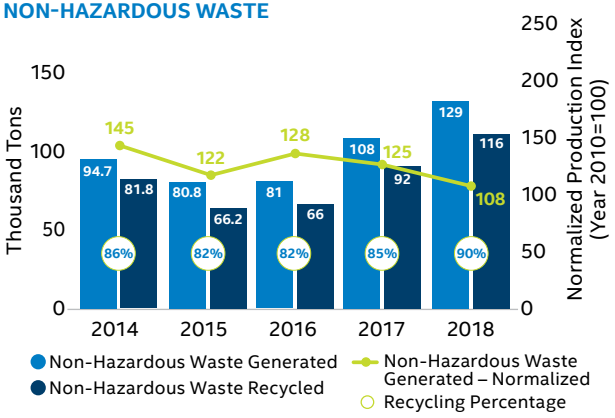
Intel defines zero hazardous waste to landfill as less than 1%. In 2018, we sent approximately 4% of our hazardous waste to landfill, an increase from 2017. This was primarily due to sulfuric acid waste generated in Arizona and Oregon. Beginning in Q3'18, Arizona's sulfuric acid was regenerated at our partner supplier and used at our facilities in New Mexico and Arizona, representing our first full life cycle opportunity for spent waste. In 2019, we anticipate treating sulfuric acid on site in Oregon to help meet our 2020 goal.

HAZARDOUS WASTE



From 2017 to 2018, our absolute hazardous waste generated increased 21% primarily due to increased production, but our normalized hazardous waste generated decreased 8%. Hazardous waste not recycled or sent to landfills was incinerated or biotreated.

NON-HAZARDOUS WASTE



In 2018, our non-hazardous waste generated increased from 2017 levels primarily due to construction projects. However, compared to 2014, our normalized non-hazardous waste generated decreased by 26%.

Non-Hazardous Waste

We have implemented several programs to reduce, reuse, and recycle office furniture and other non-hazardous materials, including donating items to schools and non-profits, and engaging our employees in recycling efforts. In 2018, we also replaced plastic straws in our cafeterias with paper and bioplastic straws. Read more.

GOAL

NON-HAZARDOUS WASTE

Achieve a 90% non-hazardous waste recycle rate by 2020.

Our Progress: Achieved

We recycled 90% of our global non-hazardous waste in 2018, reaching our goal two years ahead of schedule, and 17 of our sites have achieved recycling rates of 90% or better. We are sharing best practices across Intel to continue raising our recycling rates and will continue to work to maintain our 90% rate.

Café Innovation

Our efforts to improve sustainability and reduce waste extend throughout our operations, including our on-site cafés. Over the past five years, we have replaced refrigerators, dishwashers, and pot scrubbers with more efficient energy- and water-saving models, reviewed recipes to reduce food waste, found ways to donate unused food to local communities, increased local sourcing of food, and even developed a program that enables employees to take used coffee grounds home for garden compost.

GREENER BUILDINGS AND THE INTERNET OF THINGS

Our engineers have long incorporated green design into the new construction and renovation of our facilities. We also partner with companies and nonprofits to expand the number of manufacturers implementing green building practices. Intel is a founder of LEED user groups that have driven cross-company and industry collaboration with the U.S. Green Building Council.

GOAL

GREEN BUILDINGS

Design all new buildings to a minimum LEED Gold certification between 2015 and 2020.

Our Progress: On track

We continue to design our new buildings in line with our goal. We have achieved LEED certification for more than 17.4 million square feet of space in 48 buildings, or approximately 26% of our total operational space.

One of our new buildings, SRR4 in Bangalore, India, was awarded LEED Platinum certification in December 2018. It is a world-class smart and green building equipped with more than 9,000 sensors to monitor and/or optimize temperature, lighting, water use, energy consumption, and occupancy. In addition to solar hot water heating, rainwater harvesting, and a gray water re-use system, SRR4 has LED lighting that reduces the building's energy demand by more than 40% compared to traditional office buildings.

We continue to install smart lighting systems in our buildings. The systems reduce energy consumption through daylight harvesting and occupancy sensing, and help us design future building management technologies.

The Internet of Things is rapidly expanding in the area of building automation. Working with ecosystem partners, Intel is advancing solutions for smart building energy management, predictive maintenance of HVAC and other building systems, facility safety and security, and more.

We are developing the foundation for a plug-n-play ecosystem that includes sensors, network connectivity, and advanced analytics options that will allow us to rapidly and cost effectively deploy Internet of Things solutions. Working with Intel engineers, IT, and Internet of Things partners, we have several proof-of-concept projects and pilots underway, including:

- Wireless water meters for rainwater capture.
- UPW analytical cart wireless monitoring.
- Wireless power meters for non-critical office building circuits.
- An app that helps employees adjust office temperature in their work areas. Read more.

Intel's SRR4 office building, India

PRODUCT ECOLOGY

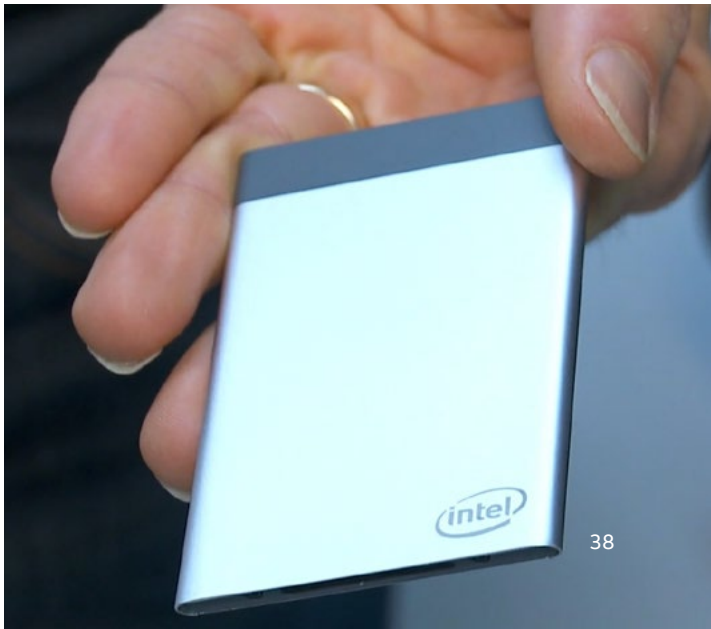
Intel's vision is to avoid the use of substances in our products that could seriously harm the environment or human health, and to ensure that we act responsibly and with caution. Intel material restrictions are based on consideration for legal requirements, international treaties and conventions, and specific market requirements.

For more than a decade, we have collaborated with suppliers and customers to eliminate lead and halogenated flame retardants from our products. While legislation does not require the elimination of halogenated flame retardants, Intel has played a role in facilitating industry consensus around low-halogen practices. We are actively engaged in industry committees on the development of materials declaration, test methods, and eco-design standards. Intel leads several global environmental regulation influencing and harmonization efforts within multiple industry trade associations. We also have reviewed our products and engaged our suppliers to meet the requirements of the European Union's Registration, Evaluation, Authorization, and Restriction of Chemicals (REACH) regulation and comply with applicable product ecology regulations. When we must use hazardous materials, we take steps to ensure that they are handled safely from the time they enter our operations until they are properly disposed of or recycled.

Managing electronic waste (e-waste) such as computers, monitors, and phones is a global concern. Most of our products—including motherboards, microprocessors, and other components—fall within the scope of e-waste laws only when they are incorporated into a final product, generally by an original equipment manufacturer (OEM). As such, we work with OEMs, retailers, customers, and others to identify shared solutions for used electronics. We also take steps to integrate environmental considerations into the design of our products to minimize environmental impacts of electronics at their end of life. In some countries, our distributors provide recycling options for products covered by e-waste laws. Intel has a free mail-back program for the Intel® NUC, Intel® Compute Stick, and Intel® Compute Card in the U.S., making it easier for U.S. customers to properly recycle these products.

The Electronic Product Environmental Assessment Tool (EPEAT*) rating system is designed to help purchasers in the public and private sectors evaluate, compare, and select electronic products based on environmental leadership and corporate social responsibility attributes. We support the development and use of EPEAT by participating in EPEAT standards development committees and providing information about EPEAT conformance to channel partners and customers.

The Intel® NUC, Intel® Compute Stick, and Intel® Compute Card are included in Intel's free mail-back recycling program in the U.S.



SUPPLY CHAIN RESPONSIBILITY

Advancing accountability and improving performance across our supply chain creates value for Intel and our customers by helping us reduce risks, improve product quality, and achieve environmental and social goals. Through communication, assessments, and capability-building programs, we work to ensure that our supply chain is resilient, responsible, and respectful of human rights.

#1 KNOWTHECHAIN RANKING

KnowTheChain, a project of the Humanity United Foundation, placed Intel at the top of its 2018 benchmark of technology companies taking action to eradicate forced labor from their supply chains.

>350 PROGRAM PARTICIPANTS

More than 350 suppliers, representing over 60% of our spends, are engaged in our proactive supplier leadership initiative aimed at improving performance through rigorous commitments to compliance, transparency, and capability-building.

100% CDP RESPONSE RATE

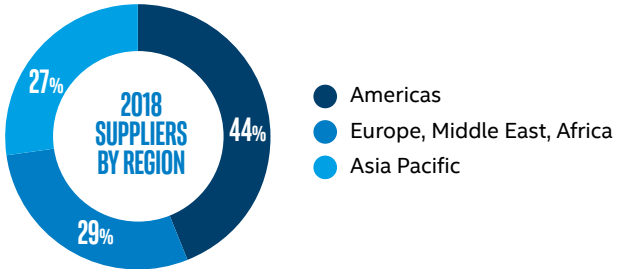
All of the 83 Intel tier 1[1] suppliers that we asked to participate in the CDP climate and water surveys responded, helping Intel earn a Leadership (A) score in CDP's 2018 Supplier Engagement Rating.

[1] "Tier 1 suppliers" are companies from which Intel makes direct purchases.

STRATEGY AND MANAGEMENT APPROACH

More than 11,000 suppliers in over 90 countries provide direct materials for our production processes, tools and machines for our factories, and logistics and packaging services, office materials, and travel services for Intel. We also rely on others to manufacture, assemble, and test some of our components and products. For a list of our top 100 production, capital, services, and logistics suppliers, see the Appendix of this report.

2018 Suppliers by Region



We were a founding member of the Responsible Business Alliance (RBA)[1], and we continue to collaborate extensively with supply chain-related organizations—including the RBA, Semiconductor Industry Association, and SEMI—to help set electronics industry-wide standards, develop audit processes, conduct training, address third-party anti-corruption issues, and more. These engagements are an important part of the foundation of many of our programs.

We expect our suppliers and their suppliers to comply with the Intel Code of Conduct and the RBA Code of Conduct 6.0 (RBA Code). The RBA Code describes industry environmental, social, and ethical standards, and is consistent with the Intel Global Human Rights Principles, the Intel Anti-Slavery and Human Trafficking Statement, and the UN Guiding Principles on Business and Human Rights. For more, read our RBA Commitment Letter.

We also expect and enable our suppliers to develop their own corporate responsibility strategies, policies, and processes; set goals and report on their performance; engage with and audit their own suppliers; and develop, manage, and regularly test their business continuity plans.

We communicate our expectations in our supplier contracts and request-for-proposal documents, on our supplier website, at meetings and training events, and in annual letters to suppliers.

High Internal and External Standards

We hold ourselves accountable to meet or exceed the same standards that we set for our suppliers, and audit ourselves to the same protocols. In 2018, our facilities in Penang, Malaysia and Ho Chi Minh City, Vietnam were audited using the RBA Validated Assessment Process (VAP). Each site received an overall perfect score of 200. In addition, our Kulim, Malaysia facility that was audited in 2017 received a perfect score following a closure audit in 2018.

Boosting Capabilities and Safety

Many electronics industry supply chain issues stem from systemic problems that require changes in management systems and company culture. To enable broad, sustainable changes, we encourage suppliers to leverage the RBA's extensive training resources, and we also provide training, infrastructure, and tools to help our suppliers improve. Examples of the support we provide include:

Online Resources. Our complimentary Supplier Sustainability Resource Center—open to all suppliers—has information on 19 critical topics, such as management systems, working hours, social insurance in China, RBA Code changes, and lean manufacturing. We delivered 20 webinars in three languages through the Resource Center in 2018. The center's user feedback feature enables direct, two-way dialogue, resulting in new insights about critical sustainability topics. In 2018, we enrolled 648 new users to the Resource Center, raising the total number of registered users to approximately 2,900. Since launching in 2015, we have seen an average increase of 80% in supplier participation in our Sustainability webinar series each year.

Safety Programs. We set high safety training and performance expectations during our contracting process and orientation for new suppliers. In 2018, we added safety assessment and additional training programs to strengthen the safety performance of all suppliers. One element of our program is to ensure that our suppliers have key global safety standards and employee safety training programs, which we evaluate annually. In 2018, we focused primarily on working with suppliers who have employees that perform potentially hazardous work at our facilities. We plan to expand these programs in 2019.

Face-to-Face Supplier Engagement. Since 2014, we have worked with supply chain sustainability consultants to offer suppliers training and programs focused on topics like work-hours management, occupational health and safety, and prevention of forced and bonded labor. In 2019, we will continue to fund support for in-factory, local-language programs aimed at improving suppliers' performance.

[1] Formerly the Electronic Industry Citizenship Coalition (EICC).

Tailored Plans. In 2018, we once again tailored training plans for selected suppliers that we determined to be higher risk based on past performance. Our goals were to strengthen their management's acumen prior to on-site assessments and to accelerate the closure of any compliance gaps. Nine of the 10 suppliers we selected completed all training requirements. We are making progress and expect the remaining supplier to meet our expectations by the end of 2019.

Supplier Diversity and Inclusion

Working with a diverse supply chain has the potential to bring more innovation and greater value to our business. We continue to make progress toward our goal to increase our annual spending with diverse suppliers[1] to $1 billion by 2020. For more details on our efforts and progress, see the Diversity and Inclusion section of this report.

Holding Suppliers Accountable

We use a variety of tools and processes to manage supplier performance, including:

Supplier Program to Accelerate Responsibility and Commitment (SPARC). This collaborative and proactive initiative is designed to help our suppliers build internal capacity around corporate responsibility through rigorous annual commitments to compliance, transparency, and capability-building. The number of suppliers required to participate in SPARC (previously known as PASS) has increased from 100 in 2013 to over 350 in 2018 as we have broadened our scope to include additional commodities and requirements. This increase represents suppliers selected using our risk-based approach. Participating suppliers represented over 60% of Intel's supply chain spending in 2018. We continue to raise expectations for our suppliers and expand requirements to encompass a broader set of focus areas.

Supplier Report Card (SRC). The SRC helps us grade suppliers for product availability, cost, quality, sustainability (ethics, financial sustainability, supplier diversity, and environmental and human rights performance), technology, and customer satisfaction.

GOAL

ADVANCE SUPPLIER CSR LEADERSHIP

Reach 90% compliance annually to each of our 12 environmental, labor, ethics, health and safety, and diversity and inclusion supplier expectations.

Our Progress: At risk

We exceeded our 90% goal on 8 of 12 program elements. We have not achieved 90% on elements related to forced and bonded labor expectations, tier 2 supplier[2] diversity spend reporting, and two related to audit finding closure. We are working toward meeting the goal for these four program elements in 2019.

While we have not hit our ambitious goal overall, we continue to see improvement across our supply chain. Of the 51 suppliers engaged in the forced and bonded labor program, 75% have met or made good progress toward reaching end-of-year milestones. Similarly, supplier participation in tier 2 diverse spend reporting improved significantly, with a 29% increase from 2017.

A 32% increase in the number of supplier audits drove a 50% increase in the number of audit findings in 2018 compared to 2017. The increase in the number of audits was the result of both Intel-driven assessments in high-risk areas and Intel's suppliers being more transparent in sharing RBA audits initiated by other customers. The increase in findings gave us a much clearer picture of gaps, which we will continue to address in 2019.

[1] We recognize diverse suppliers as businesses that are 51% owned and operated by at least one of the following: women; minorities as defined by the country where the business was established; veterans/service-disabled veterans; persons who are lesbian, gay, bisexual, or transgender; or persons who are disabled. While Intel recognizes these categories, they may vary by country in accordance with local law.

[2] "Tier 2 suppliers" are companies from which Intel's tier 1 suppliers make direct purchases.

Assessments and Audits. Supplier assessments and audits cover more than 300 environmental, safety, and human rights factors, and help us determine a supplier's risk profile. The audits, conducted by a mix of third parties and Intel personnel, follow the RBA VAP and help us identify where immediate action is needed and where longer-term, corrective "targeted action plans" should be put in place. Environmental, social, and governance criteria are also incorporated into Intel Quality Assessment audits to achieve broader reach. We strive to audit 100% of high-risk supplier sites within a two-year cycle. We have instituted a process of unannounced audits to follow up on credible reports of non-compliance, but we did not have a need to conduct any such audits in 2018.

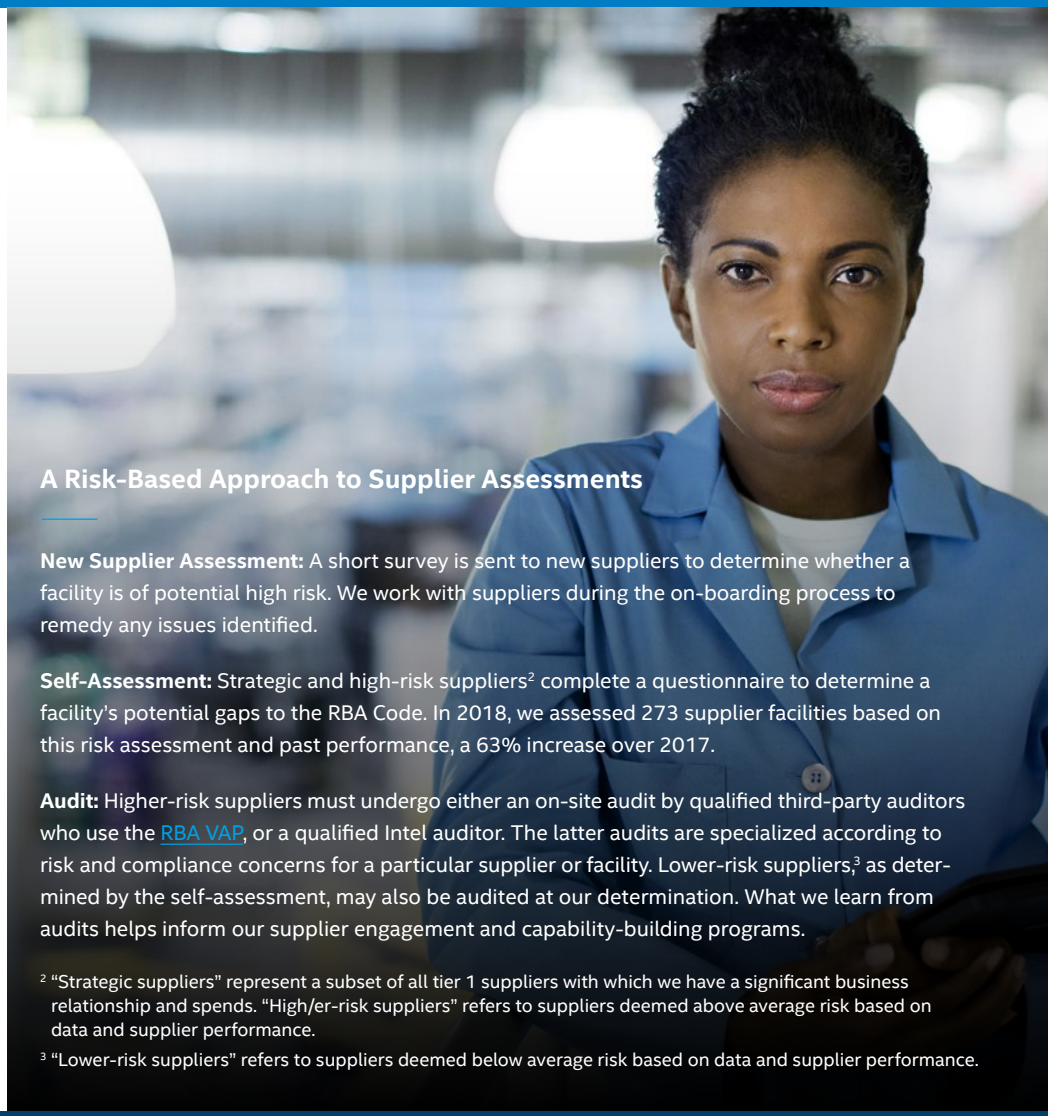
Between 2013 and 2018, our suppliers underwent more than 600 RBA VAP and Intel RBA-based target audits. In 2018, the number of audits increased due to a greater focus on on-site suppliers requiring closures, as well as suppliers sharing audits that we had not specifically requested.

TOTAL AUDITS CONDUCTED

Type of Audit	2014	2015	2016	2017	2018
RBA VAP Audits	25	63	62	66	108
Intel RBA-Based Target Audits	57	26	61	52	54
Intel Quality Audits with Sustainability Element	34	24	34	52	59
Total Audits Conducted[1]	**116**	**113**	**157**	**170**	**221**

Applying our risk-based approach, we continue to use the RBA process as the industry standard for our validated audits for manufacturing suppliers. In addition, we apply the risk-based criteria to complete targeted assessments of our non-manufacturing suppliers. Our sustainability criteria have also been embedded into our supplier quality assessment process to further extend our reach into the supply chain. For priority and major findings by category and sub-category, visit the Report Builder. In certain circumstances, the same facility may be audited multiple times in a calendar year. We treat each individual audit of a single facility as a unique audit in the above table.

[1] Previous years' figures are updated to reflect the most current information.



A Risk-Based Approach to Supplier Assessments

New Supplier Assessment: A short survey is sent to new suppliers to determine whether a facility is of potential high risk. We work with suppliers during the on-boarding process to remedy any issues identified.

Self-Assessment: Strategic and high-risk suppliers[2] complete a questionnaire to determine a facility's potential gaps to the RBA Code. In 2018, we assessed 273 supplier facilities based on this risk assessment and past performance, a 63% increase over 2017.

Audit: Higher-risk suppliers must undergo either an on-site audit by qualified third-party auditors who use the RBA VAP, or a qualified Intel auditor. The latter audits are specialized according to risk and compliance concerns for a particular supplier or facility. Lower-risk suppliers,[3] as determined by the self-assessment, may also be audited at our determination. What we learn from audits helps inform our supplier engagement and capability-building programs.

[2] "Strategic suppliers" represent a subset of all tier 1 suppliers with which we have a significant business relationship and spends. "High/er-risk suppliers" refers to suppliers deemed above average risk based on data and supplier performance.

[3] "Lower-risk suppliers" refers to suppliers deemed below average risk based on data and supplier performance.

Supplier Facilities Covered by Valid Audits

Cumulative Supplier Sites Receiving Audits

2014	2015	2016	2017	2018
260	325	392	442	513

As our understanding of the risks in our supply chain grows and our business evolves, we continue to increase audits to ensure we maintain a responsible supply chain and hold suppliers accountable.

Targeted Action Plans. When suppliers do not make sufficient progress in addressing audit findings or have particularly egregious issues, we require that they develop and obtain Intel's approval on "get-well action plans." Suppliers' progress is reviewed quarterly until we have verified that all significant issues have been closed, and that processes have been put in place to prevent recurrence. If satisfactory progress is not made, we may take additional action, such as not awarding new business ("conditional use" status) until issues are resolved or—when necessary—ending the supplier relationship. While complete closure of certain issues can take several years, we work to close egregious issues within 30 days. In 2018, many of our suppliers made substantial progress in addressing concerns.

We help suppliers with targeted action plans make progress in multiple ways. Our actions may include conducting additional reviews, such as unannounced audits, and increasing the frequency of contact between Intel executives and supplier senior management. Throughout 2018, eight suppliers were on targeted action plans. By the end of the year, all suppliers had published corrective action plans and made significant progress toward meeting commitment milestones. In 2019 we will remain engaged to track progress.

Intel was named #5 to Gartner's 2018 Supply Chain Top 25 ranking, which included corporate social responsibility measures of commitment, transparency, and performance.

Recognizing and Rewarding Performance

We provide regular feedback to suppliers on their achievements and progress, and integrate corporate responsibility considerations into our supplier awards and Supplier Continuous Quality Improvement (SCQI) Program. The SCQI Program recognizes suppliers that have demonstrated outstanding performance with either SCQI, Preferred Quality Supplier (PQS) status, or Supplier Achievement Awards. In 2018, we continued to recognize suppliers for contributions to our supplier diversity and manufacturing safety programs. For more information and a list of recent SCQI and PQS winners, including those that earned distinction in diversity and safety, visit our SCQI award page and the Appendix of this report.

SUPPLIER HIGHLIGHT: COLLABORATING FOR SUCCESS

Shin-Etsu Chemical has a long history of promoting environmental and social governance as a core value. In 2018, motivated by Intel's supplier leadership program, Shin-Etsu's American division launched a supplier diversity program in the U.S. that includes reporting diverse supplier spends and expanded the company's number of diverse suppliers by 75% throughout the year. The program is a natural extension of Shin-Etsu's workforce diversity initiatives and upholds the company's commitment to economic opportunity for all communities.

Shin-Etsu also attended the Intel-sponsored first annual WEConnect International conference in Tokyo, aimed at promoting economic empowerment for women. As a result of this chance to interact with entrepreneurial women, Shin-Etsu is exploring additional ways to increase diversity in its supply base.

In addition, Shin-Etsu and Intel collaborated to solve a challenging business problem while simultaneously reducing environmental impact. Temperature control issues were causing raw material to arrive damaged at various Intel sites around the world. Working with Intel, Shin-Etsu developed an innovative way to replace single-use Styrofoam*-based packaging with an alternative that can be recycled many times while successfully maintaining material at the needed temperature. During 2018, the new packaging solution reduced significant amounts of CO_2 by eliminating close to 53,000 pounds of dry ice, 5,300 pounds of pallets, and 4,000 pounds of cardboard from shipments of materials to Intel.

COMBATING FORCED AND BONDED LABOR

We have worked to build a strong system to detect and address risks of forced and bonded labor among our suppliers and their recruiting and labor agents. Our Anti-Slavery and Human Trafficking Statement details the expectations we have for ourselves and our suppliers, including prohibitions against holding worker passports and charging workers fees to obtain or keep employment. As a result of our efforts, our suppliers have returned over $14 million in fees to workers since 2014. In some instances, we have faced challenges in gaining cooperation in repaying workers quickly, and we work closely with suppliers to determine acceptable gap closure plans.

As we have learned more about the contributing factors to forced and bonded labor, we have adjusted our tools and processes to align with likely risks.

VIOLATIONS RELATED TO RISKS FOR FORCED AND BONDED LABOR

Violations to Expectations	2014	2015	2016	2017	2018
Closed	52	23	124	38	16
On Track	–	–	–	–	14
Overdue[1]	–	–	2	13	18
Total Violations	**52**	**23**	**126**	**51**	**48**

We proactively work to identify and help suppliers close findings that we believe are trigger factors for forced and bonded labor. Some historic numbers have been restated due to the timing of reporting.

[1] "Overdue" includes violations awaiting verification of closure. At the end of 2018, 7 of 18 overdue violations were awaiting verification.

Many challenges exist in combating this issue, in particular, lack of full visibility into our multi-tier supply chain and difficulty in tracing the multiple levels of recruiting and labor agents who source workers. Through our work on this issue, we have found that some of the agents take advantage of vulnerable workers. We believe that addressing agent risks is a critical part of eliminating the root causes of the issue.

In 2017, we required that 17 of our suppliers who employ foreign and migrant workers embark on deep analyses of their risk-management approaches. The process includes an audit of at least one recruiting agent per supplier. Thus far, five audits have been conducted, with positive results overall. Suppliers are addressing common findings such as inconsistent communications, monitoring, and management systems.

As a result of these efforts, we have pinpointed risks deeper in our supply chain. In 2018, we identified risks and gaps in the areas of construction and packaging, and are now looking more broadly at suppliers in those areas. We also required that approximately 50 of our suppliers work with at least three of their own major suppliers to assess and address their risks of forced and bonded labor. Our work at this tier 2 level has resulted in changes to supplier policies and procedures, and stronger engagements with recruiting and labor agents. We have uncovered and are now addressing a number of issues, including fees and passport holding.

Our ongoing assessments and efforts to reach deeper into the supply chain encompass more than 35,000 workers in our extended supply chain. Suppliers continue to realize positive business impacts, such as reduced business risks, better and larger pools of candidates, a more satisfied workforce, and higher worker retention—all of which lead to improved productivity and product quality.

Industry Collaboration

Collaboration is key to addressing broad, long-standing issues. Intel co-founded the multi-industry, multi-stakeholder Responsible Labor Initiative (RLI), which aims to protect and promote the rights of vulnerable workers. The RLI has established the Responsible Recruiting Program, a recruiting agent maturity model. Intel, HP Inc., Seagate, and Western Digital also co-sponsored an in-depth workshop with suppliers and recruiting and labor agents in Malaysia, Singapore, and Thailand. Additional efforts included partnering to author and publish guidance on fee repayment and communication to suppliers on expectations around combating conditions of forced labor.

In 2018, the RBA honored Intel with its inaugural Compass Leadership Award for our work to eliminate forced labor in the information and communications technology (ICT) industry. This awards program recognizes corporate social responsibility excellence and efforts that lead to meaningful, positive change.

Intel was also honored in 2018 by the KnowTheChain partnership, which rated our forced and bonded labor program number one among 40 ICT firms evaluated. We improved from third place in the previous KnowTheChain ranking, published in 2016, even as expectations were raised.

For more information on our work in this area, see "Respecting Human Rights" in the Our Business section of this report.

SUPPLIER ENVIRONMENTAL IMPACT

By partnering with our suppliers to decrease their waste generated, water usage, and greenhouse gas emissions, we reduce our own environmental impact, lower supply chain risk, and can decrease costs. We also partner with our tier 1 chemical and gas suppliers on green chemistry initiatives.

Reducing Waste

Our procurement teams work with our logistics and packaging suppliers to drive changes in the materials we use to ship products. Our long-term vision is to achieve a high percentage of sustainable packaging for all inbound, outbound, and return shipments.

Our event marketing teams also provide planning guides, training webinars, and mentorship to suppliers to reduce the environmental impact of Intel events.

Reducing Greenhouse Gas Emissions and Water Use

We decrease the greenhouse gas emissions related to our transportation and logistics network by optimizing packaging to reduce the quantity and weight of shipments, and by increasing local sourcing. Intel is at the forefront of standardizing transportation CO_2 reporting within the industry through collaboration with organizations such as the Global Logistics Emissions Council.

In 2018, we asked 83 tier 1 suppliers that have higher environmental impacts to participate in the CDP Supply Chain survey and submit data on their own carbon and/or water footprints. All 83 of the suppliers completed the survey, and 99% of them made their responses public, giving both Intel and other constituents information about the environmental performance of our supply chain. Using CDP's global standard maximized the reporting benefit while minimizing the burden placed on suppliers who are responding to multiple customers. Intel was the only stakeholder requesting this disclosure for 27% of the 83 suppliers.

In 2018, Intel also required these suppliers to set structured climate targets for the first time, and 79% did so. We learned that at least 54% of the 83 suppliers either expect to set a science-based target in the next two years or have already set one. Using this information helps to ensure that we are focusing on the largest climate change impacts. We also sent the CDP water questionnaire to 45 suppliers that are located in water-stressed regions. We achieved a 100% response rate, with 98% of the 45 suppliers publicly sharing their responses.

As a result of our efforts, we were in the top 2% of participating companies to attain a Leadership (A) score in CDP's Supplier Engagement Rating.

Green Chemistry

Green chemistry involves designing chemical products and processes in ways that minimize the use and creation of hazardous materials. Intel has set a collaborative goal for our chemical and gas suppliers to demonstrate their efforts to select the greenest materials to enable our technology. In support of this goal, we have been working with our suppliers to implement "green" screening of all ingredients to ensure that the most benign materials are chosen. Building on a 2017 pilot program, we launched an early adopter program in 2018 that increased supplier participation in chemical screening and reviews by 180%. Our focus was on increasing suppliers' integration of processes to perform green chemistry screening during chemical formulation.

We also continued to provide webinars and green chemistry screening criteria to help our suppliers and achieve our goal. In addition, we participate in the RBA's Chemical Management Task Force to develop industry-wide chemical management initiatives that can be propagated through the RBA membership and partnerships, including the Clean Electronics Production Network (CEPN). CEPN focuses on the use of chemicals in the supply chain and reducing risks to workers through the use of safer chemicals and the proper management of all chemicals.

GOAL

GREEN CHEMISTRY

Implement an enhanced green chemistry screening and selection process for 100% of new chemicals and gases by 2020.

Our Progress: On track

We continue to promote green chemistry awareness in our supply chain. A 2017 green chemistry pilot program that we conducted with select chemical suppliers showed that screening criteria and process were more important than a specific screening tool. As such, through an early adopter program in 2018, we focused on building supplier capability to apply screening criteria and integrate a chemical selection process during chemical formulation.

In 2019, to meet our 2020 green chemistry goal, we will scale and expand the early adopter program to all chemical and gas suppliers to implement our green chemistry screening criteria and alternative assessment process.

RESPONSIBLE MINERALS SOURCING

Like many companies in the electronics industry, Intel and our suppliers use minerals in manufacturing. In 2008, we began work to ensure that our supply chain does not source certain minerals—in particular, tantalum, tin, tungsten, and gold (3TG)—within the Democratic Republic of the Congo (DRC) or adjoining countries from mines under the control of armed groups who exploit mine workers to fund crimes against humanity.

We are proud of the significant progress we have made in addressing the issue of conflict minerals[1] in our supply chain, and the positive impacts our efforts have brought to people who live and work in the DRC and surrounding region. More recently, we have expanded our efforts to pursue responsible sourcing of all minerals used in our products, regardless of country of origin.

Our program, minerals sourcing policy, and due diligence practices are evolving to address minerals originating from Conflict-Affected and High-Risk Areas (CAHRAs).[2] This will allow Intel to better align to the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (OECD Guidance). We believe that the OECD Guidance provides practical ways to identify and mitigate risks when sourcing minerals from CAHRAs, and that such methods should be adopted by the entire mineral supply chain.

Driving Accountability in the Supply Chain

Our long-term leadership and participation in initiatives such as the Responsible Minerals Initiative (RMI) and the European Partnership for Responsible Minerals allow us to regularly collaborate on this issue with other companies, industries, governments, and civil society. Such collaboration is crucial to identify and address risks associated with mineral extraction and trade in complex mineral supply chains. All participants, from mine to device makers, have a responsibility to ensure that they do not contribute to human rights abuses.

Our Due Diligence Approach

Intel's responsible minerals program, aligned with the OECD Guidance, focuses on three primary areas:

Risk Identification. Each year we conduct a supply chain survey to identify the smelters and refiners that process the metal contained in the products supplied to Intel, and the country of origin and trade of minerals used. We then compare those smelters and refiners to the list of facilities that conform to a responsible minerals sourcing validation program such as the RMI's Responsible Minerals Assurance Process (RMAP). We use the information to identify potential mineral supply chain risks.

Risk Mitigation. When we identify potential risks, we conduct further due diligence, which may include on-site smelter or refinery visits. Such visits help identify risks, encourage smelters and refiners to participate in an audit program to validate their sourcing practices, and drive risk mitigation for human rights impacts. When necessary, we will disengage from mineral supply chains that cannot uphold our responsible minerals sourcing standards.

Supporting In-Region Sourcing. We believe that the creation and support of responsibly sourced minerals from the DRC improve the lives of the people in the region. Our membership in and support of the Public-Private Alliance for Responsible Minerals Trade (PPA) enable responsibly sourced minerals from the DRC and adjoining countries by helping to implement programs that are consistent with the OECD Guidance.

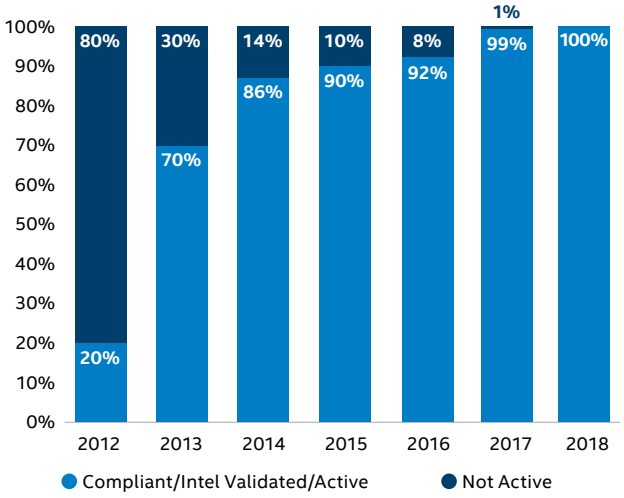
[1] Conflict minerals, as defined by the U.S. Securities and Exchange Commission (SEC), is a broad term that means tin, tantalum, tungsten, and gold, regardless of whether these minerals finance conflict in the Democratic Republic of the Congo (DRC) or adjoining countries.

[2] CAHRAs, as defined by OECD, are identified by the presence of armed conflict, widespread violence, or other risks of harm to people. Armed conflict may take a variety of forms, such as a conflict of international or non-international character, which may involve two or more states, or may consist of wars of liberation, or insurgencies, civil wars, etc. High-risk areas may include areas of political instability or repression, institutional weakness, insecurity, collapse of civil infrastructure, and widespread violence. Such areas are often characterized by widespread human rights abuses and violations of national or international law.

Results of our Due Diligence Program

3TG Progress. Through our annual supply chain survey process, which includes the Mobileye supply chain, our suppliers have identified 257 operational smelter and refiner facilities that may process the 3TG contained in products provided to us. 100% of these smelters and refiners participate in an independent third-party assurance program, or we have reasonably concluded through our own efforts that their products are conflict free[1] (see chart at right). Approximately 98% of our relevant suppliers use only smelters and refiners whose products are from conflict free sources. Our annual conflict minerals disclosure filed with the U.S. Securities and Exchange Commission (SEC) contains additional information regarding our 3TG due diligence practices and is available on our Responsible Minerals website.

3TG SMELTERS AND REFINERS COMPLIANCE SUMMARY



PURSUIT OF RESPONSIBLE MINERALS SOURCING

Intel's mission for the future is to maintain the positive progress we've made to date on 3TG and cobalt, and to address risks as they emerge from the expanding scope of materials and geographies. We will continue to advance responsible sourcing across our product lines and materials as our business and the world landscape continues to evolve. More information is available our Responsible Minerals website.

Cobalt. We use cobalt in Intel's next-generation microprocessor manufacturing technology. We have surveyed direct suppliers that provide materials that contribute cobalt to Intel's manufactured products to validate that child labor was not used in any DRC-originated cobalt. All direct suppliers responded to our cobalt inquiry. We are continuing to pursue information on smelters and refiners in our extended supply chain—those that supply our direct suppliers. Although these cobalt supply chains have provided data to assert that the cobalt is responsibly sourced, we continue our work to identify all cobalt smelters or refiners and mineral countries of origin. Additionally, Intel has participated in the development of industry-wide standards to better align the collective approach to responsible cobalt sourcing. We are actively focused on outreach to the cobalt smelters and refiners in our supply chain to encourage RMI and RMAP participation. This will further strengthen our assurance that cobalt in Intel's manufactured products is responsibly sourced. Our suppliers identified the following cobalt smelters and refiners: Dynatech Madagascar Company; Glencore Nikkelverk AS; Freeport Kokkola; Sumitomo Metal Mining Co., Ltd.; Zhejiang Huayou Cobalt Co., Ltd.; and Quzhou Huayou Cobalt New Material Co., Ltd.

Collaboration is crucial to identify and address risks associated with mineral extraction and trade in complex supply chains.

[1] "Conflict free" refers to products, suppliers, supply chains, smelters, and refiners that, based on our due diligence, do not contain or source tantalum, tin, tungsten, or gold that directly or indirectly finance or benefit armed groups in the Democratic Republic of the Congo or adjoining countries.

DIVERSITY AND INCLUSION

We believe that to shape the future of technology, we must be representative of that future. Inclusive teams of people with diverse perspectives are more creative and innovative. Inclusion is the foundation of a high-performance workforce, where employees are empowered to do their best work. Our diversity efforts go beyond hiring and retention, to also include spending with diverse suppliers, diversifying our venture portfolio, and strengthening the technical pipeline to encourage more women and underrepresented minorities to enter and succeed in technology careers.

2 YEARS EARLY

In 2018, we achieved full representation[1] in our U.S. workforce—two years earlier than our 2020 goal. In early 2019, we announced that we had also achieved global gender pay equity.

82% SUCCESS RATE

Intel's inclusive WarmLine service drives retention by providing a support channel for employees. We have processed more than 20,000 cases with an 82% retention rate since the service was launched.

$100M SPENDING WITH WOMEN

We reached our $100 million commitment for spending on women-owned businesses more than a year early, and announced a new goal of $200 million for 2020.

[1] Full representation means that Intel's workforce now reflects the percentage of women and underrepresented minorities available in the U.S. skilled labor market.

STRATEGY AND MANAGEMENT APPROACH

In January 2015, we set a goal to reach full representation of women and underrepresented minorities (URMs) in Intel's U.S. workforce by 2020. The company also committed $300 million to support this goal, increasing diverse representation not just at Intel, but across the technology industry. In 2018, we achieved our goal, two years early.

GOAL

FULL REPRESENTATION

Achieve full representation of women and underrepresented minorities at Intel in the U.S. by 2018. (Note: In August 2017, we pulled this goal in from 2020, recognizing its critical importance.)

Our Progress: Achieved

In October 2018, we closed the gap to reach full representation in our U.S. workforce.

We are proud of what we've achieved, but realize that we are far from being done. Reaching full representation in our U.S. workforce is just one step in our journey toward global inclusion. We will continue our ongoing commitment to advance diversity and inclusion, collaborate with industry partners on key learnings, and encourage a community of openness, belonging, and inclusion.

"When people ask me about the business case for diversity and inclusion, I ask them to tell me the business case for homogeneity."

—BARBARA WHYE
Intel Chief Diversity and Inclusion Officer
and Vice President of Human Resources

Since we set the goal, the number of URMs and women in Intel's U.S. workforce has increased for four consecutive years. Overall representation of URMs at Intel in the U.S. is now at 14.6%. Since 2015, our U.S. technical female population has increased 3.8%, to 23.9%. We also achieved an increase among our U.S. leadership, with an increase from 17.7% to 20.7% for females and from 6.3% to 9.2% for URMs.

See our most recent diversity report for more details about the progress we have made toward global inclusion at Intel, as well as our commitment to driving change through a diverse supply chain.

HIGHLIGHTS. Our U.S. employee representation has improved across the board. For more information, see our Global Diversity and Inclusion website.

Growth percentage based on 2015 – 2018.

	FEMALE	URM	HISPANIC	AFRICAN AMERICAN	NATIVE AMERICAN
REPRESENTATION	26.8%	14.6%	9.2%	4.6%	0.7%
GROWTH	↑8.5%	↑17.7%	↑10.8%	↑31.4%	↑40.0%

INCLUSIVE WORKFORCE

Inclusion at Intel means instilling a culture where employees can bring their full experiences and authentic selves to work while enjoying rewarding careers.

Fostering Inclusion

In 2017, we launched Managing at Intel (MAI), a two-day training experience that focuses on inclusive management practices. By early 2018, we had reached nearly 100% of our people managers with MAI training. We continue to provide tools and guidance to Intel organizations that are best positioned to help us close progression and hiring gaps. In 2018, we launched Manage for Excellence (MFX), a continuation of MAI. This multi-day immersive program for experienced managers provides practical guidance and tools, empowering managers to implement inclusive and collaborative team norms.

We have developed a set of best practices to mitigate the influence of unconscious bias in the hiring process. These practices include posting of formal requisitions for all open jobs using impartial descriptions of qualifications, and having diverse slates of candidates and diverse hiring panels.

Building Communities

We offer 33 Employee Resource Groups and seven leadership councils that connect over 22,000 employees. Our Leadership Councils, composed of over 200 Intel leaders, help guide and mentor members of the resource groups. We encourage employees to participate in resource groups beyond their personal affinities to build relationships with a wider community. Communities formed around the resource groups, leadership councils, and other affinity-based programs facilitate mentoring and drive greater inclusion. Connecting employees through forums, groups, training, and events has also been a long-standing hallmark of Intel's culture. Retention rates increase when our people feel included in deep and wide-ranging networks.

Accessibility

In 2018, we strengthened our cross-Intel accessibility initiatives, including further integrating inclusive design principles into our product development life cycle, buildings and facilities design, and digital content and communications. We adopted a new Intel Corporate Accessibility Policy, formed a cross-functional working group and Management Review Committee, launched a Digital Accessibility training course for employees, and commemorated National Disability Employment Awareness Month with employee events and communications. Watch one employee's story.

EMPLOYEE RESOURCE GROUPS. These groups can serve as powerful networks, offering opportunities for personal and professional development, access to mentors, and volunteer activities that facilitate teamwork and build camaraderie.

- Agnostics, Atheists, and Allies at Intel
- American Veterans at Intel
- Arab Intel Community
- Asian Cultural Integration
- Bahai Intel Network
- EXTEND Community
- Intel Bangladesh Association
- Intel Bible-based Christian Network
- Intel Chinese Employee Network
- Intel Diverse Abilities Network
- Intel Doctorates Leadership Forum
- Intel Eastern European – Balkanika Group
- Intel Filipino Employee Network
- Intel French Speakers Network
- Intel Gay, Lesbian, Bisexual, or Transgender Employees
- Intel Iranian Employee Group
- Intel India Employee Group
- Intel Jewish Community
- Intel Korean Community
- Intel Latino Network
- Intel Muslim Employee Group
- Intel Native American Network
- Intel Nepalese Group
- Intel Pakistani Employee Group
- Intel Parent Network
- Intel Russian-Speaking Employee Group
- Intel Sikh Employee Group
- Intel Taiwan Network
- Intel Vietnamese Group
- Network of Intel African American Employees
- Next(gen) Professionals Network
- Turkish Employee Network at Intel
- Women at Intel Network

Our Workforce and Culture: Retention

We are involved in a variety of programs to support and retain women, including the Pay It Forward initiative and Women at Intel Network.

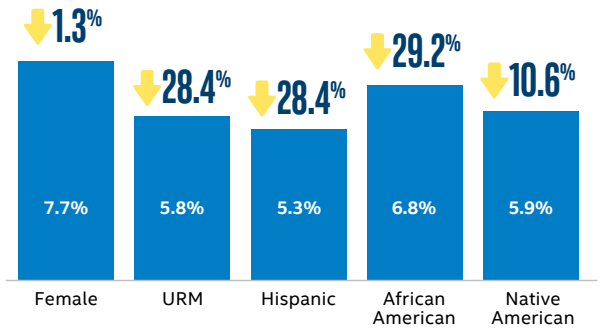
We are also expanding the flexibility of our U.S. Health and Welfare Plans to include an eligible domestic partner and his or her eligible children. The added eligibility for domestic partners reflects our focus on creating an inclusive environment.

Intel's WarmLine service provides a support channel for U.S. employees to explore different options with a personal adviser before they consider leaving the company. Since its launch in 2016, the WarmLine service has received over 20,000 cases and successfully achieved an 82% retention rate.

In 2018, to ensure a data-driven approach toward LGBTQ+ inclusion and retention, we launched an annual workplace survey and self-ID initiative. We also celebrated Pride Month with multiple events worldwide, including a drone light show honoring the LGBTQ+ community. Watch the video.

Employee Retention

EXIT RATE



Our employee exit rate has decreased since 2015 in all categories. Intel's WarmLine has been a significant tool for retention, processing more than 20,000 cases with an 82% retention rate.

INTEL ACHIEVES GENDER PAY EQUITY GLOBALLY

We view pay equity as a signal of the overall health of our company, as well as a means of ensuring equity for all employees. For more than a decade, we've performed an annual compensation analysis in the U.S. to ensure pay equity by gender and race/ethnicity. In 2018, we began globalizing our analytics and recently announced that we've achieved gender pay equity globally. This achievement was a direct result of a years-long evaluation of global gender pay equity and follows our announcement that in 2017 we achieved gender and racial pay equity for all U.S. employees. We recognize that our work in encouraging pay equity is never complete and we will continue to take a multi-faceted approach to assessing pay equity and equal representation in our global workforce. Learn more.

Leadership Councils

The Intel Disability Leadership Council, Veteran Leadership Council, Black Leadership Council, Hispanic Leadership Council, Native American and Pacific Islander Leadership Council, Network of Executive Women, and Out & Ally Leadership Council host sponsorship programs to help advance leaders within their respective communities. Council members include the senior-most employees and allies for the various populations. They serve as leadership role models and champions for Intel's diversity and inclusion initiatives. Their overall mission is to promote the progression and growth of diverse employees and foster an inclusive culture where all employees can thrive professionally.

Leadership Progression

In January 2019, Intel named three women—19% of this year's inductees—to the rank of Fellow, the highest level of technical leadership at Intel. Fellows participate in strategic technical planning, decision-making, and research and development activities and their application to Intel's technological initiatives.

At the same time, we are working to make progress to improve the diversity among our vice presidents. Of our recently appointed vice presidents in the U.S., 19.4% were women. We've seen positive trends in progression at all levels of the company, with improvements in diverse representation across early, middle, senior, and leadership levels for both gender and ethnicity. Overall, 17.7% of Intel senior managers globally are women.

SUPPLIER DIVERSITY AND INCLUSION

Our commitment to diversity extends beyond workforce hiring and retention to diverse-owned businesses in our global communities. We believe that working with diverse-owned suppliers generates greater innovation and value within our global supply chain. We seek to generate more inclusive sourcing, as demonstrated by our goal to increase our annual diverse spending to $1 billion by 2020.

Inclusion of diverse-owned suppliers is built into our operations, and outlined in our Supplier Diversity Policy. We have integrated requirements for including diverse suppliers into our supplier bidding, selection, and management processes, and in our Supplier Continuous Quality Improvement (SCQI) award. We apply these expectations and requirements to tier 1 suppliers, and we also expect our non-diverse suppliers to report their own spending with diverse-owned suppliers and subcontractors. We continued to see an increase in overall tier 2 diverse spends reporting, with a 29% increase from 2017 to 2018.

GOAL

DIVERSE SPENDING

Increase our annual spending with diverse-owned suppliers to $1 billion by 2020.

Our Progress: On track

In 2018 we remained on track to reach our goal by end of 2020. We made significant progress by expanding our efforts and reaching 22 countries, bringing us to $777 million in annual spending with tier 1 and tier 2 certified[1] suppliers.

[1] We recognize certified diverse suppliers as businesses that are 51% owned, operated, and controlled by at least one of the following: women; minorities as defined by the country where the business was established; veterans/service-disabled veterans; persons who are lesbian, gay, bisexual, or transgender; or persons who are disabled.

22 TOTAL COUNTRIES

In 2018, Intel's Supplier Diversity and Inclusion program continued to expand efforts to identify and certify potential suppliers, reaching 22 countries.

Global Commitment to Women

In 2017, Intel made a commitment to spend $100 million with women-owned businesses around the world by 2020. We reached our goal more than a year ahead of schedule, and in December 2018, doubled our commitment at the Global Citizen Festival to spend $200 million with women-owned businesses by 2020 globally. This goal is an important element of our 2020 supplier diversity goal. Read about the new commitment.

WECONNECT CONFERENCE IN JAPAN

In 2018, Intel co-sponsored the first annual WEConnect International conference. Held in Tokyo, Japan, the conference brought together stakeholders committed to women's economic progress to share actions around inclusive sourcing. Intel is a corporate member of WEConnect International, a global network that connects women-owned businesses to qualified buyers around the world. Read more.

BUILDING A DIVERSE TECHNOLOGY INDUSTRY

We are committed to supporting the development of a more diverse technology industry. We invest in diverse-owned technology start-ups and—through education initiatives, financial assistance, and internship opportunities that offer experience and technical skills—we work to encourage more women and underrepresented minorities to enter and succeed in tech careers like engineering and computer science.

Investing in Diverse Tech Entrepreneurs

The Intel Capital Diversity Initiative, the largest of its kind in the venture industry, identifies and invests in women- and minority-led technology companies. Launched in 2015 as a $125 million investment fund, the initiative aims to ensure that funded entrepreneurs across a broad spectrum of innovative technologies can access business development programs, technology expertise, and more. In 2018, Intel Capital surpassed its $125 million goal two and a half years ahead of schedule.

Intel Capital Diversity Initiative investments are focused on companies with founders/CEOs or at least 40% of senior managers who are women; African American, Hispanic, or Native American; people living with disabilities; U.S. military veterans; and/or U.S.-based entrepreneurs from the LGBTQ+ community. In 2018, more than 10% of Intel Capital's entire portfolio was led by entrepreneurs from these diverse communities.

At the 2018 Intel Capital Global Summit, Intel Capital announced new investments totaling $72 million in 12 diverse technology start-ups driving advancements in AI, cloud, IoT, and silicon technologies.

Also announced was the launch of the "Champions of Change" strategy to advance gender equality by enabling women's careers to thrive in the global tech industry, formed by the Male Champions of Change Institute,* accelerateHER,* EQUALS* and Intel, a founding member of the Male Champions of Change Global Technology Group*.

Investing in Pathways to the Tech Industry

Intel is a founding member of the Reboot Representation Tech Coalition, through which 12 companies have pledged more than $12 million to double the number of women of color graduating with computing degrees in the U.S. by 2025. The coalition aims to provide concrete guidance to companies seeking to develop more effective gender-focused philanthropic and CSR strategies.

In addition, Intel has invested in the Center for Advancing Women in Technology's Technology Pathways Initiative, which seeks to enrich the U.S. workforce with a diverse pool of college graduates equipped to be innovators in the digital economy.

Intel has long been committed to improving education to prepare youth from varying backgrounds and communities for the jobs of tomorrow. We are partnering with six historically black colleges and universities (HBCUs) to encourage women and URMs to enter and succeed in tech fields. Our three-year, $4.5 million HBCU program aims to increase the number of African Americans who pursue electrical engineering, computer engineering, and computer science fields. We are also partnering with the American Indian Science and Engineering Society (AISES) to create pathways to jobs for Native American undergraduate and graduate students. Intel is contributing $1.32 million to the AISES "Growing the Legacy" scholarship program to provide financial support for 40 Native American university students every year for four years.

Oakland students celebrate a graduation milestone. Watch the video.

Oakland Schools Partnership Yields Impressive Results

Since 2015, Intel has partnered with McClymonds High School and the Oakland Unified School District in California to develop and improve computer science and engineering courses. Programs include work-based learning, mentoring and internships, education and awareness for parents, and professional development support for teachers. As part of Intel's five-year, $5 million investment in two OUSD schools, Intel helped launch a new engineering pathway program for students at McClymonds, encouraging them to pursue future education in science, technology, engineering, and math (STEM) fields.

In 2018, 31 McClymonds graduating seniors completed the engineering pathway program and headed off to colleges and universities such as the University of Southern California; the University of California, Los Angeles; the University of Nevada; and the University of Hawaii. Their success demonstrates that with support and investment, school districts can dramatically improve educational outcomes and prepare students for success in today's high-tech workforce.

SOCIAL IMPACT

Intel is committed to creating a better world through the power of our technology and the passion of our employees. We believe that the health of our company and local economies both depend on an increasingly inclusive community of innovators. We are committed to applying technology to broaden access to opportunity and prepare people for the jobs of the future. We also empower our employees to apply their expertise to solve global challenges, support our local communities, and inspire the next generation of innovators around the world.

~1.5M VOLUNTEER HOURS

Our employees surpassed Intel's 50th anniversary goal to have 50,000 employees give 1 million hours to local communities, with over 68,000 volunteers contributing approximately 1.5 million hours.

30 YEARS OF IMPACT

In 2018, the Intel Foundation celebrated 30 years of catalyzing positive change, and contributed approximately $40 million to empower students and communities around the world.

5M WOMEN REACHED

Through the Intel® She Will Connect program, we met our goal to reach 5 million women in Sub-Saharan Africa with digital literacy skills two years ahead of schedule.

STRATEGY AND MANAGEMENT APPROACH

As a leading creator and driver of technology, Intel is uniquely positioned to understand what skills today's youth will need for tomorrow's jobs, and to inspire young people to become innovators. We provide our expertise and both financial and in-kind support to help communities, governments, non-governmental organizations (NGOs), and educators reach their goals.

Our investments in social impact generate significant value for Intel and our stakeholders. Helping to expand the community of people using technology to improve their lives and solve global challenges enables us to collaborate with external stakeholders and build trust in our communities. While many of our initiatives are focused on communities where we operate and have passionate employees who engage directly, we also bring our technology and programs to other parts of the world where we can catalyze positive change.

WE AIM TO ACHIEVE LASTING SOCIAL IMPACT IN THREE MAIN WAYS

EMPLOYEES CHANGING THE WORLD

Our employees are our biggest asset, and we encourage them to share their experience, talents, and passions with schools, nonprofits, and NGOs around the world. We provide volunteer opportunities to help address local and global problems, and have developed a culture that strongly encourages employees to get involved in their communities.

EMPOWERING COMMUNITIES

To harness the power of technology and create the best future possible for everyone, we work to bring opportunities to communities and ensure that the next generation of innovators is diverse and inclusive. We are redefining what it means to be an innovator by expanding who has access to technology skills and experiences.

CATALYZING ACTION

Since 1988, the Intel Foundation has worked to strengthen communities by investing in multi-sector partnerships, inspiring others to take action, and leveraging the talent and skills of Intel employees. Through its matching programs, the Foundation amplifies employee generosity and service.

Rebuilding Communities and Restoring Hope
In 2018, an Intel Employee Service Corp (IESC) team equipped 30 schools in Puerto Rico with computer labs after Hurricane Maria. Intel will outfit another 30 schools in 2019. Read more.

EMPLOYEES CHANGING THE WORLD

In celebration of Intel's 50th anniversary, we set a goal to engage 50,000 of our employees to volunteer more than 1 million hours in 2018. We exceeded that goal, with more then 68,000 employees (or 64% of our employees) volunteering approximately 1.5 million hours of service throughout the year. To support our goal, each business group achieved a participation rate of over 50%. Over the past 10 years, our employees have generously donated their skills, technology expertise, and more than 10 million hours of service to tackle environmental challenges, improve education, and help meet community needs around the world.

Intel Involved and Skills-Based Volunteering

Through Intel Involved, our global corporate volunteer program, we identify and organize service projects for individuals and teams. The Intel Involved Volunteer Matching Program, funded by the Intel Foundation, extends the impact of volunteerism by donating cash to qualified nonprofits and schools where Intel employees and retirees give at least 20 hours of service in a year.

The Intel Employee Service Corps (IESC) provides opportunities for employees to empower people through technology in education, health, agriculture, and other fields. In 2018, IESC volunteers supported 12 projects in seven countries, including Women in Science (WiSci) camps in the countries of Namibia and Georgia designed to expand science, technology, engineering, arts and design, and mathematics (STEAM) exposure and opportunities for adolescent girls.

IESC teams also completed new phases of projects to support infrastructure and technology needs in disaster-affected areas, including post-earthquake Jojutla, Mexico and post-hurricane Puerto Rico. These projects are examples of the Intel Foundation's Rebuilding Communities program, a holistic approach to disaster relief that builds on immediate special matching campaigns to address longer-term rebuilding processes with partners.

We believe that employees' donation of skills they have honed at Intel is particularly significant because schools and nonprofits would have to pay high rates for this type of assistance in the marketplace. For example, in 2018 our legal team donated over 4,000 hours, estimated to be valued at over $800,000.[3]

Invested and Involved

2018 Volunteerism by the Numbers

64% Percentage of employees who volunteered

1.5M Number of hours

$37M Estimated in-kind value of volunteer hours[1]

$8.4M Total dollars matched under Intel Involved Matching Grant Program[2]

Intel's Robert O'Connor teaches WiSci Namibia students how to adjust the code on their Wall-E bot.

"Employees came back saying, 'This is the most impactful thing I've ever done. This is why I became an engineer.'"

—THOMAS DEBASS

Acting Special Representative for Global Partnerships, U.S. Department of State, speaking about the IESC volunteers' involvement in WiSci camps

[1] Based on the 2018 Value of Volunteer Time rate of $24.69 per hour published by Independent Sector.

[2] Volunteer payments made in 2018 are for 2017 hours. Payments are processed once the year closes.

[3] Based on Taproot's Pro Bono executive legal valuation rate of $210/hr.

GLOBAL VOLUNTEERISM, LOCAL IMPACT

Volunteer Heroes. Each year, the Global Intel Involved Hero Awards program recognizes select Intel super volunteers. Finalists receive $2,500 grants from the Intel Foundation for the organization of their choice. The overall winner receives an additional $7,500 grant for his or her designated organization. This year's Intel Involved Global Hero of the Year recipient was Anna Prakash.

A senior engineer at Intel, Anna has a PhD in chemistry, holds more than 30 patents, and won one of the Society of Women Engineers most prestigious honors, the Prism Award, for outstanding leadership in a technical field. As if that were not enough, she also started her own nonprofit, Education Empowers, which promotes STEM education for children through after-school robotics and maker activities. Anna won a grant from the Intel Foundation to start a STEM robotics club at her local YMCA and train YMCA staffers to teach classes so that the program can be expanded to additional locations.

Social Impact

Grants for Volunteerism

The Intel Foundation awards seed grants of up to $5,000 to underwrite employee-initiated community service projects. Projects are selected based on their originality, potential impact, and expected outcomes. In 2018, in celebration of Intel's 50th anniversary, Intel also awarded 50 Winners of Wonder grants to nonprofits and schools to help enable employees to "Do Wonderful" in the world through innovation or volunteerism. Winners also received two weeks of paid leave to bring their ideas to life. Winning projects included:

Firefighting. An employee is using a grant to purchase a first responder drone for a volunteer fire fighting organization that covers more than 1.4 million acres in eastern Oregon. The project includes training and flight practice workshops to enable volunteers to be licensed to operate the drone to help fight fires.

Supporting At-Risk Youth. In Brazil, a Winners of Wonder grant is enabling volunteers to refurbish the facilities of an organization that assists underserved children with education, food, and health needs. The program keeps children off the street while helping them develop artistic, cultural, and social skills.

HEAR DIRECTLY

Rita Holiday, Community Engagement Manager at Intel, shares her role in empowering employees to volunteer in the community. Watch now

Building Libraries. An employee is leading a team of volunteers who are helping to establish libraries for rural schools in western China. A Winners of Wonder grant is helping to fund books and laptops for the libraries.

Podcasting Lessons. An Arizona employee's project involves developing podcasts to educate children in Honduras who are unable to attend school due to distance, gang violence, or poverty. The goal is to enable thousands of students to access lessons on cell phones.

Making a Maker Space. In Folsom, California, employees are using a grant to establish a maker space at a local K-8 school. Maker spaces give youth opportunities to acquire technology and entrepreneurship skills while developing and building their own projects.

EMPOWERING COMMUNITIES

Redefining What It Means to Be an Innovator

Technology has the potential to be a great equalizer. Despite continuous improvements in education access and quality, millions of individuals—including under-served youth—still lack access to the technology and skills they need to reach their full potential.

Through our social impact programs, we work with community partners to support youth and provide a breadth of opportunities outside the formal school system to learn technology basics and develop job skills for new and emerging industries. Through our programs, we collaborate across sectors, communities, and organizations, to enable individuals to become creators of technology.

Our Progress

In 2018, we expanded our Intel® Future Skills program by engaging with new partners and strengthening existing partnerships in India, Mexico, Germany, and the U.S. Our work focused on strengthening programs through additional training and program variations to meet the needs of diverse communities.

Intel Future Skills exposes participants to technology solutions for community, government, or personal challenges. The program also helps participants build confidence to participate in the fourth industrial revolution through the infusion of technology curricula, hands-on innovation experiences, and employability skills training. Depending on the program's location and cohort, Intel Future Skills may help participants find internship, entry-level, or co-op positions, and encourage youth to further their education or become entrepreneurs.

In 2018, we also partnered with the International Rescue Committee (IRC) in Germany to launch Project CORE (Creating Opportunities for Refugee Employment) using Intel Future Skills content to help refugees secure dependable employment. The Intel Foundation donated $1 million to launch the program, which—through partnerships with several organizations—has provided stipends and tech training to more than 900 German-based refugees. The goal is to enable refugees to gain entry-level jobs in data entry, programming, and IT work, and then advance their education through additional services.

We continued our work to empower women with technology through the Intel® She Will Connect program. In Kenya, Nigeria, and South Africa, this initiative combines digital literacy training, an online peer network, strategic partnerships, and gender-relevant content to provide young women with digital literacy skills.

In 2018, we continued to expand the Intel She Will Connect program in the U.S. to encourage middle school girls' interest in science and technology. Read more in the Intel Foundation section of this report.

GOAL

INTEL® SHE WILL CONNECT

Through the Intel She Will Connect program, reach 5 million women in Sub-Saharan Africa by 2020.

Our Progress: Achieved

In 2018, we met our goal of reaching 5 million women with digital literacy skills. Throughout the year, we worked with our NGO partners to connect participants to digital literacy skills training, content, resources, and socio-economic opportunities. Participants reported that the program increased their self-esteem and gave them skills to pursue personal goals, while delivering enhanced access to educational and job opportunities for themselves and their families.

Transformations

Connecting women to digital skills connects them to life-changing economic and social opportunities. Participating in the Intel She Will Connect program in South Africa, for example, enabled Anolia Lusunzi to rise above her abusive upbringing and open her own beauty school and salon. The program equipped her with the skills she needed to develop a solid business plan and obtain funding for her business. She now uses her digital skills to register students online, search the latest hair trends, and promote her thriving salon.

Kenyan Grace Owano says that the Intel She Will Connect program marked a turning point in her life. Forced to drop out of school for lack of school fees, she was hawking goods on the street when she learned about the free Intel program. After participating in Intel She Will Connect, Grace landed a data clerk position paying seven times the amount she was earning previously. She has been able to finish school and help pay her three siblings' school fees.

Gladys Chinazamo Okpeido, an Intel She Will Connect participant in Nigeria, says, "For me the eight-week training program was transformational. Besides acquiring digital literacy skills, [the program] positively affected my composure, interaction with others, and my etiquette." The former bead seller now has a job as a computer operator at a business center. Her long-term goal is to move into management training and event planning—a career that she learned about from an Intel She Will Connect training facilitator. She expects to enroll in a certified events planning training program in Ghana.

INTEL FOUNDATION

For 30 years, the Intel Foundation has been committed to improving lives around the world. The Foundation acts as a catalyst for change by investing in innovative STEM programs, providing humanitarian relief, and amplifying the investments of Intel employees across a broad spectrum of personal philanthropy and volunteerism. In 2018, the Foundation invested approximately $40 million through grants to empower communities.

The Foundation works with NGOs, nonprofits, and governments to create and deploy global solutions by contributing human and financial resources to innovative programs that support underserved and disenfranchised populations.

The Foundation's priorities include:

Promoting STEM education: We promote STEM experiences for marginalized and under-represented groups—especially youth, girls, and women—with a focus on ensuring that the next generation of innovators is diverse and inclusive.

Skill-based volunteering: We leverage the power of our technology, our employees' expertise, and our partner ecosystem to take on global challenges and meet community needs.

Matching employee's generosity: We provide matching funds to the schools and nonprofit organizations where our employees and retirees volunteer and make donations.

Rebuilding communities after natural disasters: We take a holistic approach to supporting communities when natural disasters strike. Our efforts include immediate cash assistance from employee donations and matching funds; deployment of employee volunteers on the ground; and work with partners to support long-term community rebuilding efforts.

FOUNDATION AND CORPORATE GIVING
2018 Contributions (in millions)

	U.S.	International	Total
Corporate Cash	$33.2	$10.7	$44.0
Foundation			
Foundation Grants	$2.7	$9.2	$12.0
Donation Matching	$14.7	$3.3	$18.0
Volunteer Matching	$6.4	$2.1	$8.4
In-Kind Giving	$1.3	$0.5	$1.8
Total	**$58.3**	**$25.8**	**$84.2**

In 2018, charitable giving by Intel and the Intel Foundation totaled $84.2 million, and approximately $490 million over the past five years.

2018 Impact

Rebuilding Communities

In 2018, donations for disaster relief by our employees and the Intel Foundation reached nearly $1.1 million. Through a combination of funding and direct crisis support, the Intel Foundation and our employees provided relief in the aftermath of numerous events, such as the catastrophic flooding in the Kerala state of India, hurricanes in the southeastern U.S., and wildfires in California.

Amplifying Employee Generosity

The Intel Foundation matches charitable donations of U.S. Intel employees and retirees to eligible nonprofit organizations or schools, up to $10,000 annually per donor within the annual matching budget. We view the Donation Matching Program as an effective way to support communities while reinforcing our employees' generosity. In 2018, the Foundation donated $18 million through this program.

In addition, the Intel Involved Volunteer Matching Program extends the impact of volunteerism by donating $10 per volunteer hour to qualified nonprofits and schools where Intel employees and retirees give at least 20 hours of service in a year. In 2018, the Foundation donated $8.4 million in Intel Involved Matching grants.

Intel International Science and Engineering Fair

At the world's largest pre-college science competition, held in Pittsburgh, Pennsylvania in 2018, over 1,750 young innovators represented the best of millions of high school students who participated in science fairs around the globe. Awards at the Intel International Science and Engineering Fair (Intel ISEF), a program of Society for Science & the Public, included nearly $5 million in scholarships and prizes. We are extremely proud of Intel's 21-year partnership with Society for Science & the Public, which will continue through 2019, and the millions of amazing young scientists and technologists who have participated in Intel ISEF.

Empowering Middle School Girls

In 2017, the Intel Foundation announced a $1 million investment to support coalitions of partners working to inspire and empower middle school girls from disenfranchised communities to become technology creators and innovators. In 2018, this investment made a difference in the lives of more than 1,500 middle school girls, parents, teachers, and administrators who participated in the U.S. Intel She Will Connect program in Arizona. Pre- and post-program surveys found that the percentage of participants who envision themselves going to college rose from 24% to 78%, and their confidence in science and technology subjects increased from 14% to 70%. We also announced plans to expand the program to both urban and rural areas in California, Texas, and Oregon. Intel employees and retirees serve as facilitators and mentors in this program, which provides hands-on experiences with technology. Read more.

APPENDIX

About This Report

Independent Limited Assurance Statement

Non-GAAP Financial Measures

Intel 2018 Water Inventory by Location and Source

2018 Environmental, Health, and Safety Violations

Top 100 Production, Capital, Services, and Logistics Suppliers

ABOUT THIS REPORT

We prepared this report using the Global Reporting Initiative* (GRI) Standards, and self-declare the report to be prepared in accordance with the GRI Standards: Comprehensive option. A GRI Content Index is provided on our Report Builder website.

We continue to integrate sustainability information into our investor communications, and additional information about Intel's operations and financial statements is available in our 2018 Annual Report on Form 10-K. The Our Business section of this report covers content recommended by the International Integrated Reporting Council for inclusion in "integrated reports," and can be downloaded as a standalone document or read as an interactive part of our full 2018-2019 Corporate Responsibility Report.

For a high-level overview of Intel's corporate responsibility, supporting documents and data, past reports, and to customize a report with the sections you choose, visit our Corporate Responsibility and Report Builder websites. A printed summary of the report is available by request. Send questions, comments, or feedback to Suzanne Fallender, Director of Corporate Responsibility, Intel Corporation, 5000 W. Chandler Blvd., CH7-437, Chandler, AZ 85226 U.S. You can also use our web-based feedback form or the CSR@Intel blog to contact our Corporate Responsibility team.

For best viewing results on a PC or tablet, we recommend using Adobe Acrobat* DC or QuickTime*. For best printing results, use letter-size paper.

Report Scope and Profile

With the Intel 2018-2019 Corporate Responsibility Report, we aim to provide stakeholders with a balanced view of our corporate responsibility strategy and performance for Intel's worldwide operations during fiscal year 2018 (ended December 29, 2018). Our previous report was published in May 2018.

References to "Intel" throughout this report pertain to Intel Corporation. The Intel Foundation is a separate entity. The report does not include performance information for Intel's joint ventures or firms included in the investment portfolio of Intel Capital, Intel's global investment organization, unless specified. Financial data is presented in U.S. dollars.

This year's report does not reflect any significant changes in reporting scope compared to our previous report. Principles and policies apply to all officers and employees of Intel and its subsidiaries, unless otherwise noted.

Key performance indicators cover our global manufacturing operations, including our wafer manufacturing and assembly and test facilities. Unless stated otherwise, 2018 data is considered final based on information received by May 1, 2019, and provided that information reproduced or derived from our 2018 Annual Report on Form 10-K speaks as of February 1, 2019, the date we filed our 10-K.

We report our key environmental performance indicators in both absolute terms and on a normalized, or "per unit" or "intensity," basis. Our normalized production index (NPI) is derived from our worldwide wafer production data. The NPI is indexed to a baseline year of 2010. One important limitation of the NPI is that it does not take into account the number of additional manufacturing steps used in newer process technologies.

Approach to Report Assurance

The information in this Corporate Responsibility Report is subject to internal reviews and, for selected content, external reviews. On a regular basis, we validate the management systems and processes used to collect the data. We have maintained a multi-site ISO 14001 certification for our manufacturing locations since 2001, which requires independent third-party audits at many of our sites each year. Five of our sites meet the ISO 50001 Energy Management System standard. Intel Ireland is also accredited to the IS 393 Energy Management Standard certification. Our operations in Ireland are covered by the European Union Emissions Trading Scheme. Since 2010, Intel has maintained certification for OHSAS 18001, the internationally recognized standard for occupational safety and health management systems.

For many years, we have obtained third-party verification for our greenhouse gas (GHG) emissions. Since 2012, we have completed third-party assurance for selected indicators contained in our Corporate Responsibility Report. For the 2018-2019 Corporate Responsibility Report, we engaged Bureau Veritas North America to complete the assurance review. Their report is included in this Appendix.

This 2018-2019 Corporate Responsibility Report contains forward-looking statements, and actual results could differ materially. Risk factors that could cause actual results to differ are set forth in the "Risk Factors" section and throughout our 2018 Annual Report on Form 10-K. These risk factors are subject to update by our future filings and submissions with the U.S. Securities and Exchange Commission and earnings releases. This report contains non-GAAP financial measures relating to our performance. You can find the reconciliation of these measures to the most directly comparable GAAP financial measures in this Appendix and further explanation of these adjustments in "Non-GAAP Financial Measures" within "Other Key Information" in the 2018 Annual Report on Form 10-K.

INDEPENDENT LIMITED ASSURANCE STATEMENT

For a PDF copy of this statement, including a summary of data within the scope of assurance for 2018, access the Report Builder website.

INDEPENDENT LIMITED ASSURANCE STATEMENT

To: The Stakeholders of Intel

Introduction and Objectives of Work

Bureau Veritas North America, Inc. (Bureau Veritas) has been engaged by Intel Corporation (Intel) to provide limited assurance of its selected environmental, safety, supplier and diversity data. This Assurance Statement applies to the related information included within the scope of work described below.

Scope of Work

The scope of our work was limited to assurance over the following environmental, safety, supplier, and diversity data included within Intel's 2018 Corporate Responsibility Report ('the Report') for the period of calendar year 2018 (the 'Selected Information'):

- Energy Use (Direct and Indirect)
- Greenhouse Gas Emissions (Scope 1, Scope 2 market-based and Scope 3, Category 3, FERA)
- Water Withdrawal
- Number of Responsible Business Alliance (RBA) Validated Audit Program (VAP) audits conducted
- Priority/Major Findings by Category for Supplier Audit Types
- Recordable Rate
- Cumulative Trauma Disorder (CTD) Rate (first aid)
- Percent of Women Employed Globally

Reporting Criteria

The Selected Information needs to be read and understood together with the description of the Selected Information in the Report. The reporting criteria for greenhouse gas (GHG) emissions was the World Resources Institute (WRI)/World Business Council for Sustainable Development (WBCSD) Greenhouse Gas Protocol Corporate Accounting and Reporting Standard. The reporting criteria for the safety data was the OSHA and US Bureau of Labor Standards. The reporting criteria for supplier audits was the RBA Code of Conduct.

Limitations and Exclusions

Excluded from the scope of our work is any verification of information relating to:

- Text or other written statements associated with Intel's 2018 Report
- Activities outside the defined verification period of Calendar Year 2018

This limited assurance engagement relies on a risk based selected sample of sustainability data and the associated limitations that this entails. This independent statement should not be relied upon to detect all errors, omissions or misstatements that may exist.

Responsibilities

This preparation and presentation of the Selected Information in the Report are the sole responsibility of the management of Intel.

Bureau Veritas was not involved in the drafting of the Report or of the Reporting Criteria. Our responsibilities were to:

- obtain limited assurance about whether the Selected Information has been prepared in accordance with the Reporting Criteria;
- form an independent conclusion based on the assurance procedures performed and evidence obtained; and
- report our conclusions to the management of Intel.

Assessment Standards

We performed our work in accordance with Bureau Veritas' standard procedures and guidelines for external Assurance of Sustainability Reports and International Standard on Assurance Engagements (ISAE) 3000 Revised, Assurance Engagements Other than Audits or Reviews of Historical Financial Information (effective for assurance reports dated on or after Dec. 15, 2015), issued by the International Auditing and Assurance Standards Board. GHG emissions were verified in accordance with and ISO Standard 14064-3 Greenhouse Gases - Part 3: Specification with Guidance for the Validation and Verification of Greenhouse Gas Assertions. A materiality threshold of ±5 percent was set for the assurance process.

Summary of Work Performed

As part of our independent verification, our work included:

1. Assessing the appropriateness of the Reporting Criteria for the Selected Information;
2. Conducting interviews with relevant Intel personnel regarding data collection and reporting systems;
3. Reviewing the data collection and consolidation processes used to compile Selected Information, including assessing assumptions made, and the data scope and reporting boundaries;
4. Reviewing documentary evidence provided by Intel;
5. Agreeing a selection of the Selected Information to the corresponding source documentation;
6. Reviewing Intel systems for quantitative data aggregation and analysis; and
7. Assessing the disclosure and presentation of the Selected Information to ensure consistency with assured information.

Conclusion

On the basis of our methodology and the activities described above:

- Nothing has come to our attention to indicate that the Selected Information is not fairly stated in all material respects; and
- It is our opinion that Intel has established appropriate systems for the collection, aggregation and analysis of quantitative data within the scope of this assurance.

Statement of Independence, Integrity and Competence

Bureau Veritas is an independent professional services company that specialises in quality, health, safety, social and environmental management with more than 185 years history. Its assurance team has extensive experience in conducting verification over environmental, social, ethical and health and safety information, systems and processes.

Bureau Veritas operates a certified[1] Quality Management System which complies with the requirements of ISO 9001:2008, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Bureau Veritas has implemented and applies a Code of Ethics, which meets the requirements of the International Federation of Inspections Agencies (IFIA)[2], across the business to ensure that its employees maintain integrity, objectivity, professional competence and due care, confidentiality, professional behaviour and high ethical standards in their day-to-day business activities.

The assurance team for this work does not have any involvement in any other Bureau Veritas projects with Intel.

Candice Derks, Lead Verifier
Principal Sustainability Consultant
Sustainability and Climate Change Services
Bureau Veritas North America, Inc.

John Rohde, Project Reviewer
Practice Line Leader
Sustainability and Climate Change Services
Bureau Veritas North America, Inc.

April 30, 2019

[1] Certificate of Registration No. 44 100 160145 issued by TUV Nord
[2] International Federation of Inspection Agencies – Compliance Code – Third Edition

NON-GAAP FINANCIAL MEASURES

Following are the reconciliations of our most comparable GAAP measures to our non-GAAP measures presented:

YEARS ENDED (In Millions, Except per Share Amounts)	Dec. 29, 2018	Dec. 30, 2017	Dec. 31, 2016
Operating Income	$23,316	$18,050	$13,133
Deferred revenue write-down, net of cost of sales	–	–	64
Inventory valuation adjustments	–	55	387
Amortization of acquisition-related intangible assets	1,305	1,089	1,231
Other acquisition-related charges	–	113	100
Restructuring and other charges	(72)	384	1,744
Non-GAAP Operating Income	**$24,549**	**$19,691**	**$16,659**
Earnings per Share – Diluted	$4.48	$1.99	$2.12
Deferred revenue write-down, net of cost of sales	–	–	0.01
Inventory valuation adjustments	–	0.01	0.08
Amortization of acquisition-related intangibles	0.28	0.22	0.25
Other acquisition-related charges	–	0.02	0.02
Restructuring and other charges	(0.02)	0.08	0.39
(Gains) losses from divestiture	(0.11)	(0.08)	–
Ongoing mark-to-market on marketable equity securities	0.03	–	–
Tax reform	(0.06)	1.13	–
Income tax effect	(0.02)	0.09	(0.15)
Non-GAAP Earnings per Share – Diluted	**$4.58**	**$3.46**	**$2.72**

YEARS ENDED (In Millions)	Dec. 29, 2018	Dec. 30, 2017	Dec. 31, 2016	Dec. 26, 2015	Dec. 27, 2014
Net cash provided by operating activities	$29,432	$22,110	$21,808	$19,018	$20,418
Additions to property, plant, and equipment	(15,181)	(11,778)	(9,625)	(7,326)	(10,105)
Free cash flow	$14,251	$10,332	$12,183	$11,692	$10,313
Net cash used for investing activities	($11,239)	($15,762)	($25,817)	($8,183)	($9,905)
Net cash provided by (used for) financing activities	($18,607)	($8,475)	($5,739)	($1,912)	($13,611)

INTEL 2018 WATER INVENTORY BY LOCATION AND SOURCE

The following table details our water use, discharge, consumption, and on-site conservation by source and destination for Intel sites around the world. Our fresh water withdrawals totaled 12.8 billion gallons (48.4 megaliters) in 2018. Approximately 78% of the water used at our sites was sent back to municipal treatment operations, where it was treated so that it could be used for other purposes. For additional information, see the Environmental Sustainability section of this report. To prepare our global water inventory, we follow established internal procedures for collecting, reviewing, and reporting water data. Internal data collection and reporting practices are outlined within corporate standards and guidance documents developed by Intel. After a corporate-wide inventory was prepared, it was reviewed internally and our water withdrawals were assured by Bureau Veritas (see the "Independent Limited Assurance Statement" in this Appendix.)

Reported in megaliters

		Water Withdrawals by Source (Total Water Usage)													
		Third-Party Water Withdrawals[2] (Purchased water sources)				Water Withdrawals (On-site water sources)									
Location[1]		Fresh Water from Surface Water Sources	Fresh Water from Ground Water Sources	Sea Water Sources	Reclaimed Water	Surface Water Source (Rainwater)	Ground Water Source (Onsite well)	Total Fresh Water Withdrawals (All sources)	Total Water Withdrawals (All sources)	Water Discharged[3]	Water Consumption	Water Conserved	Water Source	Discharge Destination	River Basin
China	Chengdu	789	–	–	–	–	–	**789**	**789**	326	463	10	Surface	Surface	Yangtze River
	Dalian[4]	8,101	–	–	–	–	–	**8,101**	**8,101**	7,449	652	2,221	Surface	Sea	Pearl River
	Shanghai – Zizhu[4]	85		–	–	–	–	**85**	**85**	76	8	6	Surface, Ground	Surface	Yangtze River
Costa Rica	San Jose	–	178	–	–	0.1	–	**178**	**178**	87	92	2	Ground	Surface	San Juan River
India	Bangalore: Airport Road[4]	17	–	–	–	–	–	**17**	**17**	–	17	–	Surface	N/A (Zero discharge)	Arkavathi and Cauvery Rivers
	Bangalore: Sarjapur[4]	127	–	–	–	4	–	**131**	**131**	–	131	68			
Ireland	Leixlip[4]	5,867	–	–	–	–	–	**5,867**	**5,867**	5,164	703	1,957	Surface	Surface	Shannon River
Israel	Haifa[4]	28		111	–	–	–	**139**	**139**	57	82	16	Sea (Primary); Surface & Ground (Secondary)	Sea (Primary); Third-Party Reuse (Secondary)	Mediterranean Sea (Coastal aquifer)
	Jerusalem[4]	4		18	–	–	–	**22**	**22**	17	6	–			
	Qiryat Gat[4]	547		2,186	–	–	–	**2,733**	**2,733**	2,376	357	1,198			
Malaysia	Kulim[5]	675	–	–	–	7	–	**682**	**682**	117	564	117	Surface	Surface	Kedah River
	Penang	702	–	–	–	0.8	–	**703**	**703**	41	662	44			Pulua Pinang River
Poland	Gdansk	–	17	–	–	–	–	**17**	**17**	12	4	–	Ground	Sea	Wisla River

[1] We follow established internal procedures and thresholds to determine which sites are included in the inventory.

[2] Third-party water withdrawals represent water purchased from the local municipality.

[3] Third-party water discharges/returns represent water sent to the local municipality for reuse or surface/groundwater recharge.

[4] Site located in area experiencing extremely high water stress, based on WRI's Aqueduct Water Risk Atlas.

[5] Site located in area experiencing high water stress, based on WRI's Aqueduct Water Risk Atlas.

Intel 2018 Water Inventory by Location and Source, continued

Reported in megaliters

Location[1]		Water Withdrawals by Source (Total Water Usage)								Water Discharged[3]	Water Consumption	Water Conserved	Water Source	Discharge Destination	River Basin
		Third-Party Water Withdrawals[2] (Purchased Water Sources)				Water Withdrawals (On-site Water Sources)		Total Fresh Water Withdrawals (All sources)	Total Water Withdrawals (All sources)						
		Fresh Water from Surface Water Sources	Fresh Water from Ground Water Sources	Sea Water Sources	Reclaimed Water	Surface Water Source (Rainwater)	Ground Water Source (Onsite well)								
United States	Arizona: Chandler[4]	1,439	–	–	–	–	–	**1,439**	**1,439**	974	465	536	Surface	Ground; Third Party	Colorado/ Salt River
	Arizona: Ocotillo[4]	12,436	–	–	3,266	–	–	**12,436**	**15,702**	11,272	4,429	4,754			
	California: Bowers - Santa Clara[4]	167	–	–	–	–	–	**167**	**167**	96	70	24	Surface	Surface to Sea	Santa Clara River
	California: Mission - Santa Clara[4]	290	–	–	23	–	–	**290**	**313**	201	112	23			
	California: San Jose Innovation[4]	52	–	–	–	–	–	**52**	**52**	39	13	–			
	California: Folsom	343	–	–	–	–	–	**343**	**343**	133	210	–			Sacramento River
	New Mexico: Rio Rancho[4]	–	210	–	–	–	2,353	**2,563**	**2,563**	2,197	366	1,272	Ground	Surface	Bravo River
	Oregon: Aloha	1,010	–	–	–	–	–	**1,010**	**1,010**	712	298	–	Surface	Surface	Columbia River
	Oregon: Hawthorn Farm	89	–	–	–	–	–	**89**	**89**	67	22	–			
	Oregon: Jones Farm	562	–	–	–	–	–	**562**	**562**	421	140	–			
	Oregon: Ronler Acres	9,582	–	–	–	–	–	**9,582**	**9,582**	8,174	1,409	4,011			
	Texas: Austin	79	–	–	–	–	–	**79**	**79**	60	20	–	Surface	Surface	Colorado River
Vietnam	Ho Chi Minh City	345	–	–	–	–	–	**345**	**345**	101	244	216	Surface	Surface	Mekong River
Total		**43,741**		**2,315**	**3,289**	**12**	**2,353**	**48,421**	**51,710**	**40,168**	**11,541**	**16,475**			

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2018 ENVIRONMENTAL, HEALTH, AND SAFETY VIOLATIONS

In 2018, officials made 150 visits (including audits and inspections) to Intel sites across the globe, including 56 health and safety agency inspections, 22 fire protection agency inspections, and 72 environmental agency inspections. Intel received four environmental Notices of Violations (NOVs), two fire protection-related NOVs, and two health and safety-related NOVs during the year. Details on NOVs and our subsequent corrective actions are provided in the table below.

Location	Violation	Fine	Intel's Corrective Action
Hillsboro, OR	At one of four monitoring points, only one of two required storm water samples was collected between January 1 and June 30, 2018.	$1,600	Modified internal documentation and review processes to ensure that site storm water flow characteristics are documented and the storm water is sampled as required.
Santa Clara, CA	Fire sprinkler parts and gas cylinder restraints were missing; aisle spaces and egress paths had minor obstruction; maintenance documentation was incomplete for certain assets; and labeling in chemical areas and access to electrical panels was inadequate. A hazardous materials business plan was missing a container subject to reporting and two items had incorrect units of measurement; revisions were needed in the site waste characterization and labeling process and in the agency notification and waste analysis plan; and a waste manifest error was noted. In addition, updates were required to standards used for above-ground storage tank integrity testing and secondary containment inspection procedures.	$0	Projects were initiated to correct identified physical deficiencies, and requested maintenance documentation was transmitted. A revised hazardous materials business plan was submitted, our hazardous waste labeling and waste characterization process was updated, and a manifest exception report was submitted. We also updated the agency notification method and waste analysis plan, and revised standards to our above-ground storage tank program.
Folsom, CA	Two above-ground storage tanks showed rust, and two pipe supports were corroded.	$0	Removed rust from the tanks and repainted them to prevent corrosion. Replaced corroded pipe supports and strengthened annual inspections to catch abnormal conditions earlier.
Bangalore, India	Two-year Authorization to Generate Biomedical Waste was not renewed in a timely manner.	$0	Authorization application was submitted promptly, and system reminders for future renewals were added.
San Jose, CA	Permit to alter bulk liquid nitrogen system was not obtained, and compressed gas and National Fire Protection Association placards were missing.	$0	Permit was obtained and respective signage was posted.
Parsippany, NJ	Service equipment area doors were not labeled properly, clearance surrounding electrical equipment and sprinkler head was not adequate, and testing of emergency lighting and exit signs was not performed per required schedule.	$0	Labeling and clearance issues were remedied, and a process for conducting required testing was implemented.
Gdansk, Poland	Per local law, environmental, health, and safety (EHS) staffing per total number of employees was inadequate, and a job title designation for an EHS employee was inaccurate.	$0	Added required staffing and changed the job title.
Mesa, AZ	Flammable liquids were improperly stored and a box containing a building master key/key card was not located in proximity to the facility.	$0	Additional flammable storage cabinet was purchased, and the box was relocated closer to the facility.

Our definition of an NOV includes any written notice from an agency stating Intel is not in compliance with a regulation or other legal requirement, including administrative items.

TOP 100 PRODUCTION, CAPITAL, SERVICES, AND LOGISTICS SUPPLIERS

Achronix Semiconductor Inc.	DB Schenker	KellyOCG[1,3]	Quanta Computer Inc.
Advanced Semiconductor Engineering, Inc. (ASE)	Delta Design	Keysight Technologies, Inc.[7]	Rinchem Company Inc.
Advantest America Inc	Dentsu McGarry Bowen, LLC	King Yuan Electronics Co., Ltd	Samsung Electro-Mechanics Co., Ltd.[2]
AEM Holdings LTD	DHL Global Forwarding	Kintetsu World Express	Samsung Semiconductor, Inc.
AGC, Inc.	EBARA Corporation	KLA[2,3]	SCREEN Semiconductor Solutions Co., Ltd.
Air Liquide	Edwards Ltd	KMG Electronic Chemicals	Shin Etsu Chemical Co., Ltd.[2]
Air Products and Chemicals, Inc.	Elitegroup Computer Systems Co., LTD.	Kokusai Electric Corporation[2]	Shinko Electric Industries Co. LTD.
Altran Technologies	Entegris, Inc.	Lam Research Corporation	Siliconware Precision Industries Co., Ltd
Amkor Technology, Inc.	Essai Inc[6]	Lasertec Corporation	Siltronic AG[2]
Analog Devices, Inc.	Exyte	Lenovo Group Limited	SK Hynix Inc.
Applied Materials Inc.[2]	Fabrinet	Linde	Skanska USA Bldg
Aquantia Corp.	Flex Ltd.	Mentor Graphics Corporation	SUMCO Corporation[1]
Arm Limited	FormFactor, Inc.[5]	Micron Technology, Inc	Sundt Construction, Inc.
ASM International N.V	FUJIFILM Electronic Materials	Microsoft	Supermicro
ASM Pacific Technology Limited	Gemtek Technology Co., Ltd.	Mitac Holdings Corporation	Synopsys Inc.
ASML[7]	GLOBALFOUNDRIES	Mitsubishi Gas Chemical Company[1]	Taiwan Semiconductor Manufacturing Company Ltd[2]
AT&S Austria Technologie & Systemtechnik Aktiengesellschaft	GlobalWafers Co., LTD.	Moses Lake Industries	Texas Instruments Incorporated
Avantor Performance Materials International, Inc.	HCL Technologies Limited	Murata Machinery, LTD.[8]	The Dow Chemical Company
Azurewave Technologies	Hensel Phelps	MWH Constructors, Inc.	Tokyo Electron Limited[2]
BE Semiconductor Industries N.V.	Hitachi High-Technologies Corporation	NetApp	Tokyo Ohka Kogyo Co., Ltd.[8]
Cabot Microelectronics Corporation	Honeywell Electronics MTLS	Nikon Corporation[4]	Unimicron Technology Corporation[2]
Cadence Design Systems, Inc.	IBIDEN Co., LTD.	OMD	United Microelectronics Corp
Cisco Systems, Inc.	JLL[2]	Pegatron Corporation	UTi Worldwide
Cymer	JSR Corporation[8]	Powertech Technology Inc.[2]	Versum Materials
Daifuku Co., LTD	JX Nippon Mining and Metals Corporation	Praxair Electronics	VWR, part of Avantor[1]

[1] Supplier that received a 2018 Supplier Continuous Quality Improvement (SCQI) award.

[2] Supplier that received a 2018 Preferred Quality Supplier (PQS) award.

[3] Supplier additionally recognized for Distinguished Performance in Safety in 2017.

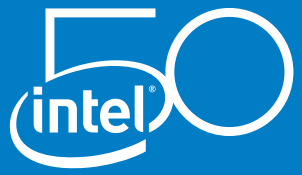
[4] Supplier that received a 2018 Supplier Achievement (SAA) award for extraordinary results in availability.

[5] Supplier that received a 2018 Supplier Achievement (SAA) award for extraordinary results in cost.

[6] Supplier that received a 2018 Supplier Achievement (SAA) award for extraordinary results in customer satisfaction.

[7] Supplier that received a 2018 Supplier Achievement (SAA) award for extraordinary results in innovation.

[8] Supplier that received a 2018 Supplier Achievement (SAA) award for extraordinary results in technology.



Intel, a leader in the semiconductor industry, is shaping the data-centric future with computing and communications technology that is the foundation of the world's innovations. The company's engineering expertise is helping address the world's greatest challenges as well as helping secure, power, and connect billions of devices and the infrastructure of the smart, connected world—from the cloud to the network to the edge and everything in between.

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