
intel
2019-2020 REPORT
CORPORATE RESPONSIBILITY AT INTEL

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OUR COMMITMENT TO TRANSPARENCY

This report provides a comprehensive summary of our approach to corporate responsibility management and our performance for 2019-20. 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 United Nations (UN) Global Compact, UN Sustainable Development Goals, the Sustainability Accounting Standards Board Standards, the Task Force on Climate-Related Financial Disclosures, and the International Integrated Reporting Council. In 2019, we continued to advance our integrated reporting strategy to include environmental, social, and governance information in our 2019 Annual Report on Form 10K and 2020 Proxy Statement, available on our Investor Relations website. For additional information on Intel's approach to corporate responsibility, supporting documents and data, past reports, and to customize a report with the sections of your choice, visit our Corporate Responsibility and Report Builder websites.

A LETTER FROM OUR CEO

Our shared experience in recent months combating COVID-19 has been extraordinary. The suffering and loss of life is tragic, and yet we are inspired by selflessness on the front lines of our healthcare system and across our essential services, as well as the commitment of individuals, organizations, and communities to do their part to protect the most vulnerable.

Intel has also been transformed in this moment. Like so many, we have learned lessons and re-invented ways of working to safeguard the well-being of employees and service partners who keep our manufacturing operations and labs functioning. This preserves a global technology supply chain that underpins essential services and supports millions of people around the world now working and learning remotely. We have also committed over $60 million to directly aid our customers, partners, and communities in the fight against COVID-19.

The pandemic is a powerful context for sharing Intel's Corporate Responsibility Report and our objectives for the decade ahead. Our commitment to positive global impact is embedded in our purpose to create world-changing technology that enriches the lives of every person on earth. We are further inspired by the shared urgency, open collaboration, and bold action demonstrated throughout the pandemic response.

Today, our world is facing many serious challenges, from devastating wildfires and the urgent need for action on climate change, to a deep digital divide and lack of representation and inclusion in our technology industry, to the reality that the current pandemic demands new thinking about global health challenges we will face together in the future.

Intel has a long history of leadership in corporate responsibility. We have a track record of setting ambitious goals and transparently reporting on both our progress and our challenges. For decades, we have worked to advance progress on complex issues together with our customers and other stakeholders.

This year brings an important milestone in this journey—the reporting of Intel's results against the 2020 corporate responsibility goals and the launch of our new goals and aspirations for the next decade. I am proud of all the accomplishments we share in this year's report. These include our progress reducing greenhouse gas emissions, increasing our use of renewable energy, reducing our water use, achieving our workforce diversity goal two years ahead of schedule, increasing annual spending with diverse suppliers, and enabling our employees' continued support of their local communities.

Our new 2030 corporate responsibility strategy and goals reflect even greater ambition for ourselves, as well as a growing sense of urgency to work with others to address challenges no one can tackle alone. We are committing to accelerate the adoption of responsible, inclusive, and sustainable practices in key areas in our operations and supply chain, and across the technology industry and society:

- **Responsible.** Drive to even higher levels of safety, wellness, and responsible business practices in our own operations and supply chain, including acceleration of responsible minerals sourcing practices. We will also collaborate with others and *revolutionize how technology will improve health and safety* through strategic healthcare, manufacturing, and transportation initiatives.
- **Inclusive.** Advance diversity and inclusion at Intel, including doubling the number of women and underrepresented minorities in senior leadership roles. Together with a broad range of stakeholders, we will strive to *make technology fully inclusive and expand digital readiness* for everyone.
- **Sustainable.** Continue to invest in reducing our own environmental footprint, including goals for absolute carbon emissions reductions, 100% renewable energy use, net positive water use, and zero total waste to landfill. We will also take on the challenge together with our customers and others to *achieve carbon neutral computing* through improved product energy efficiency and sustainable design—and the increased application of technology solutions to reduce emissions in high-impact industries.
- **Enabling.** Accelerate the ways in which we will *enable progress through our technology and the expertise and passion of Intel employees*.

We will have much more to share in the months ahead as we go after these goals, which are embedded in our business strategy and operational objectives. Equally important to me is how we accomplish our results. I firmly believe that if something is not done with integrity, it's not worth doing. Acting in an ethical manner and listening to and supporting our many stakeholders—especially in times of great need—are foundational to our purpose and culture.

I'm extremely proud to lead this company. Our Intel team's passion and drive to have a positive impact in the world every day inspires my confidence that we can achieve these bold objectives for the next decade.

BOB SWAN, Chief Executive Officer
Intel Corporation
May 14, 2020

INTEL RESPONDS TO COVID-19

Intel's top priority during the COVID-19 pandemic has been protecting the health and safety of our employees and service partners. We have also committed over $60 million to accelerate access to technology needed to combat the pandemic and to support frontline healthcare workers and those in our local communities.

Caring for our employees. Intel's Pandemic Leadership Team, established more than 15 years ago in response to other global health crises such as SARS and the H1N1 virus, includes medical and safety experts who work to safeguard the well-being of our employees and collaborate with local governments and public health organizations. We increased safety procedures and special recognition for employees continuing to work onsite in our factories and labs, and we are investing more than $100 million in additional benefits to aid and support all employees.

Delivering for our customers. We have worked to ensure our compliance with government restrictions in each of our locations while continuing to operate and enable the support our customers need to continue providing vital services, tools, and infrastructure to millions. We have also collaborated closely with our suppliers to help protect their employees' health and safety, provided supplier assistance to mitigate supply disruptions, and clarified our continued expectations for labor practices and human rights in line with the Responsible Business Alliance Code of Conduct.

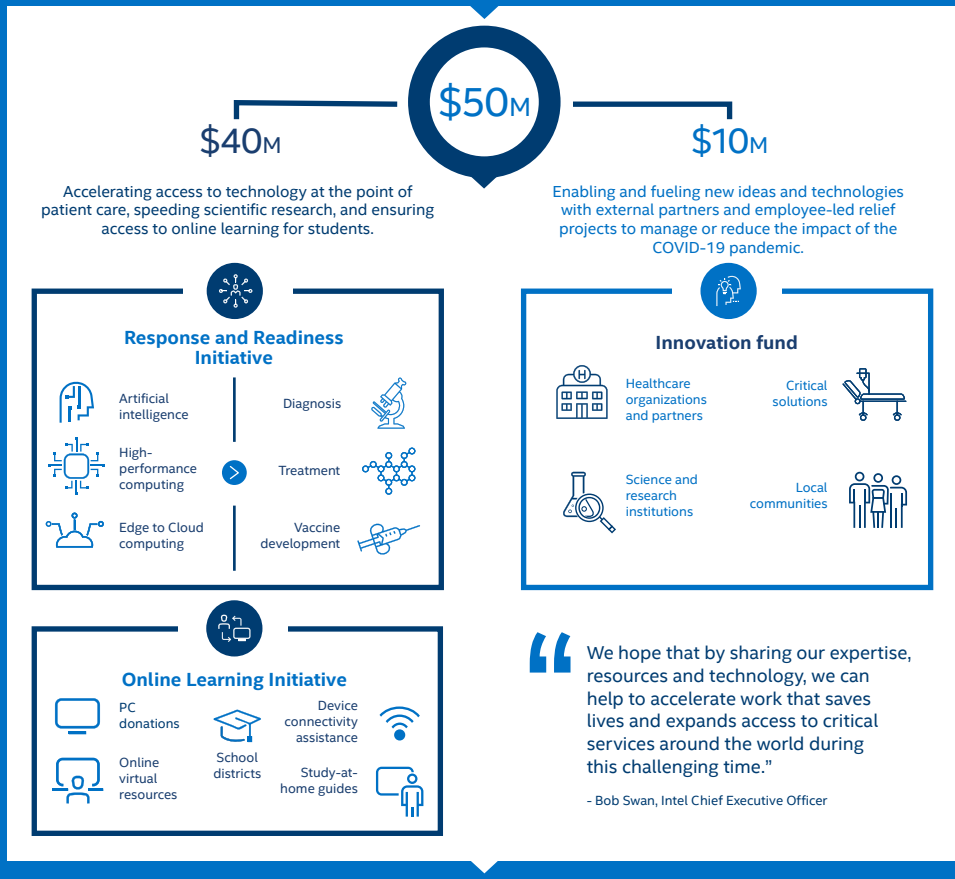
Supporting our communities and using our technology to help. We launched a $50 million initiative to accelerate access to technology at the point of patient care, speed scientific research, and ensure access to online learning for students. Intel also joined the XPRIZE Pandemic Alliance, a global coalition aimed at accelerating solutions for COVID-19 and future pandemics. In addition, we granted free access to Intel's intellectual property portfolio for COVID-19 researchers and scientists, and co-founded the Open COVID Pledge.

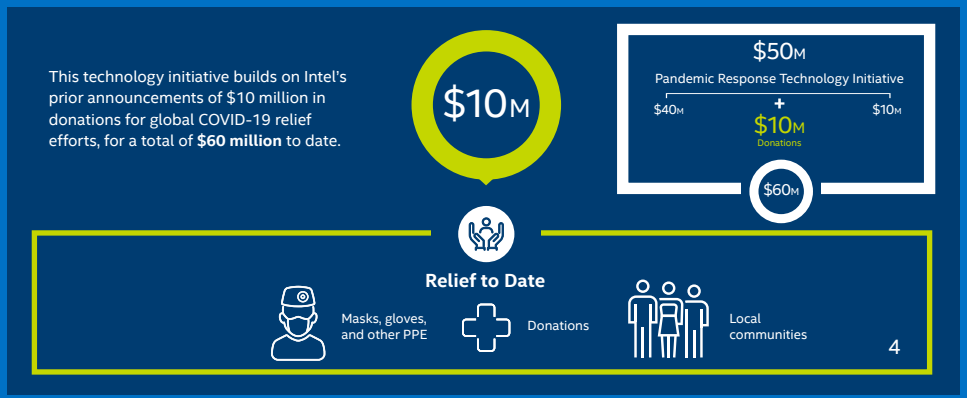
Intel, the Intel Foundation, and Intel subsidiaries have donated $10 million to support local communities, including matching of employee and Intel retiree donations. In addition, Intel announced a donation of 1 million pieces of personal protective equipment—masks, gloves, and other gear—to support healthcare workers. We've also been inspired by our employees who have initiated innovative projects to support our stakeholders throughout this crisis. Learn more.

For more information, visit the Intel COVID-19 Response website and Intel's Q1 2020 Quarterly Report on Form 10-Q.

Intel Pandemic Response Technology Initiative

The world faces an enormous challenge in fighting COVID-19. Intel is committed to accelerating access to technology that can combat the current pandemic and enable new technology and scientific discovery that better prepares society for future crises.





CORPORATE RESPONSIBILITY AT INTEL

Throughout Intel's history, our commitment to corporate responsibility and sustainability—built on a strong foundation of transparency, governance, and ethics—has created significant value for Intel and our stakeholders by helping us mitigate risks, reduce costs, build brand value, and identify new market opportunities to apply our technology to help address society's most complex issues.

Our commitment to transparency and setting ambitious goals has enabled us to drive meaningful results and challenge ourselves to achieve higher levels of performance. As we complete our 2020 corporate responsibility goals and look ahead to the challenges facing society over the next decade, our ambitions and opportunities have never been greater to unleash the power of data, our technology, and engineering innovation to build a more responsible, inclusive, and sustainable future for everyone.

We are proud that we achieved most of our 2020 goals and also that we reached a number of them ahead of schedule. Although we did not fully achieve all of our goals, we are proud of the important progress we have made and have applied valuable learnings we have gained to develop our future strategies and goals.

We aspire to even higher levels of efficiency and global impact as we continue our journey to fully integrate corporate responsibility across every aspect of our business. Our new 2030 corporate responsibility strategy and goals are deeply rooted in our corporate purpose and aligned with our business strategy to enable us to create value for our customers, investors, employees, and other stakeholders over the next decade and beyond.

2020 GOALS: RESULTS SUMMARY

We are proud of the progress we made on our 2020 corporate responsibility goals. More detailed discussions of our performance to goals is integrated into each relevant section of this report.

ENVIRONMENTAL SUSTAINABILITY

39% EMISSIONS REDUCTION REACHED

GOAL ACHIEVED. Reduce greenhouse gas emissions (GHG) by 10% on a per unit basis by 2020 from 2010 levels.

14X INCREASE IN NOTEBOOK EFFICIENCY

GOAL NOT MET. Increase energy efficiency of notebook computers and data center server products 25X by 2020 from 2010 levels.[1]

Increased 8.5X for data center products.

ZERO HAZARDOUS WASTE BY 2020

GOAL ACHIEVED. Achieve zero hazardous waste to landfill by 2020.[2]

93% RECYCLING OF NON-HAZARDOUS WASTE GLOBALLY

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

>4.5B KWH IN ENERGY SAVINGS

GOAL ACHIEVED. Achieve cumulative energy savings of 4 billion kWh from 2012-2020.

>71% GREEN POWER

GOAL ACHIEVED. Continue 100% green power in our U.S. operations and increase renewable energy use for our international operations from 2015-2020.

Increased global use to 71% from 65%.

~1B GALLONS OF WATER RESTORED

GOAL ON TRACK. Restore 100% of our global water use by 2025.

21 projects funded that are expected to restore more than 1.6 billion gallons each year once complete, approximately 1 billion gallons of water restored in 2018 and 2019 combined.

98 INSTALLS AT 23 INTEL CAMPUSUS

GOAL ACHIEVED. Grow the installation and use of on-site alternative energy to 3X our 2015 levels by 2020.

Up from 31 installations at the start of 2015.

100% ACHIEVED BY 2020

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

38% WATER USE REDUCTION ACHIEVED

GOAL ACHIEVED. Reduce water use on a per unit basis below 2010 levels by 2020.

17.9M SQUARE FEET LEED CERTIFIED IN 50 BUILDINGS

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

SUPPLY CHAIN RESPONSIBILITY

9 OUT OF 12 SUPPLIER CSR METRICS FULLY ACHIEVED

GOAL NOT MET. Reach 90% compliance annually to each of our 12 environmental, labor, ethics, health and safety, and diversity and inclusion supplier expectations.

Achieved 90% goal for 9 out of 12 metrics.

WORKFORCE INCLUSION AND SUPPLIER DIVERSITY

FULL REPRESENTATION OF WOMEN AND URMS

GOAL ACHIEVED. Achieve full representation of women and underrepresented minorities at Intel in the U.S.[3]

Achieved in 2018, two years ahead of schedule. Also achieved gender pay equity globally in 2019.

$1B IN DIVERSE SPENDING

Also achieved our goal to spend $200 million with women-owned businesses globally.

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

TECHNOLOGY EMPOWERMENT

5M WOMEN REACHED

GOAL ACHIEVED. Through the Intel® She Will Connect initiative, reach 5 million women in Sub-Saharan Africa by 2020.

Achieved in 2018, two years ahead of schedule.

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

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

TOWARD 2030: INTEL'S "RISE" FRAMEWORK AND GOALS

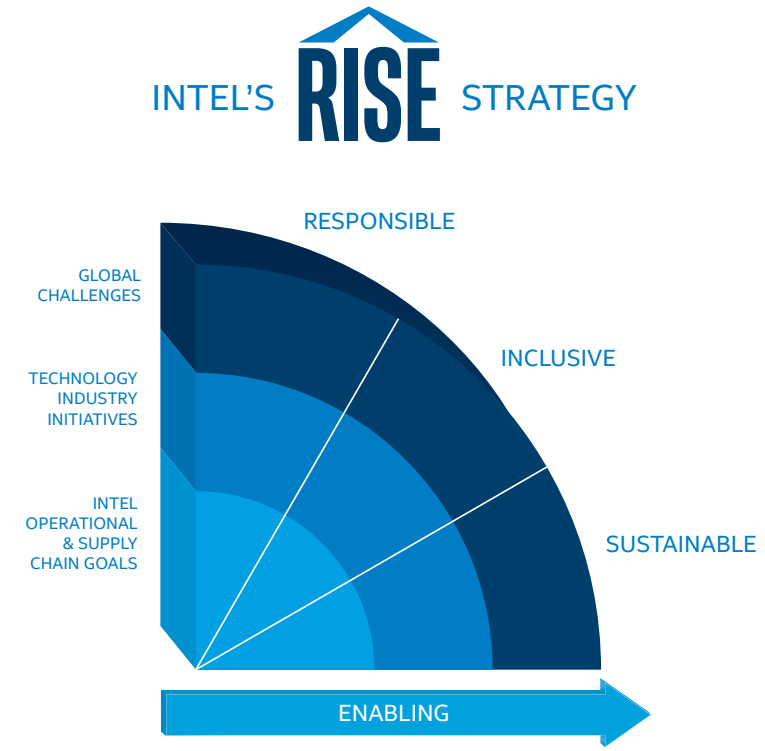
Acting alone, Intel cannot achieve the broad, societal impact we aspire to. We are evolving our corporate responsibility strategy to increase the scale of our work with other organizations and further harness the power of technology to solve global challenges.

Our ongoing focus on ethical business practices, respect for human rights, and continued performance improvements in our own operations and our supply chain will be foundational to our new strategy and ambitions. Our significant investments and actions to date have resulted in high levels of efficiency and performance. Given the complexity and scope of challenges that the world faces, we are committed to building upon what we have already accomplished and continuing to raise the bar for ourselves and our suppliers through new 2030 goals.

We will also apply our deep experience as a leader in global manufacturing and leverage our unique position within the technology ecosystem to embark on a number of collaborative initiatives to help our customers achieve their own sustainability goals and accelerate progress in key areas across the entire technology industry.

Perhaps most importantly, we will engage our employees and a broad group of stakeholder organizations to undertake collective actions and unleash the power of technology to tackle critical global challenges together.

Our efforts in these spheres of influence span three main focus areas: **responsible**, **inclusive**, and **sustainable**, each of which we are **enabling** through our technology innovation and the expertise and the passion of our employees. Our process to develop our new strategy and goals involved multiple teams and executives across the company, incorporated direct feedback from our external stakeholders, and leveraged a number of external frameworks, including the UN Sustainable Development Goals.



RESPONSIBLE

Lead in advancing safety, wellness, and responsible business practices across our global manufacturing operations, our value chain, and beyond

INCLUSIVE

Advance diversity and inclusion across our global workforce and industry, and expand opportunities for others through technology, inclusion, and digital readiness initiatives

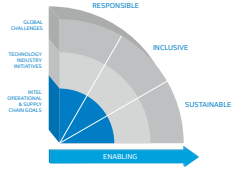
SUSTAINABLE

Be a global leader in sustainability and enable our customers and others to reduce their environmental impact through our actions and technology

ENABLING

Through innovation technology and the expertise and passion of our employees we enable positive change within Intel, across our industry, and beyond

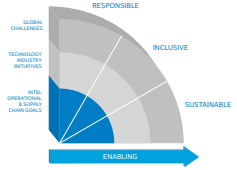
2030 OPERATIONAL AND SUPPLY CHAIN GOALS



This table outlines our new operational and supply chain goals, including progress to date and future plans in each area. These goals are designed to continue to raise the bar for ourselves and to deliver greater value for our customers by helping them reach their corporate responsibility goals and targets.

	Our Progress to Date	Where We're Headed: Our 2030 Goals
RESPONSIBLE	**Employee Safety and Wellness**	
	We have long been known for our strong safety culture, particularly in our manufacturing operations. Our new goal will enable us to maintain our strong safety culture as we grow and expand the global impact of our wellness programs.	**Ensure that more than 90% of our employees believe that Intel has a strong safety culture, and 50% participate in our global corporate wellness program**
	Supply Chain Human Rights	
	Over the past decade, we have directly engaged with our suppliers to ensure compliance and build capacity to address risks of forced and bonded labor and other human rights issues. Our new goal will significantly expand the number of suppliers covered by our engagement activities to deepen accountability for human rights throughout our global supply chain.	**Scale our supplier responsibility programs to ensure respect for human rights across 100% of our Tier 1 contracted suppliers and higher risk Tier 2 suppliers[1]**
	Community Impact	
	Over the past decade, our employees have donated more than 10 million volunteer hours, a leadership level based on benchmarking[2] against other U.S. technology companies. Providing skills-based volunteering opportunities has enabled us to support our employees' interest in sharing their technical and professional expertise directly with local schools and non-profit organizations, which often cannot afford these types of services. Our 2030 goal will enable us to continue to provide this high level of support for our local communities and increase our impact by expanding skills-based volunteering.	**Deliver 10 million volunteer hours to improve our local communities, including an increase in skills-based volunteerism**
INCLUSIVE	**Workforce Inclusion**	
	We met our 2020 goal to achieve full representation[3] in our U.S. workforce for women and underrepresented minorities, and achieved global gender pay equity. We have taken actions to integrate our inclusion expectations into our culture evolution, performance management systems, leadership expectations, and annual bonus metrics. We are proud of the progress we have made to date, but we are not satisfied. Globally, approximately 90% of our employees are in technical roles, with 25% of our female employees in technical roles. In addition, 18% of senior leadership roles are held by women and 7% are held by underrepresented minorities. Our 2030 goals are designed to accelerate progress on our inclusion objectives.	• **Double the number of women and underrepresented minorities in senior leadership roles** • **Exceed 40% representation of women in technical positions** • **Ensure that inclusive leadership practices and accountability are embedded in our culture globally by creating and adopting an inclusive leader certification program**
	Accessibility	
	We have been strengthening our cross-Intel accessibility initiatives, but we see an opportunity to do more to attract and retain talent who self-identify as having a disability. Through our 2030 goal, we will drive a sustained culture of accessibility—embracing technology to eliminate barriers, foster innovation, and empower all people to reach their full potential.	**Advance accessibility and increase the percentage of employees who self-identify as having a disability to 10% of our workforce**
	Supplier Diversity	
	We achieved $1 billion in annual spending with diverse suppliers[4] as part of our 2020 goals and will build on this foundation to double our annual spending and expand inclusive sourcing practices over the next decade.	**Increase global annual spending with diverse suppliers by 100%**

2030 Operational and Supply Chain Goals, continued



SUSTAINABLE

Our Progress to Date	Where We're Headed: Our 2030 Goals
Climate/Energy	
We have achieved a 31% reduction in absolute Scope 1 and 2 emissions since 2000, even as we expanded our manufacturing capacity significantly. In that time we increased our use of renewable energy to 100% in the U.S. and EU, 50% in Israel, and more than 70% globally, and saved >4.5 billion kWh of energy between 2012-2020. We have driven a 14x improvement in product energy efficiency for notebooks and a 8.5x improvement in data center products since 2010. Our new goals will enable us to continue to reduce our direct carbon impact even as we continue to grow our manufacturing operations.	• **Achieve 100% renewable energy use across our global manufacturing operations** • **Conserve an additional 4 billion kWh of energy** • **Drive an additional 10% reduction in our absolute Scope 1 and 2 carbon emissions as we grow, informed by climate science** • **Increase product energy efficiency 10x for Intel client and server microprocessors to reduce our Scope 3 emissions**
Water	
Over the past 10 years, we conserved 44 billion gallons of water, enough to sustain over 400,000 U.S. homes for one year. Achievement of our new 2030 goal will increase water conserved to record-high levels for Intel over the coming decade. We also will go beyond the aspirations of our existing 2025 water restoration goal in order to achieve net positive water use by 2030, including funding projects in water-stressed areas.	**Achieve net positive water use—by conserving 60 billion gallons of water and funding external water restoration projects**
Zero Waste[5]/Circular Economy	
Since the mid-1990s, we have increased our non-hazardous waste recycle rate from 25% to 93%, and achieved zero hazardous waste to landfill. Our direct reuse and recovery of manufacturing waste has increased by 275% since 2015. Our new goal will expand our zero waste goal to cover total waste and will drive a significant increase in the implementation of circular economy strategies across our global manufacturing operations.	**Achieve zero total waste to landfill and implement circular economy strategies for 60% of our manufacturing waste streams in partnership with our suppliers**

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

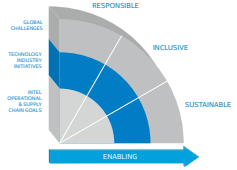
[2] Source: data from company corporate responsibility reports on public websites.

[3] Full representation means that Intel's workforce reflects the percentage of women and under-represented minorities available in the U.S. skilled labor market.

[4] 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.

[5] Intel defines zero waste as less than or equal to 1%.

TECHNOLOGY INDUSTRY INITIATIVES



Building on the foundation of our operational and supply chain goals, we will work with the technology ecosystem to accelerate improvements across our industry. We know that we can go faster and be more effective working together.

RESPONSIBLE

Responsible minerals. Expand our efforts beyond conflict minerals to cover all minerals used in semiconductor manufacturing and apply the learnings to lead our industry in creating new sourcing standards.

In 2008, Intel began work to ensure that our supply chain does not source conflict minerals,[1] defined as tantalum, tin, tungsten, and gold (referred to as "3TG") within the Democratic Republic of the Congo (DRC) and adjoining countries. We are proud of the progress we have made, with 99.6% of the 227 identified smelter and refiner facilities that process 3TG in our value chain meeting our requirements in 2019. As we look to 2030, our ambition is to apply our learnings from the past decade and work with our industry to broaden and accelerate the creation of sourcing standards for a much wider set of minerals across additional regions.

Responsible mobility. Collaborate with our industry and ecosystem partners to advance the adoption of technology-neutral safety standards to reduce traffic accidents globally.

According to the World Health Organization, 1.35 million people die each year as a result of road traffic crashes. More than half of all road traffic deaths are among vulnerable road users—pedestrians, cyclists, and motorcyclists—and 93% occur in low- and middle-income countries.[2] Intel's Mobileye business is the global leader in the development of computer vision and machine learning-based sensing, data analysis, localization, mapping, and driving policy technology for Advanced Driver Assistance Systems (ADAS) and autonomous driving to advance automotive safety, including its Responsibility-Sensitive Safety or "RSS" model. We will leverage this position and our expertise to work across the industry and with policymakers to make these technologies broadly accessible and affordable, in an effort to save and improve lives.

INCLUSIVE

Inclusion index. Drive full inclusion and accessibility across the technology industry by creating and implementing a Global Inclusion Index with common metrics to advance progress.

Within the technology sector, an average of only 11% of senior leadership roles are held by women, and women of color only make up 4% of the computing workforce.[3] One key gap identified in the Reboot Representation report from McKinsey and Pivotal Ventures is the lack of consistent and comparable definitions and data regarding inclusion at the industry level. We aim to work together with other technology companies and partners to create a new standard industry index informed by and in partnership with existing diversity frameworks. We believe the index will enable companies, investors, and advocacy groups to more clearly identify root causes and actions needed to advance progress.

Inclusive pipeline. Expand the inclusive pipeline of talent for our industry through innovative global education initiatives and STEM programs for girls and underrepresented groups.

Building a diverse and inclusive workforce and industry requires continued collective investments and innovative approaches to increasing diversity of the talent pipeline and expanding access to the education resources needed to pursue careers in our field. With insights gained through our new Global Inclusion Index and other research, we will convene others to take action, including the formation of new industry and educator collaborations and targeted investments at critical intervention points (e.g., engaging adolescent/middle school girls in interactive STEM activities).

SUSTAINABLE

Sustainable manufacturing. Create a collective approach to reducing emissions for the semiconductor manufacturing industry and increase the use of technology to reduce climate impact in global manufacturing.

In the 1990s, Intel led an initiative to eliminate the use of Class 1 ozone-depleting substances in semiconductor manufacturing. We track our carbon emissions against science-based carbon targets and our new climate goals are informed by climate science. However, due to our (and our industry's) early actions to reduce absolute emissions and the continued growth of demand for semiconductors, it remains challenging to gain formal approval for a target under the existing methodology of the Science-Based Targets Initiative. We see an opportunity to again work with our industry and stakeholders to identify innovative approaches to reduce emissions. The ultimate goal is to expand the number of companies in our sector (as well as other manufacturing industries) setting approved science-based targets.

Sustainable chemistry. Enable greener and circular chemistry strategies across the technology industry value chain by transforming chemical footprint methodology.

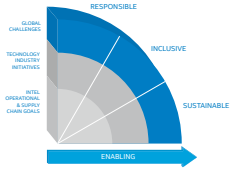
As part of Intel's 2020 goals, we implemented a new process with our suppliers to complete green chemistry screening and selection for 100% of our new chemicals, focused on reducing inherent chemical hazards to human health and environment. Now we are initiating an effort to create a new methodology and metric that will encompass the full lifecycle of each chemical to reduce the total chemical impact over time. This approach will go beyond the assessment of inherent chemical hazards to also include factors such as volume of use, waste treatment, and disposal. We envision this initiative (informed by and developed in partnership with existing frameworks) will enable Intel, our suppliers, and customers to assess the full lifecycle impact of each chemical used in order to create greener and circular economy strategies and reduce the industry's collective footprint.

[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 (3TG), regardless of whether these minerals finance conflict in the Democratic Republic of the Congo (DRC) or adjoining countries.

[2] https://www.who.int/news-room/fact-sheets/detail/road-traffic-injuries

[3] https://www.rebootrepresentation.org/wp-content/uploads/Rebooting-Representation-Report.pdf

2030 GLOBAL CHALLENGES



As we look to the future and how we will deliver on our corporate purpose, we know that we need to think differently. To fully realize the potential of technology to advance progress in critical areas of importance to the world over the next decade will require new approaches and partnerships. We have identified key areas where we believe we can best leverage our manufacturing expertise, unique position within the technology ecosystem, and the wide range of technology we enable to bring others together to accelerate action on key global challenges to save and enrich lives. These areas include health and well-being, inclusion and economic opportunity, and climate change.

RESPONSIBLE

Revolutionize how technology will improve health and safety

We will apply our expertise, resources, and technology to enable others to harness the power of technology to improve health, safety, and well-being, including:

- Work with the **healthcare industry** to accelerate cures for diseases and improve healthcare access and affordability (*e.g., Intel's COVID-19 response*)
- Apply technology to **build smart and safer workplaces and factories** and reduce injuries
- Expand the use of technology in transportation to dramatically **reduce accidents and traffic fatalities**

INCLUSIVE

Make technology fully inclusive and expand digital readiness

We will advance inclusion and accessibility for millions of people who currently do not have the technology skills or resources needed to access educational, economic, and community resources in our increasingly digital economy, including:

- Accelerate adoption of **inclusive business practices** across industries by sharing learnings and resources from our Global Inclusion Index
- Advocate for adoption of accessible product design practices and **accessibility solutions**
- Partner with governments and communities to significantly expand access to **digital readiness and technology skills** *(including Intel Foundation initiatives and scaling of the Intel® AI for Youth program to work with 30 governments and 30,000 institutions worldwide to empower more than 30 million people with AI skills training)*

SUSTAINABLE

Achieve carbon neutral computing to address climate change

While we continue to reduce our own global manufacturing climate footprint, we will also take actions with others to collectively expand the technology "handprint"—transforming product energy use and design and applying technology to reduce computing-related climate impacts across the rest of the global economy, including:

- Work with our PC manufacturer customers to create the **most sustainable and energy-efficient PCs** on the planet
- Help define new **data center energy use and carbon reduction metrics** with cloud service providers
- Collaborate with industry and policymakers to **apply technology to reduce emissions** across high-impact industries

AWARDS AND RECOGNITIONS

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 2019 and in the first quarter of 2020.

American Association of People with Disabilities and Disability:IN. Disability Equality Index (100% score)

Bloomberg. Bloomberg Gender-Equality Index

CDP. "B" Climate Change Rating, "B" Water Security Rating, "A" Supply Chain Engagement Rating

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

Corporate Human Rights Benchmark - ICT Manufacturing Top Five

Corporate Knights. Global 100 Most Sustainable Corporations

Corporate Responsibility magazine. 100 Best Corporate Citizens

Diversity Inc. Top 50 Companies for Diversity

EcoAct. Sustainability Reporting Performance of the DOW 30

Extel and SRI Connect. Independent Research in Responsible Investment Survey - Top 10 Companies for SRI Communications

Ethical Corporation. Responsible Business Awards, winner in Responsible Supply Chain Category

Ethisphere Institute. World's Most Ethical Companies

Fast Company. Most Innovative Companies List

Forbes and Reputation Institute. World's Most Reputable Companies for Corporate Responsibility

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

Forbes. America's Best Large Employers, Best Employers for Women, and America's Best Employers for Diversity

Fortune. World's Most Admired Companies - Ranked #1 on Social Responsibility for the Semiconductor Sector

Fortune. Fortune Change the World List

Fortune and Refinitiv. Change the World Sustainability All Stars

Fortune. Fortune Blue Ribbon Companies

FTSE Group. FTSE4Good Index

Gartner. Supply Chain Top 25

Human Rights Campaign. Corporate Equality Index

Interbrand. Best Global Brands

ISS. ISS QualityScore - Top scores for social and environmental disclosure

JUST Capital and *Forbes*. JUST 100

Labrador. U.S. Transparency Awards

Military Friendly. Military Friendly Companies

Minority Engineer. Top 50 Employers

MSCI. World ESG Leaders Index

NAFE. Top Companies for Executive Women

Newsweek. America's Most Responsible Companies

Sustainalytics. Industry Leader rating and member, Global Sustainability Signatories Index

U.S. Environmental Protection Agency. Green Power Partner Awards - Award for Sustained Excellence in Green Power Use

Wall Street Journal. Management Top 250

Working Mother. 100 Best Companies For Working Moms and Best Companies for Multicultural Women

OUR BUSINESS

Intel was founded in 1968 and our technology has been at the heart of computing breakthroughs ever since. More than 50 years later, we are a world leader in the design and manufacturing of essential technologies that power the cloud and an increasingly smart, connected world. Intel is transforming from a PC-centric company to a data-centric company as the exponential growth of data is fundamentally reshaping computing and expanding our opportunity. Intel's ambitions have never been greater: to create world-changing technology that enriches the lives of every person on earth.

83% OF EMPLOYEES ARE PROUD TO WORK AT INTEL

Our semiannual Employee Experience Survey is one channel through which employees can voice their perceptions of the company and their work experience. In 2019, 83% of our employees reported they are proud to work at Intel.

11 YEARS OF LINKING PAY TO CSR FACTORS

Since 2008, we have linked a portion of our executive and employee compensation to the achievement of corporate responsibility metrics such as diversity and inclusion and environmental performance.

>50 AWARDS AND RECOGNITIONS

Throughout 2019, we received more than 50 third-party recognitions for our performance in corporate responsibility and reputation as a leading corporate citizen.

COMPANY PROFILE

Data has become a driving force in society. Our customers are asking for solutions to turn data into actionable insights, amazing experiences, and operational efficiencies. Intel® platforms provide the foundation for these solutions because we have developed a portfolio of data-centric technologies that span the data center to the edge, enabling us to play a differentiated and growing role in the success of our customers.

Our transformation to a data-centric company continued in 2019 as we experienced strong demand and reached critical product milestones. We achieved record revenue of $72.0 billion, 48% of which was from our data-centric businesses.

We aim to be at the forefront of constant technological change in our industry. Moore's Law, a law of economics predicted by Intel's co-founder Gordon Moore more than 50 years ago, continues to be a strategic priority and differentiator. We make significant investments and innovations in our silicon manufacturing technologies and platforms. We are investing to lead data-driven technology inflections that position us to play a bigger role in the success of our customers. These include: the rise of artificial intelligence (AI), the transformation of networks, the intelligent edge[1] emerging with the Internet of Things, and autonomous driving. We aim to be the leading end-to-end platform provider for the new data world. Underlying our transformation is a relentless focus on operational excellence and efficiency improvements that enable us to achieve scale in our core operations and support additional investments in the design, development, and delivery of new products.

At the core of our organization are highly skilled, diverse, and talented people capable of accelerating as one team in everything we do. Our commitment to corporate responsibility and to creating an inclusive environment to support the talent of our amazing people supports our ambitions and makes us stronger. When every employee has a voice and a sense of belonging, Intel can be more innovative, agile, and competitive.

OUR STRATEGIC PRIORITIES

[1] Allocated resources that move, store, and process data closer to the source or point of service delivery.

% INTEL REVENUE	KEY PRODUCTS AND MARKETS
DCG 33%	Includes workload-optimized platforms and related products designed for cloud, enterprise, and communication infrastructure market segments.
IOTG 5%	Includes high-performance compute solutions for targeted verticals and embedded applications in market segments such as retail, industrial, smart infrastructure, and vision.
MOBILEYE 1%	Includes development of computer vision and machine learning-based sensing, data analysis, localization, mapping, and driving policy technology for ADAS and autonomous driving.
NSG 6%	Includes memory and storage products like Intel® Optane™ technology and Intel® 3D NAND technology, primarily used in SSDs.
PSG 3%	Includes programmable semiconductors, primarily FPGAs and structured ASICs, and related products for communications, cloud and enterprise, and embedded market segments.

CCG 52%	Includes platforms designed for end-user form factors, focusing on higher growth segments of 2-in-1, thin-and-light, commercial and gaming, and growing adjacencies such as connectivity, graphics, and memory.

How We Organize Our Business

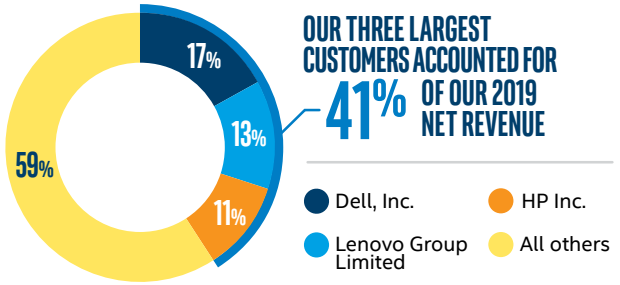
As of December 28, 2019, we organized our business into data-centric and PC-centric businesses. The data-centric businesses included the Data Center Group (DCG), Internet of Things Group (IOTG), Mobileye, Non-Volatile Memory Solutions Group (NSG), Programmable Solutions Group (PSG), and all other businesses. The PC-centric business included our Client Computing Group (CCG). For more information, refer to the 2019 Annual Report on Form 10-K.

Our Customers

Our customers' success is our success. We see a future where Intel® technologies enable our customers to move faster, store more, and process everything—from large complex applications in the cloud, to autonomous cars and small low-power devices on the edge. We sell our products primarily to original equipment manufacturers (OEMs), original design manufacturers (ODMs), and cloud service providers. 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, refer to the 2019 Intel Annual Report on Form 10-K.

Our Competitors

We face intense competition across our product portfolio from companies offering platform products, accelerator products, memory and storage products, connectivity and networking products, and other semiconductor products. We also compete with internally developed semiconductors from OEMs, cloud service providers, and others, including customers. For additional information, refer to the 2019 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 an increasingly smart and connected world. These technologies and products are used as integrated solutions for a broad spectrum of markets. As we transform beyond a PC-centric company to address the needs of the new data-centric world, we have expanded our product offerings to provide end-to-end solutions, scaling from edge computing to the network, the cloud, and the emerging fields of AI and autonomous driving.

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.

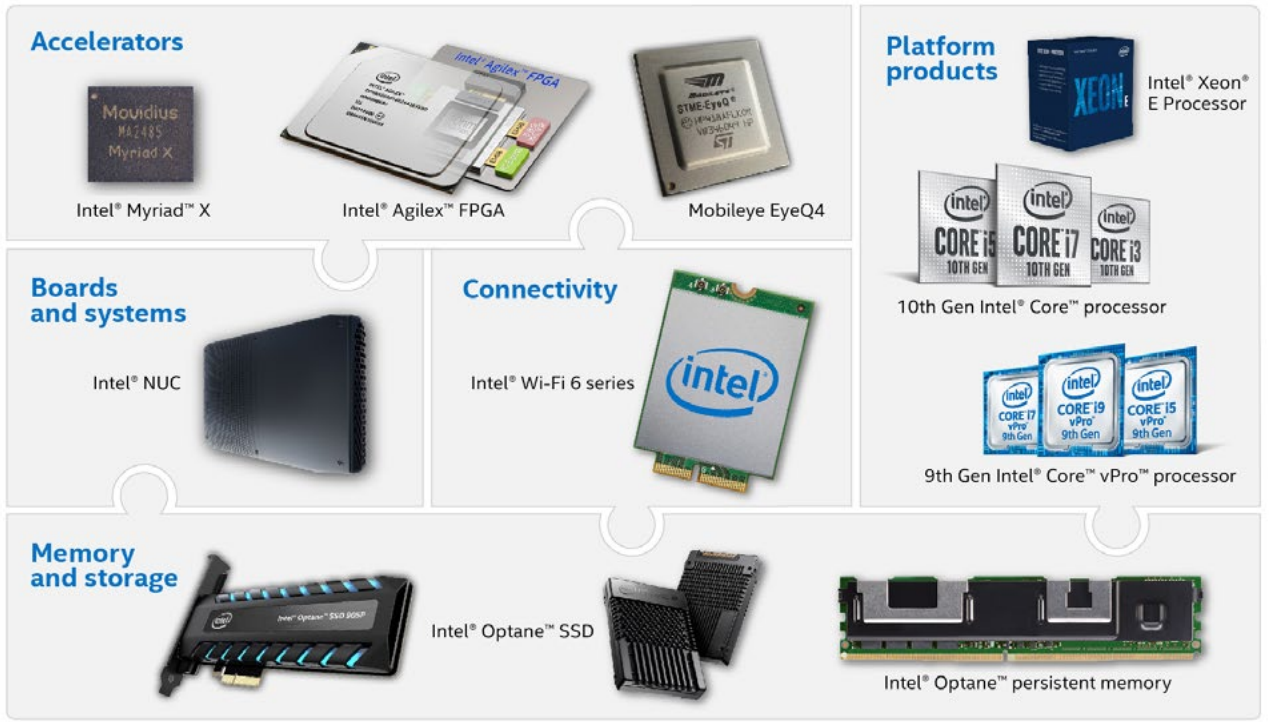
In 2019, we introduced new products such as 10nm-based 10th generation Intel® Core™ processors, Intel® Agilex™ FPGAs, 2nd generation Intel® Xeon® Scalable processors, and Intel® Optane™ persistent memory. Our

10th generation Intel Core processor silicon will enable the first wave of PCs with instructions for AI, includes an all-new CPU Core architecture and Gen 11 graphics engine, and is the first client CPU to integrate Wi-Fi 6 and Thunderbolt™ 3 connectivity models. Our latest data center solutions target a wide range of use cases within cloud computing, network infrastructure, and intelligent edge applications, and support high-growth workloads, including AI and 5G. In 2019, we also launched the Project Athena Innovation Program, a new multi-year innovation program to help the PC ecosystem create advanced laptops that meet ambitious key experience indicators in performance, responsiveness, battery life, form factor, and AI. In 2019, we completed various acquisitions, including Habana Labs and Barefoot Networks, to expand our product offerings and the markets we serve. We also divested the majority of our 5G modem business in 2019 to increase the focus of our 5G efforts on the opportunity to modernize network and edge infrastructure.

For more information about our products, read our 2019 Annual Report on Form 10-K.

FROM SAND TO SILICON. The transistor is the engine that powers every Intel processor. To build a modern computer chip, our engineers place billions of these tiny switches into an area no larger than a fingernail. Watch the video to see how Intel builds the world's most complex devices.

PRODUCT PORTFOLIO



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, and 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

[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.

hardware and software innovations that will accelerate industry-level progress in security. In 2019, we launched the Compute Lifecycle Assurance Initiative, a collection of governance practices, processes, tools, and technologies aimed at enabling the broader technology ecosystem to advance transparency and integrity across the entire lifecycle of the compute platform. We also are committed to funding academic and independent research into the prevention and mitigation of potential security threats and launched a new Intel Product Assurance and Security blog series to serve as an industry resource for security updates, bug bounty topics, new security research, and engagement activities within the security research community. Learn more about product security at Intel and our Security First Pledge.

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. In addition, we consider accessibility during product development, and design products that are accessible to a wider range of users—including 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 and we do not tolerate our products being used to violate human rights. For more detail, see "Respecting Human Rights" later in this section of the report.

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.

Counting on AI to Preserve Penguin Population

The Antarctic emperor penguin population is declining and, with projected climate change, could virtually disappear by the year 2100. To help identify what is causing the decline, Intel, Microsoft AI for Earth, and data science company Gramener have developed a computer vision system that uses AI to enable ecologists to count penguins faster and more accurately. Read more.

Driving Safety in Autonomous Vehicles

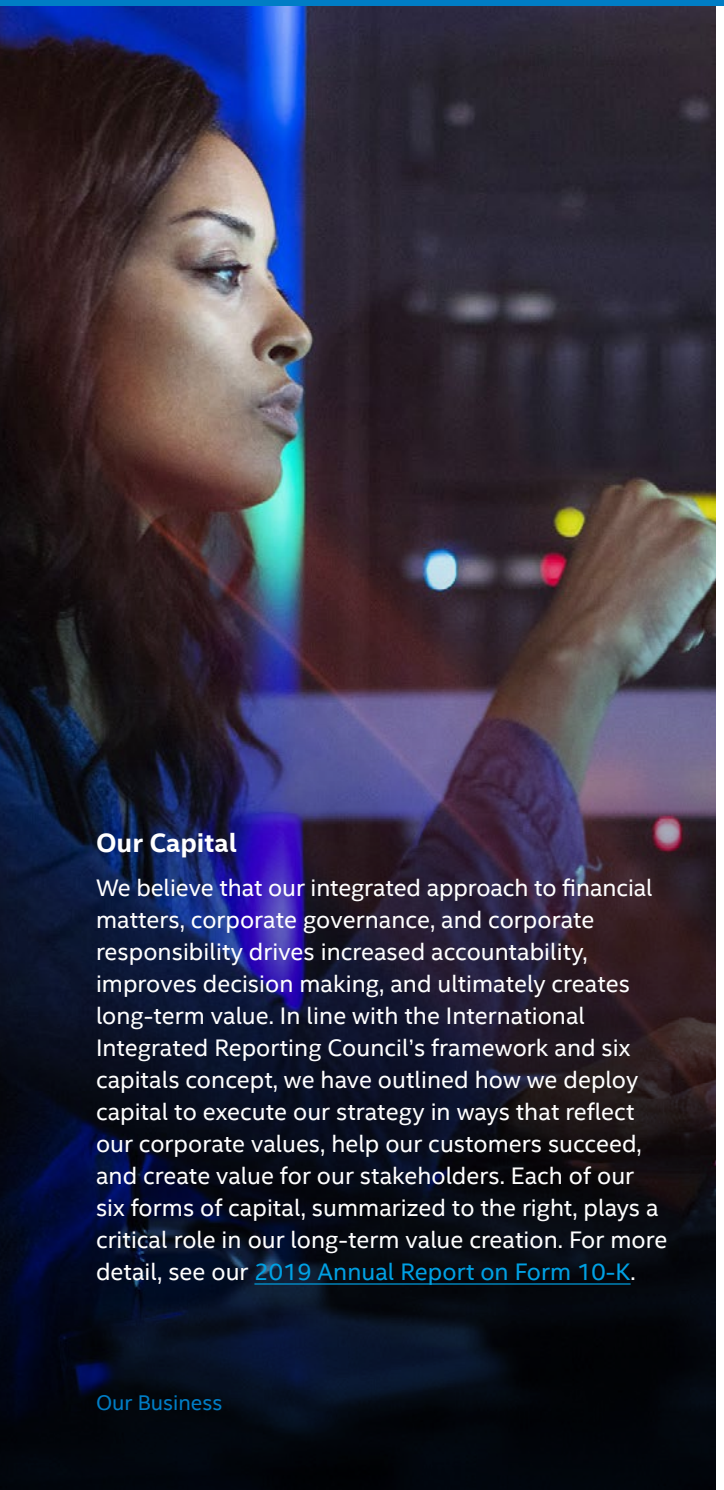
Intel's Mobileye business encompasses the entire automated driving value chain, from front-facing cameras that power advanced driver-assistance systems (ADAS) and self-driving systems for autonomous vehicles, to crowd-sourced mapping, advanced vision sensing technology, and more. Using Mobileye's collision avoidance technology, P&B transport, a transportation and logistics company operating in some of the most congested locations in the northeastern U.S., has dramatically improved its fleet's road safety, reducing overall collision rates by 80%. Learn more about Mobileye.

Building Smart Factories

Intel industrial Internet of Things solutions are enabling manufacturing companies to lower maintenance costs, improve product quality, and boost worker safety and productivity. For example, sensors on an assembly line can track equipment wear, vibration, and temperature; computer vision systems can detect mechanical anomalies and "see" the smallest imperfections before they affect product quality; and wearables can alert workers to hazards and productivity issues. Learn more.

Delivering Fresh Produce

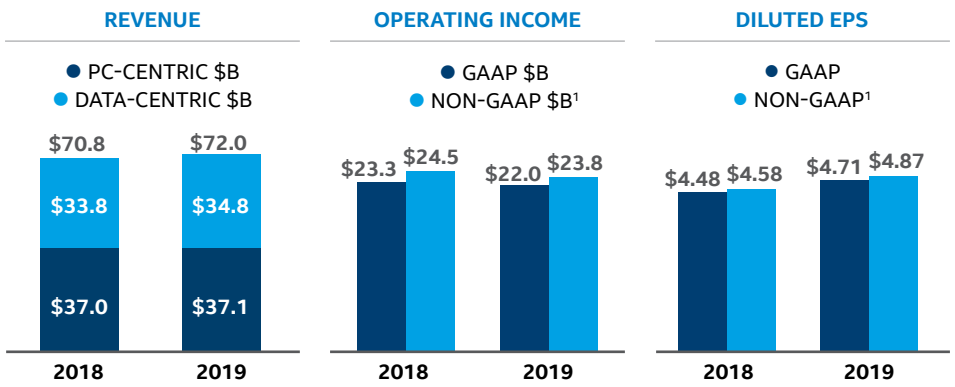
Blueberries and other fruit begin to ripen as soon as they are harvested, creating an environment for microbial growth and other quality issues during transport. Intel teamed up with a fruit producer in Oregon to deploy a blockchain-based Internet of Things solution to enable near real-time tracking of fruit from field to customer, including monitoring of environmental data such as temperature, humidity, light, and shock along the way. The result is reduced food waste, and better quality and safety for consumers of perishable goods. Read more.



Our Capital

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. In line with the International Integrated Reporting Council's framework and six capitals concept, we have outlined how we deploy capital to execute our strategy in ways that reflect our corporate values, help our customers succeed, and create value for our stakeholders. Each of our six forms of capital, summarized to the right, plays a critical role in our long-term value creation. For more detail, see our 2019 Annual Report on Form 10-K.

CAPITAL	STRATEGY	VALUE
FINANCIAL	Leverage cash flow to invest in ourselves and grow our capabilities, supplement and strengthen our capabilities through acquisitions and strategic investments, and provide returns to stakeholders.	We strategically invest financial capital to create long-term value for our stockholders in the form of dividends and buybacks.
INTELLECTUAL	Invest significantly in R&D to ensure our process and product technologies are competitive in our strategic pursuit of making the world's best semiconductors and realizing data-centric opportunities.	We develop intellectual property (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.
MANUFACTURING	Invest timely and at a level sufficient to meet customer demand for current technologies and prepare for future technologies.	Our manufacturing scope and scale enable innovations to provide our customers and consumers with a broad range of leading-edge products.
HUMAN	Develop the talent needed to remain at the forefront of innovation and create a diverse, inclusive, and safe workplace.	We attract and retain talented employees who enable the development of solutions and enhance the intellectual and manufacturing capital critical to helping our customers win the technology inflections of the future.
SOCIAL AND RELATIONSHIP	Build trusted relationships for both Intel and our stakeholders, including employees, suppliers, customers, local communities, and governments.	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 accountability for the respect for human rights.
NATURAL	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 impacts, achieve efficiencies and lower costs, and position us to respond to the expectations of our stakeholders.



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.

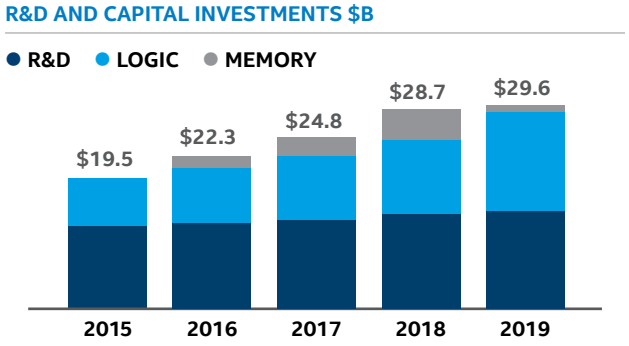
[1] See "Non-GAAP Financial Measures" within "Management's Discussion and Analysis" in the 2019 Annual Report on Form 10-K.

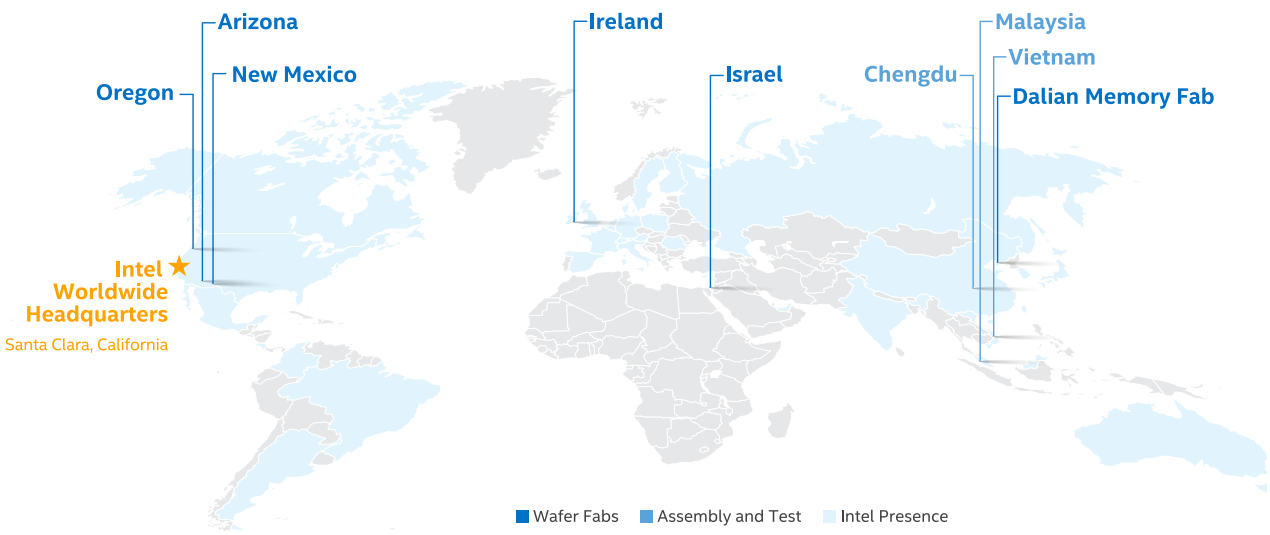
Financial Capital. Our financial capital allocation strategy focuses on building stockholder value. Our first allocation priority is to invest in our business, including investments in R&D and capital spending to strengthen our competitive position. We then look to invest in companies around the world that will complement our strategic objectives and stimulate growth of data-centric opportunities. We generally provide the return realized by these investments to our stockholders through our dividend and share repurchase programs (with share repurchases having been suspended as of March 24, 2020 in light of the COVID-19 pandemic). During 2019, we paid $5.6 billion in dividends and repurchased $13.6 billion in shares. We have returned approximately 90% of free cash flow to investors over the past five years. For additional 2019 financial information, see the 2019 Annual Report on Form 10-K.

Intellectual Capital. Every year we make significant investments in R&D, and we have intensified our focus on six engineering pillars—process, architecture, memory, interconnect, security, and software—to advance our product capabilities. Our objective is to improve user experiences and value through advances in performance, power, cost, connectivity, security, form factor, and other features with each next generation of products. We are also focused on reducing our design complexity to improve our efficiency, including a significant reduction of design rules for future process nodes. Successful R&D efforts can lead to new products and technologies, or improvements to existing ones, which we seek to protect through our IP rights. 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 additional information regarding our IP rights, see our 2019 Annual Report on Form 10-K.

INTEL CAPITAL

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. At the 2019 Intel Capital Global Summit, Intel Capital announced new investments totaling $117 million in 14 diverse technology start-ups driving advancements in powerful AI platforms; new ways to see and analyze materials for the built world and our bodies; more efficient and greener manufacturing technologies; and disruptive new approaches to chip design. Learn more about Intel Capital.





We have nine manufacturing sites—six for wafer fabrication and three for assembly and test. The map shows our manufacturing sites as of January 2020 and the countries where we have a significant R&D or sales and marketing presence. The majority of our logic wafer manufacturing is conducted within the U.S. We ramped the 10-nanometer (nm) process node in Oregon and Israel in 2019, and began production in Arizona in our 2020 fiscal year. We also expanded our memory facilities in Dalian, China.

Manufacturing 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 view our in-house manufacturing as an important advantage.

We previously announced multiple manufacturing site expansions with multi-year construction activities that began in 2019. In addition to expanding our own manufacturing capability, we are increasing our use of foundries to enable our differentiated manufacturing to produce more CPU products. 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.

Human Capital. Evolving our culture is critical to delivering on our growth strategy and continuing to attract and retain top talent needed to support our transformation to a data-centric company. We have an amazing legacy of innovation and a powerful culture, but our ambitions have grown. Together, we are evolving our culture to build an even brighter future. Our global workforce of 110,800 is highly educated, with approximately 90% of our people working in technical roles.[1] 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 over a decade, we have tracked and publicly reported on key human capital metrics, including workforce demographics, diversity and inclusion data, turnover, and training data. For more detail, see "Our People and Culture" later in this section of the report.

Social and Relationship Capital. We are committed to developing trusted relationships, giving back to our communities, and engaging in corporate responsibility and sustainability initiatives. Collaboration with stakeholders and investments in social impact initiatives, such as the UN Sustainable Development Goals, support our reputation as a leading corporate citizen and creates value in the form of consistent stakeholder support of our social license to operate.

We provide high-skill, high-paying jobs at Intel sites around the world. Many of these are manufacturing and R&D jobs located in our domestic and international factories. We make sizable capital investments and provide 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.

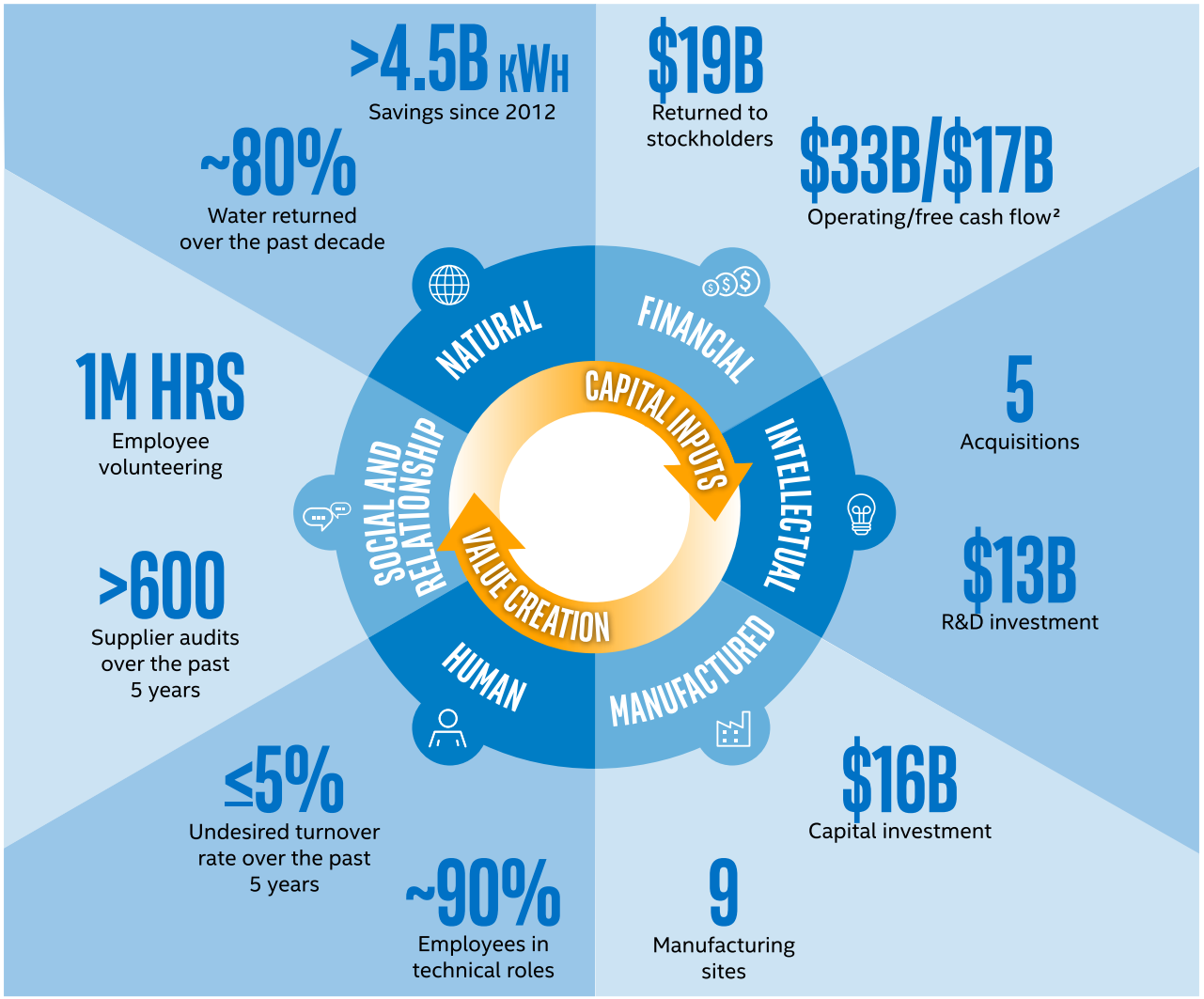
[1] Data as of December 28, 2019.

We also positively impact economies through our R&D ecosystem spending, sourcing activities, consumer spending by our employees, and tax revenue. Information on our approach to tax policy and transparency can be found on our Public Policy website. 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 contributed an average of over $1.1 billion per year to the Irish economy since we began operations there in 1989, and a 2018 study by the 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, according to a study conducted by ECONorthwest. 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. According to a 2019 study from the Arizona State University L. William Seidman Institute, Intel's annual impact on the Arizona economy is approximately $8.3 billion, based on 2018 data, with more than $35 million in charitable giving between 2015-2019, and more than $23 billion invested since 1996 to support our operations there.

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, they reflect methodological differences based on geographic factors and locally accepted practices.



We consider numerous indicators in determining the success of our capital deployment in creating value. The above graphic shows highlights of value created through 2019.

[2] See "Non-GAAP Financial Measures" within "Management's Discussion and Analysis" in the 2019 Annual Report on Form 10-K.

PERFORMANCE DATA SUMMARY

Report Section	2019	2018	2017	2016	2015
Our Business and Financial Results					
Net revenue (dollars in billions)	$72.0	$70.8	$62.8	$59.4	$55.4
Net income (dollars in billions)	$21.0	$21.1	$9.6	$10.3	$11.4
Provision for taxes (dollars in billions)	$3.0	$2.3	$10.8	$2.6	$2.8
Research and development spending (dollars in billions)	$13.4	$13.5	$13.0	$12.7	$12.1
Capital investments (dollars in billions)	$16.2	$15.2	$11.8	$9.6	$7.3
Employees at year end (in thousands)	110.8	107.4	102.7	106.0	107.3
Safety – recordable rate[1]/days away case rate[1,2]	0.68/0.13	0.69/0.11	0.68/0.12	0.49/0.07	0.54/0.10
Environmental Sustainability					
Greenhouse gas emissions (million metric tonnes of CO_2 equivalent)[3]	2.79	2.58	2.46	1.62	2.00
Renewable energy purchased (% of global electricity use)	71%	71%	73%	80%	65%
Energy use (billion kWh – includes electricity, gas, and diesel)	9.6	8.3	7.3	6.5	6.4
Total water withdrawn (billions of gallons)[4]	12.6	12.0	11.1	9.4	9.0
Hazardous waste generated (thousand tons)/% to landfill	124.7/1%	95.2/4%	78.8/3%	63.6/0.7%	61.6/2%
Non-hazardous waste generated (thousand tons)/% recycled	262/93%	129/90%	108/85%	81/82%	81/82%
Supply Chain Responsibility					
On-site supplier audits (third-party and Intel-led audits)[2]	207	221	170	157	113
Diversity and Inclusion					
Percentage of women in our global workforce	28%	27%	27%	26%	25%
Percentage of women on our Board (%)[5]	20%	20%	17%	18%	18%
Social Impact					
Employee and retiree volunteer hours (in millions)/volunteerism rate	1.2/39%	1.5/64%	1.2/36%	1.2/38%	1.3/41%
Worldwide charitable giving (dollars in millions)[6]	$75.1	$84.2	$89.6	$122.7	$90.3

[1] Rate based on 100 employees working full time for one year; data is as of March 2020.

[2] Previous years' figures are updated to reflect the most current information. 2018 water withdrawn has been updated due to a misclassification at one site, resulting in an overstatement by 0.8 billion gallons. The corrected value reflects a significant reduction in our originally reported 2018 water withdrawn amount.

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

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

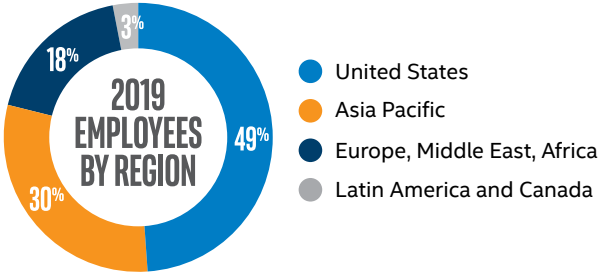
[5] Note that if all of the director nominees are elected at our 2020 Annual Stockholder Meeting, this will increase to 33%.

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

OUR PEOPLE AND CULTURE

We invest significant resources to attract, develop, recognize, and reward the people who keep Intel at the forefront of innovation and make Intel an employer of choice.

The Intel Values, Intel Code of Conduct, and Intel Global Human Rights Principles form the foundation of our workplace policies and practices. Intel's Human Resources (HR) organization has primary responsibility for the management of our workplace and talent development activities, and we set high expectations for our managers and leaders regarding their roles in talent development and our inclusion goals. Detailed information on our diversity and inclusion initiatives is available on our Diversity website and in the Diversity and Inclusion section of this report.



As of December 28, 2019, we had 110,800 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.

Evolving Our Culture

In 2019, we embarked on a company-wide, multi-year journey led by our CEO and executive leadership team to evolve Intel's culture to enable us to execute our strategy and achieve our growth goals. Our evolution requires new and different thinking, actions, systems, and processes to ensure our employees are equipped to innovate for a world where all data needs to be processed, moved, stored, and analyzed. We are proud of our past and inspired by how our employees are rising to the challenge to evolve our culture. Inclusion is the foundation and runs through each of our cultural attributes. Our cultural attributes reinforce:

Customer obsessed: Our customers' success is our success. We listen, learn, and anticipate our customers' needs to deliver on their ambitions.

One Intel: We are stronger together and commit to team over individual success.

Fearless: We are bold and innovative. We take risks, fail fast, and learn from mistakes.

Truth and transparency: We are committed to being open and honest while bringing clarity to complex challenges.

Inclusion: We strive to build a culture of belonging and welcome differences, knowing it makes us better.

Quality: Our goal is to deliver quality products and services that our customers and partners can always rely on.

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, semiannual employee experience surveys, and engagement through more than 30 different employee resource groups. In 2019, we launched a comprehensive employee communications campaign around our culture evolution, including highlighting examples of Intel executives, employees, and teams role-modeling our cultural attributes.

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 Environmental Excellence Awards, Intel Quality Awards, Division Recognition Awards, Spontaneous Recognition Awards, and the Intel Involved Hero Awards.

Growth and Development

Each year, we deliver millions of hours of web-based and face-to-face training for different employee segments: New to Intel, Employee Development, Manager Development, and Leader Development. In 2019, we launched a new performance management system to support our cultural transformation and increase focus on continuous learning and development.

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 2019 gained valuable management experience by covering for their direct managers.

2019 LEARNING AND DEVELOPMENT STATISTICS

	Employees	Contingent Workers	Total
Learning hours delivered[1]	2,267,000	202,000	**2,469,000**
Number of learners who received training[2]	133,000	99,000	**232,000**

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.

[2] Represents all employees that consumed training content in 2019, including employees who left Intel.

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. Since 2001, we have maintained a company-wide certification to the internationally recognized ISO 14001 standard to ensure our manufacturing sites maintain a comprehensive environmental, health, and safety (EHS) management system. In 2019, Intel demonstrated our commitment to continuous improvement in health and safety by successfully establishing a company-wide certification to ISO 45001 (building on our previous OHSAS 18001 registration), resulting in a fully integrated EHS management system under a unified multi-site registration.

As Intel continues to expand manufacturing operations into new global markets, we are committed to our "copy exactly" philosophy for implementing world-class environmental, health, and safety programs and by certifying new manufacturing sites to both ISO 14001 and 45001. We will also continue to complete independent third-party audits at various sites each year.

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. In addition, 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.

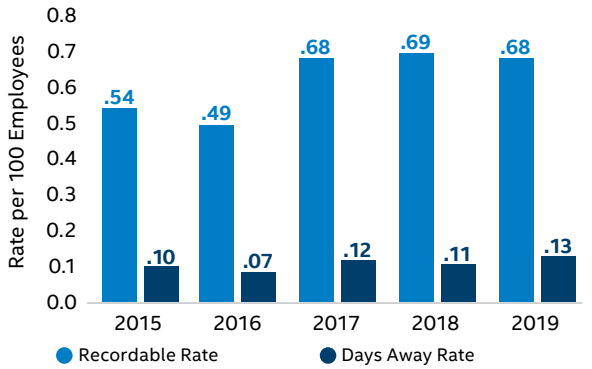
Intel ended 2019 with an Occupational Safety and Health Administration (OSHA) recordable rate of 0.68, compared to the most recently published U.S. semiconductor industry average recordable rate of 0.9.[1] Our days away case rate[2] was 0.13, compared to the semiconductor industry average of 0.4.[1] Ergonomic-related or "cumulative trauma disorders" (CTDs) remained the most prevalent type of injury experienced at Intel in 2019, followed by strain/sprains and cut/lacerations. Our First Aid to Recordable Ratio for CTDs increased from 2.1 to 1 in 2018 to 2.7 to 1 in 2019.

Early reporting is critical, as it increases the chance of employees getting better more quickly and requiring less medical care over time. We raise employee awareness on reporting, ergonomics, and situational safety using multi-media approaches and manager guidance. As a result, reporting of injuries—primarily CTDs—increased 6% across Intel from 2018 to 2019. Our focus on a strong safety culture and encouragement of early reporting will continue to be a focus area for us in 2020. Read more.

[1] Source: U.S. Bureau of Labor Statistics.

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

RECORDABLE AND DAYS AWAY INJURY RATES



Rate based on 100 employees working full time for one year; data as of March 2020. Note, certain historical figures have been updated based on new reported cases received.

The Intel® Vitality program is offered to our employees in the U.S., United Kingdom, and Vietnam and focuses on four pillars of wellness: mindset, nutrition, movement, and recovery. In 2019, 13,912 employees engaged in the program, including a 61% increase in new participants. A total of 433,272 engagements/services were completed in 2019, a 27.9% increase over 2018 and the program has a 94.3% satisfaction rate.

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 employees and their eligible dependents with primary care and specialty services (including acupuncture, chiropractic and behavioral health services, physical therapy, and special programs such as outreach to American veterans at Intel). The Health for Life Centers are integrated with our other on-site health and wellness program offerings to provide a seamless and comprehensive health and wellness experience. The Health for Life Centers had a 93% satisfaction rate in 2019.

Compensation and Benefits

We strive to provide pay, benefits, and services that help meet the varying needs of our employees. Our generous total rewards package includes market-competitive pay, broad-based stock grants and bonuses, an Employee Stock Purchase Plan, healthcare and retirement benefits, paid time off and family leave, parent reintegration, fertility assistance, flexible work schedules, tuition reimbursement, sabbaticals, and on-site services (including banking, fitness classes, spas, nursing and prayer rooms, and more). In 2019, we announced expanded pay leave benefits, including paid family leave to care for a seriously ill family member, extended bereavement leave, expanded bonding leave and parental reintegration support, and additional short-term disability coverage. We announced that we had achieved global gender pay equity in 2019 by closing the gap in average pay between employees of different genders in the same or similar roles after accounting for legitimate factors that can explain differences, such as performance, time at grade level, and tenure. We also continued to advance transparency in our pay and representation data. For more information, see the Diversity and Inclusion section of this report.

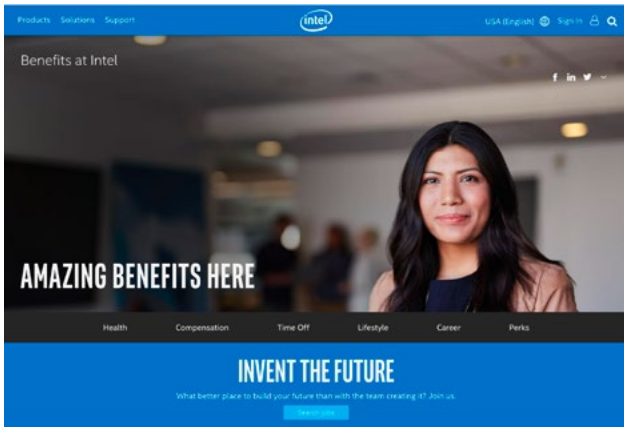
Our bonus programs, among the top one-third of our industry and tech competitors, link employees' compensation directly to Intel's net income, financial, and operational performance goals:

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. For more details, see "Integrated Strategy, Governance, and Ethics" later in this section of the report.

Stock Equity Plans: We grant equity in the form of Restricted Stock Units (RSUs) to approximately 90% of global employees each year. In addition, through our Employee Stock Purchase Plan, eligible employees can purchase stock through payroll deductions at 85% of fair market value.

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.

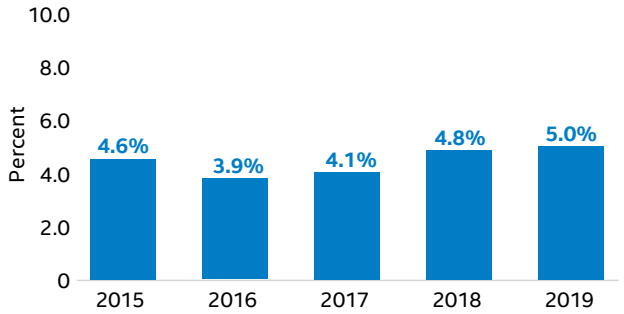
Measuring Our Progress

We use a variety of methods to solicit employee feedback on Intel culture, management, career opportunities, compensation, and benefits. The semiannual Employee Experience Survey is one channel through which employees can voice their perceptions of the company and their work experience. The poll invites our entire employee population to participate. Trends in areas such as employee emotional commitment, job fit, trust, and organizational direction are monitored at the corporate, business group, and country levels.

[1] Responses from the 2019 Employee Experience Survey.

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.

UNDESIRED VOLUNTARY GLOBAL TURNOVER



Our undesired voluntary turnover increased slightly from 4.8% in 2018 to 5.0% in 2019. Over the past five years, our undesired voluntary turnover rate has been at or below 5%, 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 having an integrated strategy and embedding corporate responsibility across the company is the most effective management approach to drive continuous improvements in our performance. 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 drive strategic alignment and incorporate external stakeholder input into decisions and processes, e.g., development of the 2030 corporate responsibility strategy and goals. Many Intel business groups have established teams dedicated to corporate responsibility 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.

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.

We have developed corporate guidelines and policies that take into account the concept of shared value and frameworks such as the UN Global Compact, International Labor Standards, OECD Guidelines for Multinational Enterprises, and the UN Sustainable Development Goals (SDGs).

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 2019, we achieved the operational goals, which were related to our diversity and inclusion objectives, including advancing women in senior leadership and building our inclusive culture. Previous metrics have focused on areas such as carbon emissions and recycling. In 2020, our operational goals have been redesigned to reinforce our strategic and cultural transformation, and include metrics related to diversity and inclusion, employee experience, climate change, and water stewardship. For more information, see our 2020 Proxy Statement and the Environment Sustainability section of this report.

Integrated Investor Outreach

During 2019, 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—met to discuss a wide range of issues, including environmental, social, and governance (ESG) topics with investors representing approximately 40% of our outstanding shares. We believe that our approach to engaging openly and year-round with our investors regarding ESG issues drives increased corporate accountability, improves decision making, and ultimately creates long-term value. The feedback we receive through our investor outreach activities is communicated to management and relevant committees of Intel's Board of Directors throughout the year.

In response to investor feedback in 2019, we further integrated ESG information into our 2019 Annual Report on Form 10-K, 2020 Proxy Statement, and Investor Relations website; expanded disclosure on culture and climate risk; and further aligned our disclosure with external reporting frameworks such as the Sustainability Accounting Standards Board (SASB) and Task Force on Climate-related Financial Disclosures (TCFD).

INTEL GUIDELINES AND POLICIES ON STRATEGIC CORPORATE RESPONSIBILITY ISSUES

- Intel Values
- Intel Code of Conduct
- Intel Human Rights Principles
- Intel Statement on Combating Modern Slavery
- 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
- Intel Product Content Declaration for REACH
- Intel Quality Policy
- Intel's Support of the SDGs

ACCESS DOCUMENTS AT: intel.com/responsibility

Corporate Governance and Board Oversight

We first established formal board oversight for corporate responsibility in 2003. The Board's Corporate Governance and Nominating (CGN) Committee has primary responsibility for oversight of ESG issues at Intel, with additional topics also reviewed by other committees (e.g., the Compensation Committee is responsible for oversight of human capital issues, and the Audit Committee is responsible for oversight of our ethics and compliance program). Management provides formal updates to the CGN Committee at least twice each year and at least annually to the full Board on the company's corporate responsibility performance and disclosure. In 2019, this included review of the annual Corporate Responsibility Report and updates on issues including environmental sustainability, climate change, human capital, human rights, political accountability, and investor outreach and feedback. A number of directors have expertise on key ESG issues and 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. Since 2018, Intel has been a member of the Thirty Percent Coalition, which focuses on strategies to increase representation of women on corporate boards.

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 appropriate ways to control risk.

A full description of the Board's responsibilities, director biographies, compensation practices, and oversight of risk management are available in our 2020 Proxy Statement.

Ethics and Compliance

Each year, our CEO communicates with all employees and managers about the importance of ethics and legal compliance and regularly reminds employees and managers that nothing is worth doing if it's not done with integrity. This "tone from the top"—reiterated by our senior leadership and proliferated in our corporate required annual ethics and compliance training, regular communications throughout the year, company-wide ethics culture surveys, awareness trainings, annual ethics and compliance summits, and educational resources—helps to create and maintain an ethical and legally compliant culture.

In 2019, Ethisphere Institute once again named Intel to its annual list of the World's Most Ethical Companies. In addition, Intel celebrated Global Ethics Day 2019 by participating in a webinar on business ethics entitled "How Ethical Leadership is the Key to Sustained Success in Business," sponsored by the Carnegie Council for Ethics in International Affairs.

We maintain a robust process for reporting misconduct, and employees are encouraged to raise questions and concerns, and to ask questions about policies or procedures without fear of retaliation. We maintain multiple channels for employees and others 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 an independent third party. We inform employees and other stakeholders about 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. Our Ethics and Compliance Business Champions encourage employees to stay current with their ethics and compliance training, review verified investigations quarterly with business group leaders, and raise employee awareness regarding how to report concerns. In 2019, the largest categories of verified cases involved conflicts of interest, falsification of documents, and expense reporting. Consistent concerns are addressed through senior management discussions, employee communications, process and controls improvements, and individual corrective action measures, where appropriate.

Each quarter, Intel's Ethics and Compliance Oversight Committee (ECOC) receives formal reports from various Intel organizations 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, subsidiaries, 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 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 2019, for example, over 97% of our global employee population took Code of Conduct training, 95% received training on information security awareness, and about 90% took training on harassment avoidance. Approximately 29% of our workforce received additional training on other topics such as anti-corruption and/or antitrust.

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.

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.

2019 CONTRIBUTIONS

Contribution Type	Amount
Corporate contributions, including state and local candidates, campaigns, and ballot propositions	$33,500
Intel Political Action Committee contributions	$391,750

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 2019, our reported lobbying expenditures totaled $5.1 million, compared to $4 million in 2018.

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 and 2019, in response to stakeholder feedback, 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 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, publicly supporting amicus briefs, or submitting testimony. In 2019 and in early 2020, we published statements on our Public Policy blog covering a range of issues important to our business and industry, from regulation of AI, 5G and other emerging technologies, to diversity and inclusion (including LGBT+ rights and diversity in STEM education), water stewardship, data privacy, tax policy, and healthcare.

Intel was named a "Trendsetter" company in the 2019 CPA-Zicklin Index of Corporate Political Disclosure and Accountability.

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, including neighbor relations managers for our major manufacturing sites.

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. Additional detail on our stakeholder engagement practices and issues raised through the year are available on our Report Builder website.

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

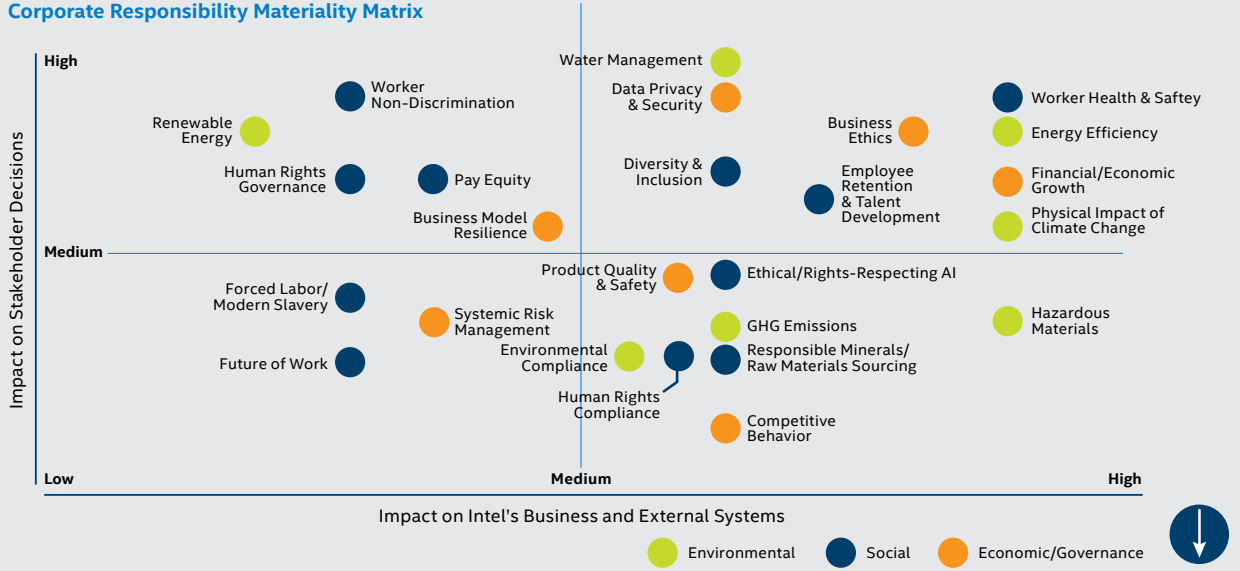
Stakeholder Review:

Every two years, we we engage a third party to update our materiality assessment. Our most recent update was completed in late 2018 through early 2019 and was also used to inform the development of our 2030 strategy and goals. This assessment included review of industry best practices and reports, external reporting standards (including the Global Reporting Initiative, the Sustainability Accounting Standards Board, and the International Integrated Reporting Committee), analysis of issues identified through stakeholder dialogue during the year, and completion of 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. The issues listed in the matrix below were prioritized from more than 50 issues identified and reviewed during the process.

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 UN 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 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. For example, our annual Statement on Combating Modern Slavery is discussed with our Board and signed by one of our directors. Our Corporate Responsibility Office manages our human rights program, and responsibility is also embedded across the company through a cross-Intel Human Rights Steering Committee and close partnerships with global teams that develop and implement policies and actions related to our human rights risks.

We also meet throughout the year with external stakeholders and experts on human rights to continue to inform and evolve our human rights policies and oversight processes. In 2019, we discussed human rights issues with our investors and met with local community stakeholders through our Community Advisory Panels at our manufacturing sites. We also are a signatory to the UN Global Compact, a member of the Global Business Initiative on Human Rights, and a participant in the Centre for Sports and Human Rights and the Partnership on AI. In 2019, we also participated in the first assessment of the ICT manufacturing sector by the Corporate Human Rights Benchmark, ranking fifth out of the 40 companies assessed. In February 2020, Intel announced a collaboration with the Council of Europe aimed at promoting respect for human rights in the field of digital technologies, including a plan for a series of policy discussions and work streams with the private sector in 2020 and beyond. Read more.

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), 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 and contingent workers, 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 to reduce community impacts. We are also 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, we have remediated the return of over $15 million in fees to suppliers' workers. 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

OUR SALIENT HUMAN RIGHTS RISK AREAS

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

FOR MORE DETAIL

See our Salient Human Rights Risk mapping on the Report Builder website.

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 the range of products and services we offer broadens and changes, we evaluate potential concerns about how technology products may be used to infringe on human rights. The challenges range from product misuse and limits on freedom of expression, to health and safety concerns that may arise from new technologies. In 2019, we updated the Intel Global Human Rights Principles to clarify language regarding our expectations on product responsibility and human rights. Most Intel products are general-purpose computing products that can be incorporated into systems and applications and that are sold to end users by distributors, system manufacturers, and others, and not directly by Intel. While we do not always know nor can we control what products our customers create or the applications end users may develop, we do not support or tolerate our products being used to violate human rights. When we become aware of a concern that Intel products are being used by a business partner in connection with abuses of human rights, we will restrict or cease business with that party until and unless we have high confidence that Intel's products are not being used to violate human rights.

[1] 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.

Salient Risk	Value Phase	Related Policies
Discrimination	Operations, Supply Chain, Products	• Equal Opportunity and Diversity Guideline • RBA Code of Conduct • Intel Corporate Accessibility Policy
Forced Labor	Supply Chain	• Intel Statement on Combating Modern Slavery • 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 salient human rights risks within our value chain and the relevant supporting policies, in addition to the Intel Code of Conduct and Intel Global Human Rights Principles.

Human Rights Impact Assessments

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. In 2019, an internal multi-disciplinary team continued development of new internal resources and processes to advance responsible AI practices and ensure that AI lives up to its potential as a positive transformative force for the global economy, health, public safety, and industries such as transportation, agriculture, and healthcare that touch billions of people.

2020 Human Rights Priorities

- Continue to assess and review our policies, due diligence processes, and training to continuously improve and leverage best practices and third-party rankings.
- Engage in additional stakeholder and industry dialogues regarding potential human rights issues related to emerging technologies.
- Continue to advance our responsible mineral sourcing program to address the social impacts of cobalt as well as conflict-affected and high-risk areas (CAHRAs)[1] beyond the Democratic Republic of Congo (DRC) and adjoining countries. For more details, see "Responsible Mineral 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.

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.

44 B GALLONS OF WATER CONSERVED

We estimate that our water conservation efforts saved approximately 44 billion gallons of water over the past decade, enough to sustain over 400,000 U.S. homes for one year.[1] In 2019, we also made significant progress toward our goal to restore 100% of our global water use by 2025.

37 B KWH OF GREEN POWER

Since 2008, Intel's renewable energy supply and renewable energy attribute purchases have totaled approximately 37 billion kWh of green power, enough to power more than 3 million U.S. households for one year,[2] including 5.5 billion kWh in 2019.

93% NON-HAZARDOUS WASTE RECYCLING

We achieved our goal to recycle 90% of our non-hazardous waste, increasing our global recycling rate from 25% to 93% since the mid-1990s. We also achieved our goal to send zero hazardous waste[3] to landfill, a 61% decrease in absolute tonnage from 2018.

[1] Based on average U.S. household water usage figures published by the U.S. Environmental Protection Agency.
[2] Based on average U.S. household energy usage figures published by the U.S. Energy Information Administration.
[3] We define zero hazardous waste to landfill as equal to or less than 1%.

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.

Unlike many companies in the electronics industry that outsource their production, we manufacture a 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.

Governance and Management

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 consider environmental impact when we select sites, design buildings, set performance levels for manufacturing tools, and establish goals for production processes.

CONSERVE

We continuously strive to reduce our operational environmental footprint, and work to engage all of our employees in reducing our environmental impact.

COLLABORATE

We partner with governments, other leading companies, and nonprofits to address environmental challenges.

CREATE

Our technology solutions enable others to reduce their own environmental impacts.

For over a decade, Intel has maintained multi-site, third-party-verified ISO 14001 registration to evaluate the effectiveness of our environmental management system. Our Corporate Energy management system follows the ISO 50001 Energy Management standard; to date, we have received third-party ISO 50001 accreditation for five of our 12 manufacturing sites to demonstrate that our approach meets international best practices, drives energy-efficiency improvements, and meets our commitments.

We also regularly complete environmental, health, and safety (EHS) program self-assessments to validate site-level EHS compliance. In addition, our senior corporate EHS professionals 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.

LINKING COMPENSATION TO ENVIRONMENTAL PERFORMANCE

Since 2008, we have linked a portion of executive and employee compensation to corporate responsibility factors. In 2020, environmental-related targets include:

- Conserve more than **5 billion gallons of water** in our operations
- Restore more than **1 billion gallons of water** to our local watersheds
- Increase use of renewable energy to **75% globally**

For more information, see our 2020 Proxy Statement and "Integrated Strategy, Governance, and Ethics" in the Our Business section of this report.

EHS COMPLIANCE REPORTING DATA

Year	Number of NOVs	Fines or Fees
2015	11	$0
2016	8	$0
2017	11	$8,075
2018	8	$1,600
2019	7	$400

In 2019, officials made 145 visits (including audits and inspections) to Intel sites across the globe, including 49 health and safety agency inspections, 23 fire protection agency inspections, and 73 environmental agency inspections. Intel received one environmental Notice of Violation (NOV), five fire protection-related NOVs, and one health and safety-related NOV in 2019.

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

RECOGNIZING EMPLOYEE EFFORTS

Our Environmental Excellence Awards (EEAs) recognize employees and teams around the world for innovative projects that have reduced Intel's environmental impact or benefited customers or the local community. Our Intel Involved Matching Seed Grant Program provides funding for employee community projects. A few employee projects recognized in 2019 include:

Improved Wafer Transport
A team of employees won a 2019 EEA for devising a more environmentally friendly way to ship silicon wafers. Replacing front-opening shipping boxes with new smaller, horizontal shippers provides better protection for wafers while reducing freight and materials costs and environmental impact from fuel and materials consumption. The team also replaced previously used packaging foam with a recyclable material.

Reducing Food Waste
An estimated 40% of all food produced in the U.S. is wasted, while 42 million people lack reliable access to affordable, nutritious food. Two employees who won a 2019 EEA founded and successfully operate a nonprofit organization in California called Outside2Inside (O2I), which recovers thousands of pounds of "wonky produce" that would otherwise be discarded. O2I donates the produce to low-income families and schools, thereby reducing food waste through awareness and food recovery while also lowering waste to landfill and water and carbon emissions associated with food production and disposal.

Clean Drinking Water
The Intel Foundation awarded Intel volunteers in India an Intel Involved Matching Seed Grant to install rainwater harvesting and storage systems at local schools. Their efforts will help ensure the availability of clean, safe drinking water for hundreds of students.

Recycling Education
Employee volunteers in Dalian, China noted that many people were not educated on how they could contribute to the local government's recycling efforts. The volunteers applied for and were awarded an Intel Involved Matching Seed Grant to provide education and set up on-site waste classification and recycling programs at local schools.

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.

Industry 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 2019, we again requested that our top suppliers also report through CDP and required suppliers to set carbon reduction goals, which resulted in our earning an "A" Supply Chain Engagement Rating from CDP. To learn more about this effort and other environmental expectations we have for our suppliers, see the Supply Chain Responsibility section of this report.

Through company-wide recognition programs, awards, and grants, we encourage employees to propose and implement projects to reduce environmental impact, support local communities, and generate bottom-line results.

CLIMATE AND ENERGY

Climate change is a serious environmental, economic, and social challenge. We focus on reducing climate risks related to our 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"—identifying opportunities in which Intel technologies can help others reduce their footprints, including Internet of Things solutions that enable intelligence in machines, buildings, supply chains, and factories, and make electrical grids smarter, safer, and more efficient. Our Climate Change Policy outlines our formal position on climate change and our policy advocacy principles.

Reducing Our Operational Carbon Footprint

For over two decades, Intel has set aggressive greenhouse gas (GHG) reduction goals to conserve energy and minimize air emissions. Since 2000, our Scope 1 and 2 emissions have decreased by about 31% on an absolute basis, even as we expanded our manufacturing capacity significantly.

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 emissions abatement equipment such as thermal oxidizers, wet electrostatic precipitators (WESPs), and wet scrubbers, as well as through implementation of other emissions reduction strategies.

Reducing our energy use is key to our overall climate change strategy, and we also continue to purchase renewable energy and invest in alternative energy installations. Since 2012, we have invested more than $200 million in energy conservation projects in our global operations, resulting in cumulative savings of more than 4.5 billion kWh and cost savings of more than $500 million through the end of 2019. 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.

GOAL

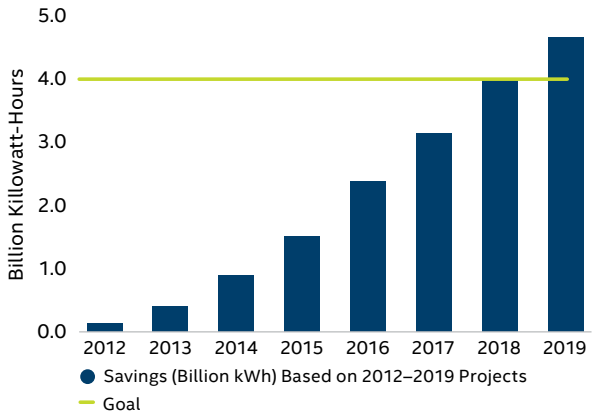
ENERGY CONSERVATION

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

Our Progress: Achieved

We exceeded our goal by completing more than 2,000 energy conservation projects, achieving cumulative energy savings of more than 4.5 billion kWh.

2012 – 2020 ENERGY GOAL – CUMULATIVE SAVINGS



ALIGNMENT WITH TCFD

We have leveraged the framework developed by the Task Force on Climate-Related Financial Disclosures (TCFD) to communicate our approach to climate governance, strategy, risk management, and metrics and targets. In terms of governance and strategy, we follow an integrated approach to addressing climate change, with multiple teams responsible for managing climate-related activities, initiatives, and policies, including manufacturing and operations, government and public affairs, supply chain, and product teams. Strategies and progress toward goals are reviewed with senior executives and the Board's Corporate Governance and Nominating Committee.

We describe our overall risk management processes in our 2020 Proxy Statement, and we describe our climate-related risks and opportunities within this report, in our Climate Change Policy, in the "Risk Factors" section of our 2019 Annual Report on Form 10K, and in our most recent CDP Climate Change survey, which is available on our Report Builder website. Regarding metrics and goals, for two decades we have set aggressive GHG reduction goals, including our new 2030 climate goals featured in the Introduction section of this report.

A more detailed mapping of our climate disclosures aligned with the TCFD and Sustainability Accounting Standards Board (SASB) framework is included in the Appendix.

GOAL

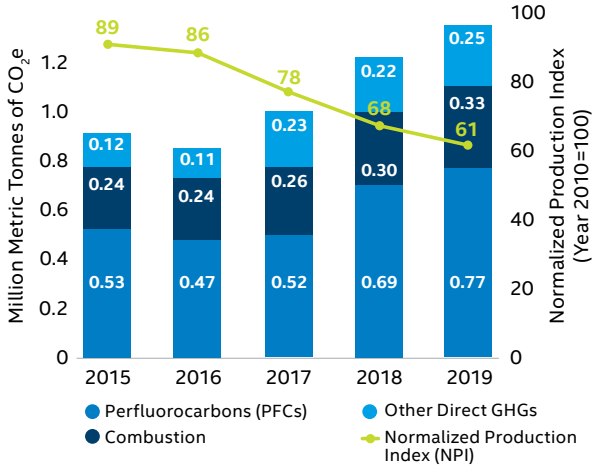
DIRECT GHG EMISSIONS

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

Our Progress: Achieved

Through the end of 2019, we reduced our direct GHG emissions by 39% on a per unit, or "intensity" basis from 2010 levels, significantly exceeding our 2020 goal.

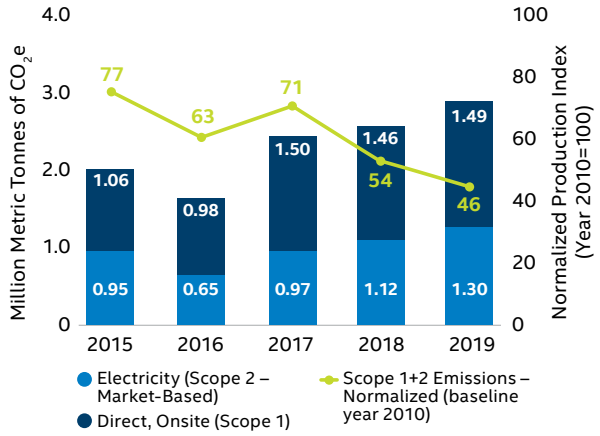
Per unit is based on the number of die produced and made available for sale.



31% ABSOLUTE REDUCTION

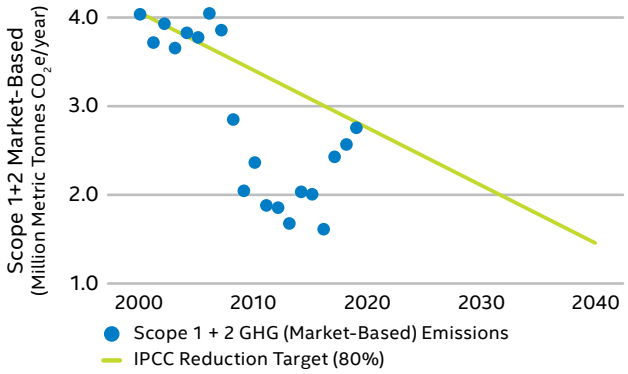
in Scope 1 and 2 emissions since 2000 even as we have expanded our manufacturing capacity significantly

SCOPE 1 + 2 GHG EMISSIONS



Our combined Scope 1 (direct) and Scope 2 (indirect) GHG emissions decreased by 13% (intensity) but increased by 8% (absolute) from 2018 to 2019 due to manufacturing growth.

INTEL'S GHG EMISSIONS – WHERE ARE WE HEADED?



We track our GHG emissions against science-based carbon targets recommended by the Intergovernmental Panel on Climate Change (IPCC).

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 on our Report Builder website.

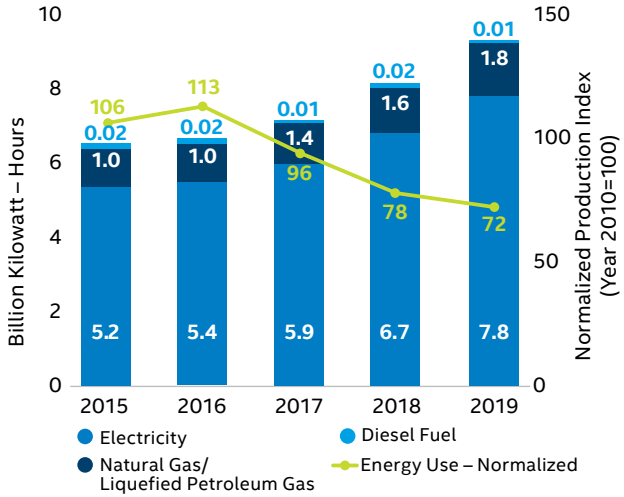
2019 GHG EMISSIONS REPORTED BY CATEGORY (METRIC TONNES OF CO_2E)

Scope	Emissions	Notes
Scope 1 (Direct) Emissions	1,489,000	
Scope 2 (Indirect, Electricity)	1,299,000	Market-based method[1]; includes renewable energy/ REC purchases.
Scope 1 and 2 Total	**2,788,000**	
Scope 3 Total	**20,342,000**	Indirect/value chain.
Leased Vehicles and Commuting	537,000	Employee leased vehicles and commuting.
Logistics and Distribution	255,000	Upstream and downstream transport and distribution.
Employee Business Travel	136,000	Air travel, car rentals, and hotel stays.
Supply Chain	4,446,000	Represents 2019 estimate based on approximately 90% of materials used in manufacturing.
Capital Goods	36,000	Extraction, production, and transport of capital goods purchased.
Fuel and Energy Related Activities	115,000	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	14,529,000	Represents the GHG emissions of the product lifetime (3,927,000 metric tonnes of CO_2 annualized).
Processing of Sold Products	285,000	Processing of intermediate products sold to down-stream manufacturers.

[1] Location-based Method Scope 2 Emissions (does not account for any renewable energy/REC purchases) = 3,345,500 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) = 252,000 metric tonnes of CO_2e/year.

ENERGY USE



Our 2019 absolute energy use increased 15% compared to 2018 due to our manufacturing growth around the world, but our 2019 normalized energy use decreased 8% from 2018, indicating that we are more efficiently using energy on a per unit manufacturing basis. In 2019, approximately 81% of our global energy use was grid energy (electricity). Updated NPI values for 2015–2018 are being reported this year due to an earlier calculation error. Corrected values illustrate a more efficient use of energy than was initially reported.

Our Information Technology (IT) organization has also taken steps to reduce the environmental footprint of our data centers. Our newest data centers use recycled water and advanced cooling techniques, such as evaporative cooling towers, that eliminate the need for expensive chilled water and computer-room air conditioning units. These measures reduced our data center construction costs by nearly 67%, and cut our operating expenses associated with cooling from 49% to 6% of our total operating cost.[1]

Alternative Energy

In addition to conserving 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 37 billion kWh of green power, enough to power more than 3 million U.S. households for one year,[2] including 5.5 billion kWh in 2019.

We now have 98 alternative energy installations generating over 50,000 kW of green power across 23 Intel campuses, with an additional eight installations under construction. The installations use 21 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.

[1] Source: Intel's Data Center Strategy Leads to USD 2.8 Billion in Savings.

[2] Based on average U.S. household energy usage figures published by the U.S. Energy Information Administration.

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 include 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 GPP program requirements.

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.

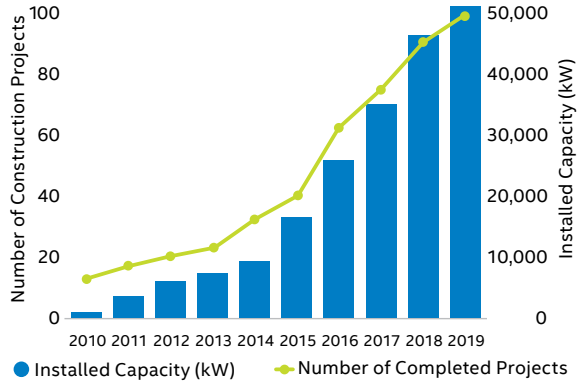
GOAL

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: Achieved

Since the beginning of 2015, we have tripled the number of on-site renewable and alternative energy projects from 31 to 98 installations, and are on track to reach 106 by the end of 2020. We continued our 100% green power purchase commitment for the U.S. and reached 100% renewable energy use for our European operations, 50% for our Israel operations, and 71% globally by the end of 2019. In 2020, we are exploring additional non-U.S. locations to increase electric power purchase from renewable hydro sources and establish green attribute trading.



BUILDING THE ENERGY GRID OF THE FUTURE

Intel is helping build a new ecosystem for energy production, distribution, and consumption—one where centralized carbon-based generation will be retired and replaced with decentralized, smart grids of cleaner renewable energy. With embedded compute at the edge and across the grids, utility companies will be able to manage their assets more dynamically, decrease maintenance and transmission costs, and improve worker safety. The objective is that consumers will have more energy choices, and will be able to offer up their own demand and supplies—from, for example, a rooftop solar system—to the marketplace. For an example of this transformation, read how Intel is working with electric company Iberdola and other partners to develop standards-based secondary substations aimed at enabling real-time monitoring and demand of power distribution. For additional information, visit Smart Energy for a More Efficient and Sustainable World.

ALTERNATIVE ENERGY GENERATION SYSTEMS AND RECOGNITIONS

We have alternative energy generation systems installed in 15 countries and states, supplying energy to 46 buildings. Below are both on-site and off-site alternative energy sourcing examples and selected recognitions.

UNITED STATES

U.S. EPA Green Power Partnership – A National Top 100 green power purchaser leader and recipient of partner awards for the past 12 years

U.S. EPA Green Power Partnership – Top 30 on-site green generation

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

Top 25 in Solar Energy Industries Association rankings for on-site installed solar electric facilities, capacity installed, and solar user

Off-site solar power purchase agreement enabling a new 100 MW solar installation in construction in Arizona via local utility

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]

First motion-powered interactive walkway project to convert footsteps into off-grid energy and data

Smart Energy Decisions Innovation award for industrial on-site energy solution

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 50% of our Israel energy use in 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 and improved energy efficiency compared to previous generations. Building energy efficiency into our products not only reduces our scope 3 GHG emissions, but also presents an opportunity to create value for our customers by helping them lower their scope 2 GHG emissions, their energy use, and overall environmental impact.

GOAL

PRODUCT ENERGY EFFICIENCY

Increase the energy efficiency of notebook computers and data center server products 25x by 2020 from 2010 levels.[2]

Our Progress: Not met

While we significantly improved energy efficiency in our products over the past decade (8.5x for data center products and 14x for notebooks), we did not meet our 2020 energy-efficiency targets.

[2] 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.

We did not fully achieve our server goal due to changes in the Intel server roadmap and because the server industry transitioned to a new active server efficiency metric based on the Server Efficiency Rating Tool (SERT) after we set our goal.

For our notebook computer goal, challenges included an increase in the diversity of system ingredients in the market after the goal was set. In addition, our goal was set at the system level, and we did not have complete control of elements, such as displays, that affected power use. Our teams have applied these learnings in developing our future targets and strategies.

Continued improvement in product energy efficiency is a key priority in our 2030 goals. Increased CPU core count, new instruction sets, process improvements, and complementing adjacent platform technologies are all factors that will contribute to gains in energy efficiency.

Intel continued to work on energy-efficiency initiatives in 2019. One example is the implementation of the always-connected Modern Standby state to replace traditional system sleep and idle states. This transition has already started in the notebook PC segment, and we expect approximately 40% of Intel technology-based notebook computers to adopt Modern Standby by end of 2020, resulting in a 5% energy consumption reduction versus systems with traditional sleep modes. A similar transition in desktop PCs will start shipping on customer systems in 2021. Platform power savings are achieved through power management policies to power down platform components into the lowest power state when the system is idle.

In 2019, Intel announced Project Athena, a multi-year innovation program to help the PC ecosystem create advanced laptops that meet ambitious key experience indicators, including those related to battery life. To be verified through the program, devices must be co-engineered, tuned, and tested with Intel to show they have met or exceeded—among other requirements—certain power efficiency and fast-charging capabilities. In 2019, 25 laptops were verified against the program's first specification and key experience targets, and we expect to verify approximately 50 more in 2020.

As part of the 2nd generation Intel® Xeon® Scalable processor family, we introduced Intel® Speed Select Technology. This technology offers the ability to optimize for efficient performance and power savings by enabling specific processor cores to run at higher base frequencies and scheduling high-priority processes to those cores, while enabling the remaining cores to run at lower frequencies.

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 2019 equated to 3,927,000 metric tonnes of CO_2e. This figure represents 2019 emissions from products sold in 2019, 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 14,529,000 metric tonnes of CO_2e.

Policy Advocacy for Product Energy Efficiency

Intel collaborated with the technology industry and U.S. EPA to successfully influence the direction of ENERGY STAR Computers Version 7.1 and 8.0 specifications. The new energy consumption targets for notebooks and desktop PCs while challenging are achievable, thanks to our generational PC platform energy-efficiency innovations in partnership with computer manufacturers and component suppliers.

For server energy efficiency, Intel collaborated with technology industry consortia, the U.S. EPA, the European Commission, and Japan's Ministry of Economy, Trade and Industry (METI) for implementation of new server energy efficiency standards. This marks the single biggest transition for the server industry to a new server active efficiency metric based on SERT.

WATER STEWARDSHIP

Semiconductor fabrication requires significant water use. By responsibly managing our water use, guided by our Intel Water Policy, we can meet our business needs as well as those of our communities.

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 $267 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 2019. We also completed new projects in 2019 that we estimate will save approximately 1.4 billion gallons annually, once operational. Over the last 10 years, our water conservation efforts have saved approximately 44 billion gallons of water, enough to sustain over 400,000 U.S. homes for one year.[1]

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

During 2019, we made significant progress toward our goal to restore 100% of our water use by 2025. We are working toward achieving this goal by funding a portfolio of projects within our watersheds that will restore water in amounts equivalent to what Intel consumes, while addressing local water challenges.

See details about our water footprint by location and water risk assessment in the Appendix. Additional information is also available in our most recent CDP Water survey posted on our Report Builder website.

GOAL

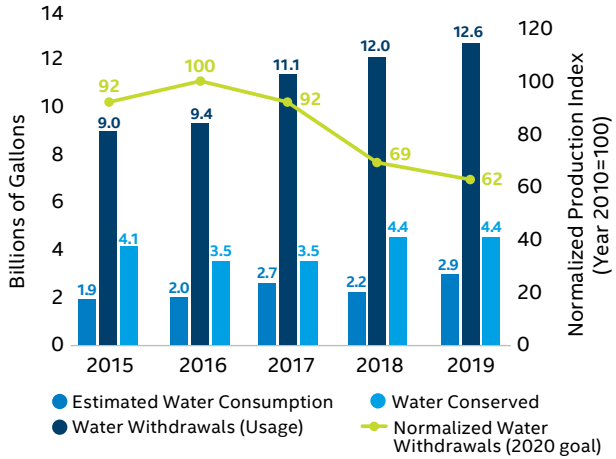
WATER USE

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

Our Progress: Achieved

Our 2019 water withdrawals decreased by 38% on an intensity basis from the baseline year 2010.

WATER MANAGEMENT



Our 2019 normalized water use decreased approximately 11% from 2018, and our absolute water use increased 5%. Restated water withdrawal data for 2018 are being reported this year due to an earlier error in classifying waste water and reclaim water as fresh water at one site, resulting in overstating our 2018 water withdrawal by 0.8 billion gallons. The corrected values reflect a significant reduction in our 2018 water withdrawal. We define water withdrawals, or water usage, as total gallons of incoming fresh water (i.e., potable water) 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 directly returned to our community or the environment.

GOAL

WATER RESTORATION

Restore 100% of our global water use by 2025.

Our Progress: On track

During 2019, Intel funded seven new projects benefiting Arizona, California, and Oregon watersheds, bringing the total to 21 funded projects estimated to restore more than 1.6 billion gallons once complete (equivalent to 98% of our fresh water usage returned and restored). Completed projects restored approximately 730 million gallons during 2019 (equivalent to 91% of our fresh water usage returned and restored). 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.

[1] Based on average U.S. household water usage figures published by the U.S. Environmental Protection Agency.

Water Conservation and Restoration

Below are examples of water conservation projects implemented in 2019 in our operations and restoration projects we recently funded as part of our commitment to restore 100% of our global water use.

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 2019, for example, a team of engineers at our Dalian fabrication facility in China completed a project that will enable us to reclaim water for use in the cooling towers. We estimate that the system will result in the reuse of approximately 145 million gallons of water per year.

During 2019, we made significant progress in construction and operation of our on-site water reclaim facilities. These innovative water treatment plants allow Intel to treat and reuse water within our operations in systems such as cooling towers and scrubbers. We completed expansion of our existing water reclaim facility at our factory in Qiryat Gat, Israel, and began ramping our newest reclaim facility at our Ronler Acres factory in Hillsboro, Oregon. Additionally, we made progress on the construction of a new water reclaim facility at our Ocotillo factory in Chandler, Arizona. These water reclaim facilities enabled an increase in the total water savings of more than 45% in Israel and 30% in Oregon, from 2018 to 2019.

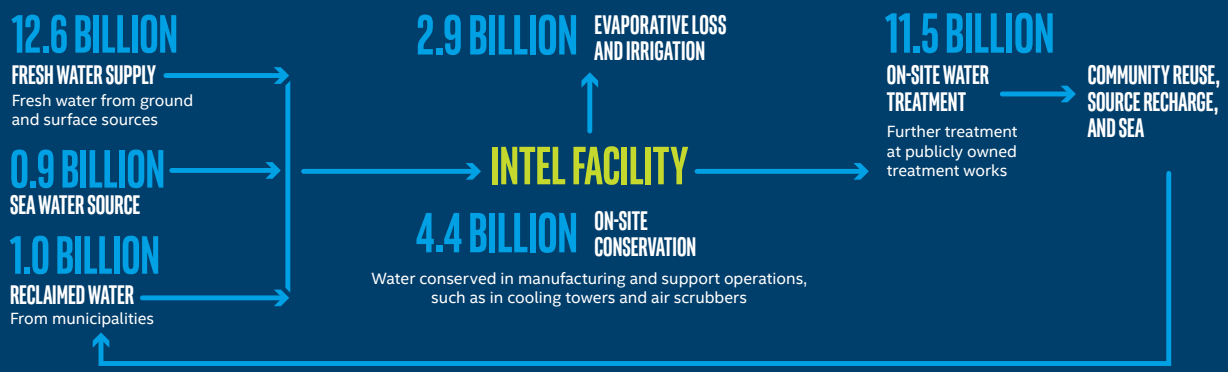
Lake Nanjapura Restoration – CLEAN, International. India, the second most populous country in the world, is facing water scarcity. Many of Bangalore's lakes have vanished and groundwater levels have dropped significantly. This project aims to restore Lake Nanjapura through removal of sediment, which will increase storage capacity and groundwater recharge, and promote biodiversity. The project is estimated to deliver 34 million gallons of restoration benefit each year. In addition, the silt removed from the lake will be used to build a walking path and trees will be planted around the path and the lake.

King Fire Restoration – American Forests. In 2014, the King Fire burned over 97,000 acres in California, including 30,000 acres of national forest land. Much of the burned area is located in the American River watershed, which supplies water to Sacramento County and other districts. This project includes planting to restore natural forest conditions to improve resilience against fire, pests, and other stressors. The project's water restoration benefit is estimated to be 145 million gallons each year.

Eureka Ditch Pipeline Project – The Nature Conservancy. Eureka Ditch is one of eight earthen irrigation ditches that supply water from the Verde River in Arizona to over 200 property owners. Seepage and evaporation resulted in the loss of an estimated 12% of the water transported through the ditch. This project will enclose a half-mile stretch of the ditch in pipe to reduce water loss and, consequently, the amount of water drawn from the river. The project is expected to restore an estimated 107 million gallons of water to the Verde River each year while reducing maintenance costs, providing more reliable water delivery, building resilience for local farmers.

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

INTEL'S WATER FOOTPRINT (in gallons per year)



Water flows through our facilities and is treated and returned for reuse. In 2019, we conserved 4.4 billion gallons, and brought in 12.6 billion gallons of fresh water (purchased, on-site well, and rainwater captured), 0.9 billion gallons of sea water, and 1 billion gallons of reclaimed water to use in our facilities. About 11.5 billion gallons of water were treated on site and returned to our communities, while approximately 2.9 billion gallons were consumed (lost to evaporation and irrigation).

Ronler Acres reclaim project, located in Hillsboro, Oregon

WASTE AND CIRCULAR ECONOMY

Since the mid-1990s, we have voluntarily disclosed waste generation and recycling metrics, and set public goals to improve our performance. Over that time, we have increased our global non-hazardous waste recycling rate from 25% to 93%, and achieved zero hazardous waste to landfill,[1] all while Intel's business and production continued to grow. Much of the waste we generate is tied to the construction of our facilities and our manufacturing activities. In 2019, we recycled over 95,000 tons, or 96%, of our construction waste.

Circular Solutions for Manufacturing Waste

Major semiconductor manufacturing-related waste streams include lithography-related solvents, metal plating waste, specialty base cleaners, spent sulfuric acid, ammonium sulfate, and calcium fluoride. Our operations also generate plastic, metal, kitchen, and general office waste.

We have long focused on finding ways to recover materials and regenerate resources, transitioning away from traditional methods such as incineration and landfill disposal to create circular economy solutions that reduce costs and environmental impact. In 2019, we directly reused or recovered 60% of our total waste through closed-loop systems.

We recover and sell copper and other metals that previously were part of our plating process waste streams. In addition, we have implemented circular economy solutions where our waste streams are used as ingredients by other industries. Examples include our calcium fluoride waste used in cement product manufacturing, ammonium sulfate waste used in fertilizer, and lithography-related solvent waste recovered for secondary markets and use in paint thinner production.

[1] Intel defines zero hazardous waste to landfill as 1% or less.

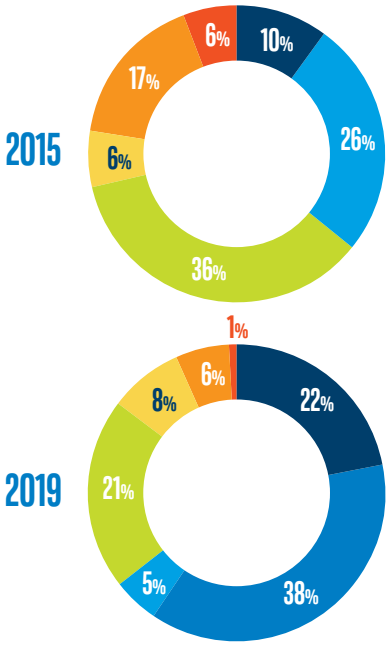
Our handling of sulfuric acid waste from our Arizona manufacturing operation is another example of our recovery and reuse strategy. Previously, sulfuric acid waste from the site was sent to landfill, where it was stabilized by our suppliers prior to disposal. In 2018, we began sending it to an off-site facility, where it is processed to technical grade sulfuric acid. A portion of this material is directed back to our manufacturing operations in Arizona, as well as to our factory in New Mexico, where it is used in our on-site wastewater treatment systems. As of the end of 2019, the method had enabled us to divert 3,242 tons of hazardous waste from landfill, and we estimate that the switch will save approximately $650,000 in disposal costs over three years.

For more information about our circular waste management strategies, read this white paper and the "Product Ecology" section of this report.

REWARDS AND RETURNS

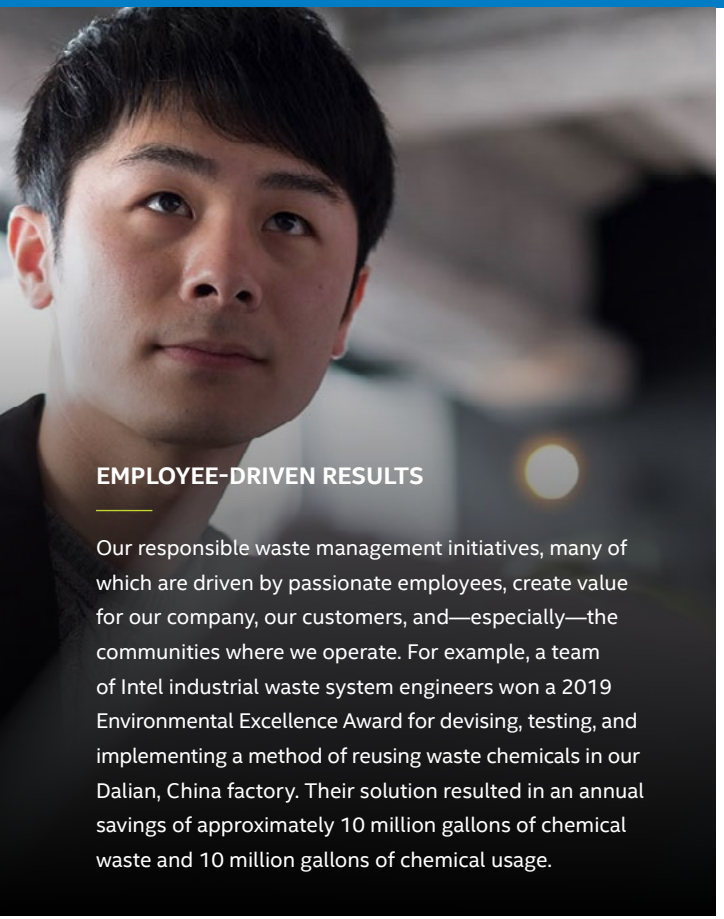
While investments are typically required to investigate and implement waste recycle and recovery strategies, the long-term environmental benefits and cost reductions can be significant. Intel's site in Ireland, for example, generated 4,400 tons of manufacturing-related waste in 2014, none of which was reused or recovered. That year, Intel's supply chain organization began collaborating with third-party waste management partners to develop materials recovery and recycling disposal methods for a number of waste streams. By 2019, the site's overall waste management costs had decreased by nearly 50%, and per-ton disposal costs continue to decrease. By the end of 2019, 75% of Intel Ireland's manufacturing waste was being reused or recovered, and none of it was being directed to landfill or incineration.

INTEL MANUFACTURING WASTE BY DISPOSAL METHOD



- **DIRECT REUSE.** Material is reused in its existing form.
- **RECOVERED.** Material is purified to its original form for reuse.
- **RECYCLED.** Material is transformed into another substance.
- **FUEL BLENDED.** Material is substituted in place of virgin fuels.
- **TREATMENT.** Material is neutralized to allow for disposal.
- **INCINERATION.** Material is burned without energy recovery.
- **LANDFILL.** Material is sent to an Intel-approved landfill.

In 2019, 86% of Intel's manufacturing waste was fuel blended, recycled, recovered, or reused. Manufacturing waste represented 40% of our total waste in 2019, and includes hazardous and non-hazardous waste associated with manufacturing processes at Intel's wafer fabrication manufacturing sites.



EMPLOYEE-DRIVEN RESULTS

Our responsible waste management initiatives, many of which are driven by passionate employees, create value for our company, our customers, and—especially—the communities where we operate. For example, a team of Intel industrial waste system engineers won a 2019 Environmental Excellence Award for devising, testing, and implementing a method of reusing waste chemicals in our Dalian, China factory. Their solution resulted in an annual savings of approximately 10 million gallons of chemical waste and 10 million gallons of chemical usage.

"I like to think holistically about what we can do across the company to reduce our environmental impact. True circularity will make a difference for our planet."

—**KATHLEEN FIEHRER**
Intel Materials Engineer and Environmental Excellence Awards Sustainability Champion

Hazardous Waste

Approximately 32% of our waste is classified as hazardous, the disposal of which is regulated. Although our absolute and per unit hazardous waste generated has risen as the complexity of our manufacturing processes has increased, we recycled approximately 81% of it in 2019, up from 70% in 2018. To achieve our 2020 hazardous waste goal, multiple groups across Intel worked to recycle or recover waste streams for reuse, and even converted some of them into sources of revenue.

GOAL

HAZARDOUS WASTE

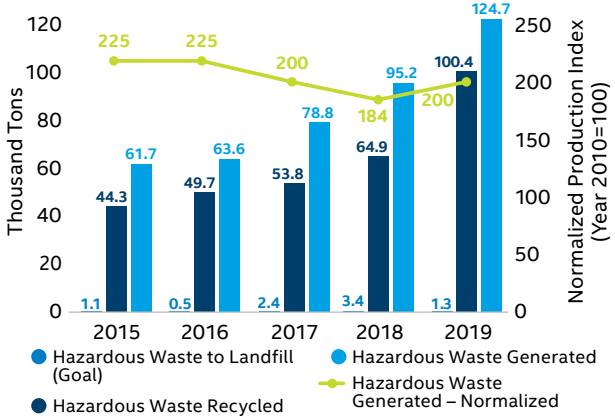
Achieve zero hazardous waste to landfill by 2020.[1]

Our Progress: Achieved

In 2019, we sent approximately 1% of our hazardous waste to landfill, a 61% decrease in absolute tonnage from 2018. In 2019 we directly reused approximately 3,300 tons of hazardous waste, and also recovered over 58,000 tons.

[1] Intel defines zero hazardous waste to landfill as 1% or less.

HAZARDOUS WASTE



From 2018 to 2019, our absolute hazardous waste generated increased 31%, primarily due to increased production. We also recycled approximately 81% of our hazardous waste in 2019, as compared to 68% in 2018. Hazardous waste not recycled or sent to landfills was incinerated or biotreated.

Non-Hazardous Waste

Our non-hazardous waste includes non-regulated materials such as plastics, metals, organics, and paper. 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.

GOAL

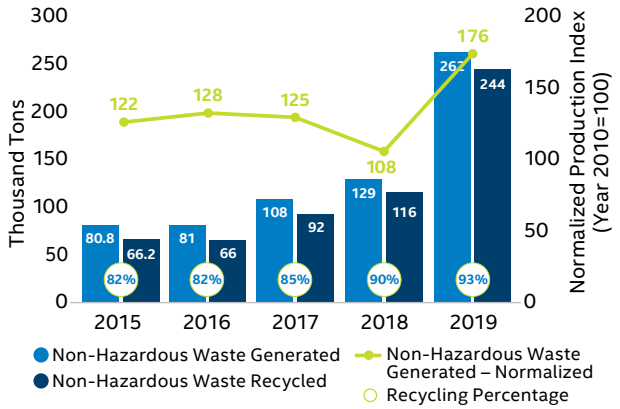
NON-HAZARDOUS WASTE

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

Our Progress: Achieved

We recycled 93% of our global non-hazardous waste in 2019, including over 95,000 tons of our construction waste, and 10 of our sites achieved recycling rates of 90% or better. We are sharing best practices across Intel to continue raising our recycling rates.

NON-HAZARDOUS WASTE



From 2018 to 2019, our absolute non-hazardous waste generated increased 103%, primarily due to new fab construction in Arizona, but we recycled 93% of all non-hazardous waste.

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 Leadership in Energy and Environmental Design (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: Achieved

We have achieved LEED certification for more than 17.9 million square feet of space in 50 buildings, or approximately 30% of our total operational space. Since 2015, we achieved LEED Gold on six new building constructions and LEED Platinum on three of our newest offices. Our newest factory in Dalian, China was pursuing LEED Gold but ultimately achieved LEED Silver due, in part, to the timing of new more stringent requirements set forth by LEED v4 after we began our process. We have graded this goal complete taking into account the timing of the changes to the rating system as well as the number of buildings that achieved the higher LEED Platinum status.

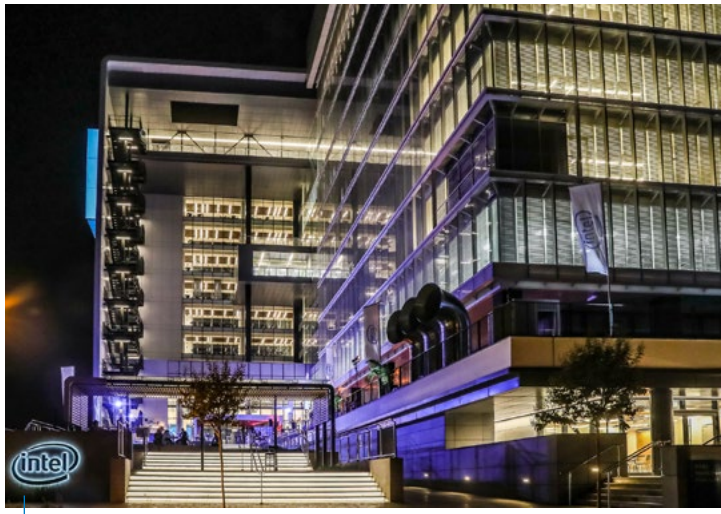
In 2019, we celebrated the opening of Intel's smartest building to date—a LEED Platinum building in Petah Tikva, Israel. All of the building's power is provided by renewable sources, and the building's automated systems were engineered and programmed according to the behavioral patterns of the 2,700 employees who work there. Some 14,000 sensors monitor and precisely control lighting, temperature, ventilation, parking, conference room availability, and more—including notification of when employees will arrive home using each available method of transportation. The building also uses approximately 75% less water than the average office building.

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.

For many years, building automation systems for lighting, HVAC, safety, and security have helped property owners and managers control building operations and costs. Now, Intel is partnering with a robust ecosystem of equipment manufacturers and systems integrators to deliver a new generation of smart building solutions built on interoperable, secure, and scalable Internet of Things technologies and advanced data analytics—at the network edge.

Using Intel's pre-validated building blocks, these advanced solutions are driving operational efficiencies and decreasing the cost of building management systems for businesses of all size. For example:

- Prescriptive Data provides innovative solutions for real estate management that are using Intel-powered edge and cloud computing to improve building performance and tenant comfort while lowering energy consumption.



Intel's LEED Platinum PTK1 building, located in Petah Tikva, Israel.

- L&T Technology Services' i-BEMS solution is an intelligent "system of systems" that collects relevant data from all building sub-systems and sensors. The data is aggregated and transmitted to the cloud using Intel Internet of Things Gateways.
- Gorilla Technology's Intelligent Video Analytics Recorder, optimized by Intel's OpenVINO™ toolkit, provides advanced video surveillance and analysis to improve safety and security for enterprises such as Taiwan Ralways Administration's 300 public train stations.

Read more about smart buildings with Intel® Internet of Things technologies.

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 work toward eliminating 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.

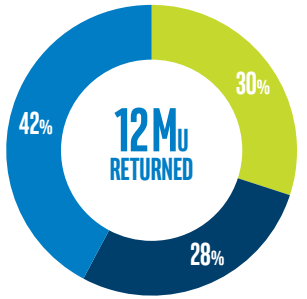
The Electronic Product Environmental Assessment Tool (EPEAT) rating system is designed to help purchasers in the public and private sectors evaluate, compare, and select electronic products based on environmental leadership and corporate social responsibility attributes. We support the development and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

Reverse Logistics and the Circular Economy

Our supply chain organization is working to reduce the environmental impact associated with reverse logistics operations—that is, the return of products and materials to Intel and our supply chain. Intel seeks opportunities to recover and reuse returns as alternative forms of supply, Including restocking back to inventory, repairing, reuse as warranty spares, or extending product life through resale in the secondary market. On average, Intel reuses approximately 55% to 60% of returned products. Electronic components that cannot be reused or resold are reclaimed for precious metals through Intel's network of recycling vendors. Those vendors are required to comply with smelting procedures that limit impacts to the environment and waste to landfill.

In early 2020, Intel's supply chain organization launched a program aimed at driving more aggressive momentum toward a common circular economy vision across our supply chain. The initial focus of this program is to determine the environmental impact baseline of our reverse logistics operations. We will then launch initiatives to mitigate impacts to the environment and maximize the value from the circular economy. Finally, we will continue to engage with our customers and suppliers to identify opportunities to achieve their sustainability goals and drive broader value across the electronics circular economy.

INTEL GLOBAL REVERSE LOGISTICS 2019 ASSET RECOVERY



- **REUSE.** Finished goods inventory; warranty exchange inventory; secondary market sales.
- **REFURBISHMENT.** Screen and upgrade; repair for spares.
- **SCRAP/RECLAIM.** Includes precious metal reclaim.

In 2019, we received approximately 12 million returned units. We recovered 58% of our returns for reuse or refurbishment. We also reclaimed precious metal from units sent to scrap.

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 RESPONSIBLE MINERALS RANKING

Out of 215 evaluated companies, Intel received the top score and was the only one with a Superior rating for conflict minerals[1] due diligence in the Responsible Sourcing Network's 2019 Mining the Disclosures guide.

TOP 3% IN CDP SUPPLY CHAIN RATING

Intel placed in the top 3% of participating companies in CDP's 2019 Supplier Engagement Rating, earning a Leadership (A) score for our work to engage our tier 1[2] suppliers to increase their climate and water disclosure.

$15M IN FEES REMEDIATED

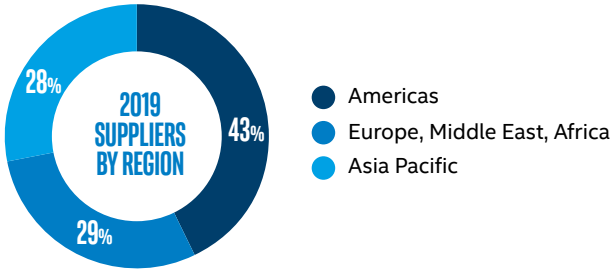
To prevent forced and bonded labor, we set expectations with our suppliers that workers should not have to pay for their employment. As a result, we have remediated the return of over $15 million in fees to suppliers' workers and we have identified an additional $10 million in fees to be returned in 2020.

[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 (3TG), regardless of whether these minerals finance conflict in the Democratic Republic of the Congo (DRC) or adjoining countries.

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

STRATEGY AND MANAGEMENT APPROACH

More than 10,000 tier 1 suppliers in 89 countries provide direct materials for our production processes, intellectual property, tools and machines for our factories, logistics and packaging services, software, office materials, and travel services for Intel.[1] We also rely on others to manufacture, assemble, and test some of our components and products. For a list of our top 100 production and service suppliers by spends, see the Appendix of this report.



Our global supply chain strategy is to drive a resilient, diverse, and responsible supply chain that enables the products our customers need to create technology solutions that unleash the potential of data. Ensuring the highest standards of safety, quality, technology, availability, and sustainability is integral to the success of that strategy. Through leadership and collaboration with our suppliers, stakeholders, consortia, and fellow travelers we are accelerating responsible standards and accountability across industries.

We were a founding member of the Responsible Business Alliance (RBA), 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 Statement on Combating Modern Slavery, and the UN Guiding Principles on Business and Human Rights. Through our leadership role in the RBA, we are driving multiple recommendations to strengthen and clarify the RBA Code of Conduct 7.0 for the triennial update due to be released in January 2021. 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.

Our supplier development, monitoring, and enforcement efforts are integrated across our commodity teams. This integration allows us to scale our coverage, support supplier progress, and influence suppliers that may be reluctant to meet our requirements. 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.

We hold ourselves accountable to meet or exceed the same standards that we set for our suppliers, and audit ourselves to the same protocols. Every year we complete the RBA Self-Assessment Questionnaire (SAQ) and publish the results on our corporate website. We follow the RBA Validated Assessment Program to conduct audits of our finished goods factories. In 2020, we will conduct an RBA Validated Assessment Process (VAP) audit of our facilities in Chengdu, China.

Innovative Approaches to Supplier Capability Building

We continue to work with suppliers to strengthen their capabilities as our ecosystem evolves and sustainability challenges grow. We launched our supplier capability program in 2012 to help less mature and evolving suppliers build critical sustainability and CSR acumen and ensure compliance with the RBA and our Code of Conduct expectations and requirements.

Since then, we have delivered a broad range of no-cost support options for suppliers: an online learning environment where we offer webinars annually in multiple languages; face-to-face training on critical topics; safety programs; multi-stakeholder development summits and round tables; and Intel-funded third-party consulting for suppliers that struggle to close findings from audits.

In 2019, we augmented our program by proactively sponsoring in-factory consulting for three suppliers new to Intel's supply chain and RBA expectations. Based on risk assessment data, we worked with these suppliers to address potential issues prior to an audit, rather than responding to close gaps reactively post-audit. As a result, these suppliers have been able to put the right management systems in place to develop improvement plans and more quickly meet code requirements.

[1] Of Intel's 10,000 tier 1 suppliers, we identify approximately 400 "critical" suppliers that we directly engage through our capability-building programs. These suppliers represent more than 75% of our spends. Beyond this, we engage with critical tier 2 suppliers through our programs on forced and bonded labor, responsible minerals, and supplier diversity.

In 2019, we also hosted a peer learning forum with 15 suppliers in Shanghai, China. The forum's smaller, more interactive model enabled in-depth discussion of critical and emerging areas of risk. Finally, we hosted a half-day visit to Intel's Chengdu, China assembly test facility by an Intel supplier and an RBA peer member company and one of its suppliers. The event enabled our visitors to see and experience strong factory health and safety performance, share insights and challenges with each other, and engage directly with Intel Human Resources and Environmental, Health, and Safety professionals.

In 2020, we will improve and proliferate these new approaches further, while continuing to solicit and incorporate supplier feedback. Below are updates and additional information about our supplier support offerings:

Online Resources. Our complimentary Supplier Sustainability Resource Center—open to all suppliers—has information on 20 critical topics, such as management systems, working hours, social insurance in China, RBA Code changes, lean manufacturing, and water and carbon footprinting. The center's user feedback feature enables direct, two-way dialogue, resulting in new insights about critical sustainability topics. In 2019, we enrolled 258 new users to the Resource Center, raising the total number of registered users to approximately 3,200. Since launching in 2015, we have seen an average increase of 50% 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 this program is to validate that suppliers have robust safety management systems and employee safety training programs in place and evaluate the supplier safety performance for compliance with the ANSI standards, OSHA regulations, and Intel's minimum safety requirements. In 2019, we expanded these programs to include all suppliers who have employees who perform potentially hazardous work at our facilities. In addition, Intel worked with 43 suppliers to close 205 occupational health and safety audit findings and improve worker conditions in their factories.

Active Supplier Engagement. We have long engaged with supply chain sustainability consultants to offer suppliers training and programs focused on topics like work-hours management, occupational health and safety, environmental issues, and prevention of forced and bonded labor. In 2020, we will continue to fund support for in-factory, local-language programs aimed at improving suppliers' performance.

Supplier Diversity and Inclusion

Accelerating our commitment to a diverse and inclusive supply chain, we reached our goal to increase our annual spending with diverse suppliers[1] to $1 billion. For more details on this achievement, see the Diversity and Inclusion section of this report.

Advancing Supplier Leadership and Accountability

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 tier 1 critical 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 has increased from 100 in 2013 to approximately 400 in 2019 as we have broadened our scope to include additional commodities and requirements. This larger number represents suppliers selected using our risk-based approach and those providing critical materials and services to Intel. Participating suppliers represented over 75% of Intel's supply chain spending in 2019. We continue to raise expectations for our suppliers and expand requirements to encompass a broader set of focus areas. SPARC performance is integrated into our quality audit and Supplier Continuous Quality Improvement award programs.

In 2019, the Association for Supply Chain Management honored Intel with its **Making an Impact Award of Excellence**, which recognizes pioneering corporate social responsibility, proven business integrity, and an unwavering focus on sustainability.

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: Not Achieved (9 of 12 areas above 90%)

We exceeded the ambitious goal of 90% compliance in 9 of 12 program elements and saw good progress in the SPARC initiative overall. In the three areas where we fell below 90%, we saw strong progress across the multi-tiered forced and bonded labor program, with 81% of deliverables completed, and 86%, or 154, of audits completed. 53% of our top 120 non-diverse suppliers reported their tier 2[2] diverse spending, improving 18% from 2018.

[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.

Supplier Report Card (SRC). We have a regular review and scoring process for our SRC to grade suppliers for product availability, cost, quality, sustainability (ethics, financial sustainability, supplier diversity, and environmental and human rights performance), technology, and customer satisfaction. These processes allow for executive-level dialog on past and future performance, and remind suppliers of our expectations.

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. In 2019, 48% of the combined RBA audits were follow-up or closure audits to verify whether the findings from a previous audit had been addressed. CSR 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 2019.

TOTAL AUDITS CONDUCTED

Type of Audit	2015	2016	2017	2018	2019
RBA VAP Audits	63	62	66	108	112
Intel RBA-Based Target Audits	26	61	52	54	42
Intel Quality Audits with Sustainability Element	24	34	52	59	53
Total Audits Conducted[1]	**113**	**157**	**170**	**221**	**207**

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 as new audit data becomes available.

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: Critical and high-risk suppliers[2] complete a questionnaire to determine a facility's potential gaps to the RBA Code. In 2019, we assessed 182 supplier facilities based on this risk assessment and past performance, a 33% decrease from 2018. We have reduced how often we assess established lower risk suppliers and commodities, and also launched a program to enable our more mature suppliers to begin to self-manage their programs and report to us. As part of our work toward our 2030 goals, in 2020, we will pilot a new self-assessment with additional suppliers that we have either never or not recently assessed. The suppliers involved in the new self-assessment will be required to provide evidence, and we expect we will gain a more accurate assessment of risk.

Audit: Higher risk suppliers must undergo either an on-site audit by qualified third-party auditors who uses 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] "Critical 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

2015	2016	2017	2018	2019
325	392	442	513	578

As our understanding of the risks in our supply chain grows and our business evolves, we continue to conduct 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." Supplier 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.

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 2019, 16 suppliers were on targeted action plans. By year end, all suppliers had published corrective action plans and made significant progress toward meeting commitment milestones. In 2020 we will remain engaged to ensure closure of the remaining action items.

Recognizing and Rewarding Performance

We provide regular feedback to suppliers on their overall progress and achievements, and integrate corporate responsibility considerations into our Supplier Continuous Quality Improvement (SCQI) Program. This program grants SCQI, Preferred Quality Supplier (PQS), and/or Supplier Achievement awards to suppliers that have demonstrated outstanding performance. In addition, we recognize suppliers for distinction in supplier diversity and manufacturing safety programs. For more information and a list of recently recognized suppliers, visit our SCQI award page and the Appendix of this report.

In presenting its 2019 Advancing Supply Chain Responsibility Award to Intel, Ethical Corporation cited Intel's "ground-breaking work on human rights in the supply chain particularly in tackling and abolishing recruitment fees," adding, "This work truly reflects a supply chain with sustainability at its core."

SUPPLIER HIGHLIGHT: COMMITMENT TO SUCCESS

Intel partners with suppliers that have the desire to advance on the responsible supply chain journey by using audits to discover issues and working to make improvements. Over a six-month period in 2019, a camera supplier based in China's Guangdong Province proactively worked with Intel to aggressively close numerous RBA audit findings. The work included the supplier's C-Suite sponsorship, focused site support, a strong corrective action plan, site visits, regular reviews, and setting up new management structures to ensure long-term effectiveness of solutions and successful closure audits. The effort was a great example of how a supplier's executives and senior managers can make a significant difference in the lives of their workers in a short amount of time.

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, including reaching over 160 suppliers at the tier 2 level. Our Statement on Combating Modern Slavery 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 $15 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 remedies and put systems in place to prevent such issues in the future.

FINDINGS THAT MAY TRIGGER FORCED AND BONDED LABOR RISKS

Findings	2015	2016	2017	2018	2019
Closed	23	126	39	41	7
In Process	–	–	12	6	31
Total	**23**	**126**	**51**	**47**	**38**

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

Many challenges exist in combating issues related to forced and bonded labor, including lack of full visibility into our multi-tier supply chain. To increase our reach and positive impact, we 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. This requirement has allowed us to reach approximately 135 suppliers at the tier 2 level. Thirteen of our suppliers have completed all deliverables and demonstrated changes to tier 2 supplier policies and procedures, stronger engagements with recruiting and labor agents, and the return of fees of over $500,000 to their foreign workers. Work to extend our engagement with tier 2 suppliers will continue in 2020.

Our efforts further exposed risks in Japan and Korea, where use of foreign intern programs occurs. Foreign interns often pay fees in their home countries to secure roles, attend training, and then travel to facilities. We are working with suppliers to have them return these fees to the foreign interns per the RBA Code, and have succeeded with our tier 1 suppliers, as well as eight tier 2 suppliers in these countries.

Because the construction industry has been identified as one of the highest sectors at risk for forced labor,[1] during 2019, we engaged with more than 25 construction subcontractors. We identified a number of issues that we have since resolved, including fees and passports returned; housing deficiencies corrected; and improved contracts, pay slips, and benefits.

Our ongoing assessments and efforts to reach deeper into the supply chain have positively impacted more than 38,000 workers in our extended supply chain. As a result of their improved practices, our suppliers report to us that they continue to realize benefits, 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 in addition to the positive social impacts.

Industry Collaboration

Collaboration is key to addressing broad, long-standing issues. Intel co-founded and serves on the steering committee of 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. In 2019, Intel also co-sponsored an in-depth workshop with suppliers and recruiting and labor agents in Asia. This workshop helped attendees identify and reduce the risk of forced labor in both their own operations and in their supply chains. Additional efforts included partnering to author and publish guidance on fee repayment and communication to suppliers on expectations around combating conditions of forced labor.

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

[1] Source: KnowTheChain: Forced Labor in the Construction Sector.

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 2019, we asked approximately 100 tier 1 suppliers that have higher environmental impacts to submit data on their own carbon and/or water footprints through the CDP Supply Chain Climate Change Questionnaire—22% more suppliers than we asked in 2018. All of the suppliers submitted the questionnaire, and 94% of them made their responses public, giving both Intel and other stakeholders 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 CDP Supply Chain Program member requesting the disclosure for 35% of the suppliers.

In 2019, Intel also asked suppliers who had been reporting for more than one year to set structured climate targets, and 96% did so. Using information provided in our suppliers' CDP Climate Change Questionnaire helps us ensure that we are focusing on the largest climate change impacts. We also sent the CDP water questionnaire to 46 suppliers that are located in water-stressed regions. We achieved a 100% response rate, with 93% of the 46 suppliers publicly sharing their responses.

As a result of our efforts, we were ranked in the top 3% of participating companies, attaining a Leadership (A) score in CDP's Supplier Engagement Rating for the third consecutive year.

Green Chemistry

Green chemistry involves designing chemical products and processes in ways that minimize the use and creation of hazardous materials. Intel set and completed a collaborative 2020 goal for our process chemical suppliers to implement "green" screening of all ingredients to ensure that the most benign materials are known and considered.

We continue to provide webinars and green chemistry screening criteria to help our suppliers advance progress in this area. In addition, we participate in the RBA's Chemical Management Workgroup 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 elimination of toxic chemical exposure 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: Achieved

In 2019, we scaled and expanded our early adopter green chemistry screening criteria and alternative assessment program to all high-volume manufacturing (HVM) chemical suppliers. Screening results are reviewed during our HVM chemical selection process. Looking ahead, we will work to calculate our baseline chemical footprint and develop index criteria, with the intent of targeted reduction in the future.

SUPPLIER HIGHLIGHT: COLLABORATION FOR SUCCESS

In August 2017, Intel supplier Fujifilm Group announced its Sustainable Value Plan 2030 (SVP 2030), which lays out the organization's strategies for sustainable growth and for making greater contributions toward creating a sustainable society. Fujifilm Electronic Materials (FFEM) has worked closely with the semiconductor industry to further SVP 2030 objectives. Since 2017, FFEM has proactively participated in Intel's green chemistry program, and incorporates the program's continuous improvement objectives into its annual business plans in Japan and the U.S. As part of SVP 2030, FFEM has also worked with its suppliers and customers to drive technical, health, and safety initiatives. In 2018 and 2019 the teams worked with the U.S. Environmental Protection Agency and universities to define criteria and testing requirements for approval and use of new components in the most advanced chemistry products needed for next-generation integrated-circuit devices. Through strong collaborations such as these, the entire electronics industry is successfully moving toward creating a fully responsible supply chain.

RESPONSIBLE MINERALS SOURCING

Like many companies in the electronics industry, Intel and our suppliers use minerals in manufacturing. Over 10 years ago, Intel began work to responsibly source conflict minerals.[1] We are proud of the significant progress we have made and the positive impacts our efforts have brought to people who live and work in the Democratic Republic of the Congo (DRC) and the surrounding region. Moving forward, our goal is to build upon our achievements and learnings in pursuit of responsibly sourcing all minerals used in Intel products. We continue to expand our approach by assessing and performing due diligence on salient risks across a broad range of minerals and geographies.

Our Responsible Minerals program, mineral sourcing policy, and due diligence practices address minerals originating from conflict-affected and high-risk areas (CAHRAs[2]) and are aligned to the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (OECD Guidance). We believe that such methods should be adopted by the entire mineral supply chain and are working to share our learnings and insights with others in our industry.

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 tantalum, tin, tungsten, and gold (3TG) 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 mineral 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 mineral sourcing standards.

Supporting In-Region Sourcing. We believe that the creation and support of responsibly sourced[3] minerals from CAHRAs improve the lives of the people in the regions. Our membership in and support of the Public-Private Alliance for Responsible Minerals Trade (PPA) enables responsibly sourced minerals from CAHRAs by helping to implement programs that are consistent with the OECD Guidance and supported RMI programs.

[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 (3TG), regardless of whether these minerals finance conflict in the Democratic Republic of the Congo (DRC) or adjoining countries.

In 2019, Intel joined a PPA delegation with non-governmental organizations and other technology companies to visit the DRC and neighboring Rwanda to witness current challenges and provide a customer voice to government and mining actors in the region. In addition, Intel supports the newly introduced RMI Upstream Due Diligence Fund—which offsets the costs for smelters and refiners to conduct mine-level risk assessments in CAHRAs—with the goal of encouraging continued responsible sourcing from the regions.

[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.

[3] "Responsibly sourced" refers to products from suppliers, supply chains, smelters, and refiners that, based on our due diligence, are in line with current global standards and respect human rights in every aspect of their practice.

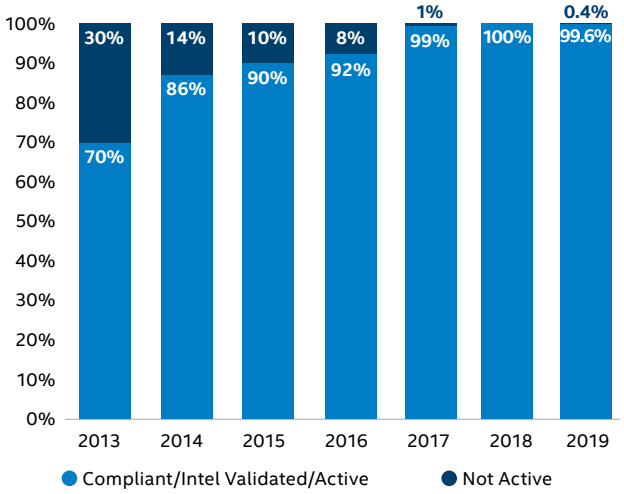
Results of our Due Diligence Program

3TG Progress. Through our annual supply chain survey process, which includes the Mobileye supply chain, our suppliers have identified 227 smelter and refiner facilities that may process the 3TG contained in products provided to us. Of those smelters and refiners, 226, or 99.6%, participate in an independent third-party assurance program. Approximately 96% of our relevant suppliers use only smelters and refiners whose products are responsibly sourced.

Cobalt. Intel continues to evaluate and expand upon the framework of our due diligence programs as material use and risk profiles emerge. We use cobalt in Intel's next-generation microprocessor manufacturing technology and have therefore taken steps to pursue its responsible sourcing. Since 2017, we have surveyed our direct suppliers that provide materials contributing cobalt to Intel's manufactured products, with a 100% response rate. Intel conducted risk mitigation in its supply chain, including smelter outreach and country of origin assessments, as well as working with direct suppliers to facilitate alternative sourcing where appropriate. In 2019, we expanded the survey process to include suppliers of product components in addition to manufactured products.

Intel collaborated with RMI to establish industry standards, including the Cobalt Reporting Template (CRT) and the third-party RMAP program. We are focused on outreach to the cobalt smelters and refiners in our supply chain to encourage RMI and RMAP participation. These efforts further our pursuit to ensure that cobalt in Intel's manufactured products and related components is responsibly sourced.

3TG SMELTERS AND REFINERS COMPLIANCE SUMMARY

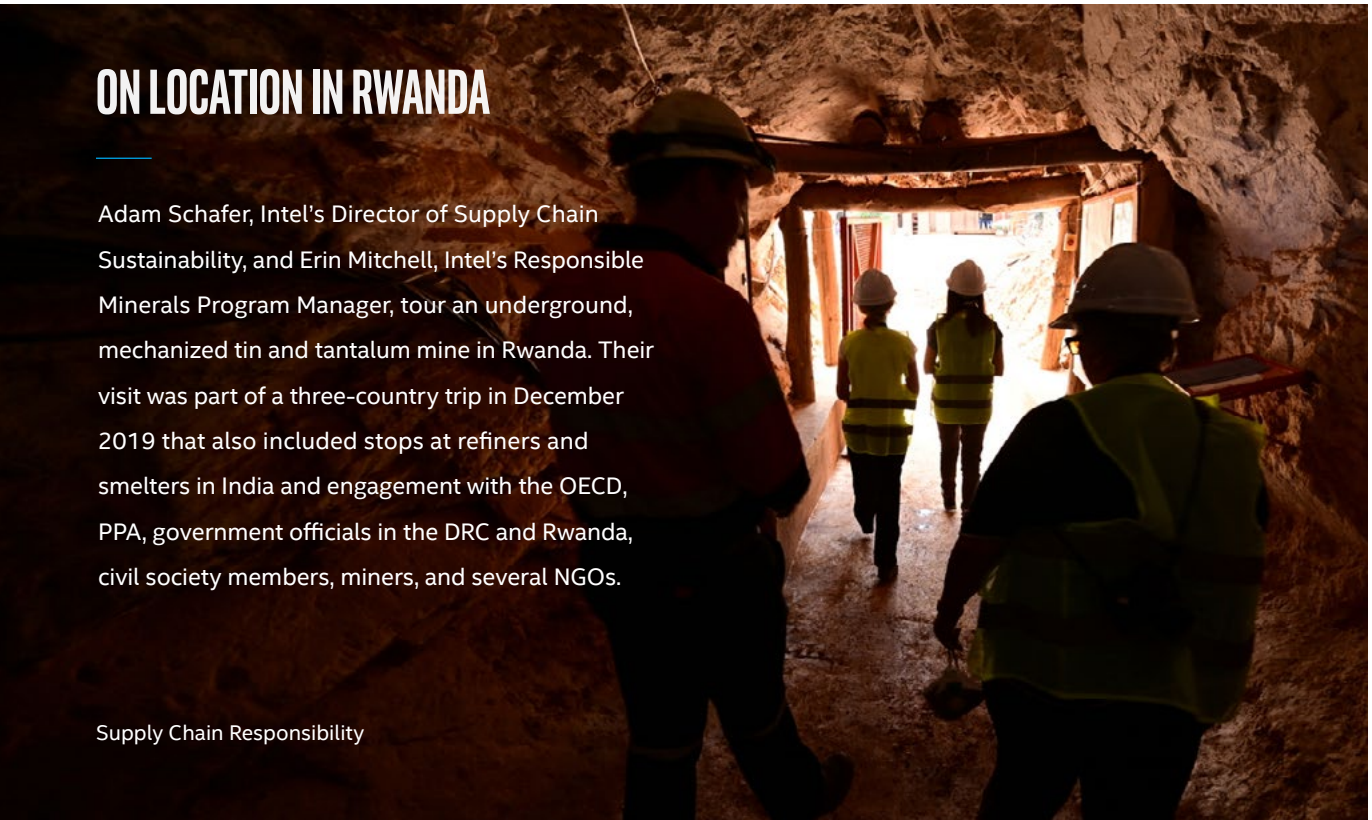


As we continue to work with our suppliers to drive responsible mineral sourcing, the requirements for compliance and due diligence have expanded to include minerals sourced not only in the DRC and adjoining countries, but all CAHRAs. As a result, some of our previously compliant smelters became non-compliant in 2019. We are working with these smelters to meet the new compliance standards.

Our annual conflict minerals disclosure filed with the U.S. Securities and Exchange Commission contains additional information regarding our 3TG and cobalt due diligence practices, and is available on our Responsible Minerals website.

Pursuit of Responsible Mineral 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 well as our industry as our business and the world landscape continues to evolve. More information is available on our Responsible Minerals website.



ON LOCATION IN RWANDA

Adam Schafer, Intel's Director of Supply Chain Sustainability, and Erin Mitchell, Intel's Responsible Minerals Program Manager, tour an underground, mechanized tin and tantalum mine in Rwanda. Their visit was part of a three-country trip in December 2019 that also included stops at refiners and smelters in India and engagement with the OECD, PPA, government officials in the DRC and Rwanda, civil society members, miners, and several NGOs.

DIVERSITY AND INCLUSION

Diversity and inclusion are core to Intel's values and instrumental in driving innovation and delivering stronger business growth. We have a responsibility to continue to be transparent about our progress and our challenges, so we can partner with our customers and ecosystem to find better solutions together. We are proud of what we have accomplished to advance diversity in our workforce, but we still have work to do, including beyond the walls of Intel. We have a comprehensive strategy that includes partnering 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.

100% GLOBAL GENDER PAY EQUITY

We closed the gap in average pay between employees of different genders in the same or similar roles after accounting for legitimate business factors that can explain differences, and we also continued to advance transparency on our pay and representation data.

$1B ANNUAL SPENDING WITH DIVERSE-OWNED BUSINESSES

We achieved our 2020 goal to spend $1 billion annually with diverse-owned suppliers, including our goal to reach $200 million in spending on women-owned suppliers globally.

>20 RECOGNITIONS FOR DIVERSITY AND INCLUSION

We received multiple third-party recognitions in 2019 and early 2020, including a spot on the Bloomberg Gender-Equality Index and perfect scores on the Human Rights Campaign's Corporate Equality Index and the Disability Equality Index.

STRATEGY AND MANAGEMENT APPROACH

We have taken actions to deeply integrate diversity and inclusion expectations into our culture, performance management systems, leadership expectations, and annual bonus metrics. We achieved our 2020 goal of reaching full representation[1] of women and underrepresented minorities (URMs) in our U.S. workforce two years ahead of schedule. In January 2019, we also announced that we achieved 100% gender pay equity globally by closing the gap in average pay between employees of different genders in the same or similar roles (after accounting for legitimate business factors that can explain differences, such as performance, time at grade level, and tenure).[2]

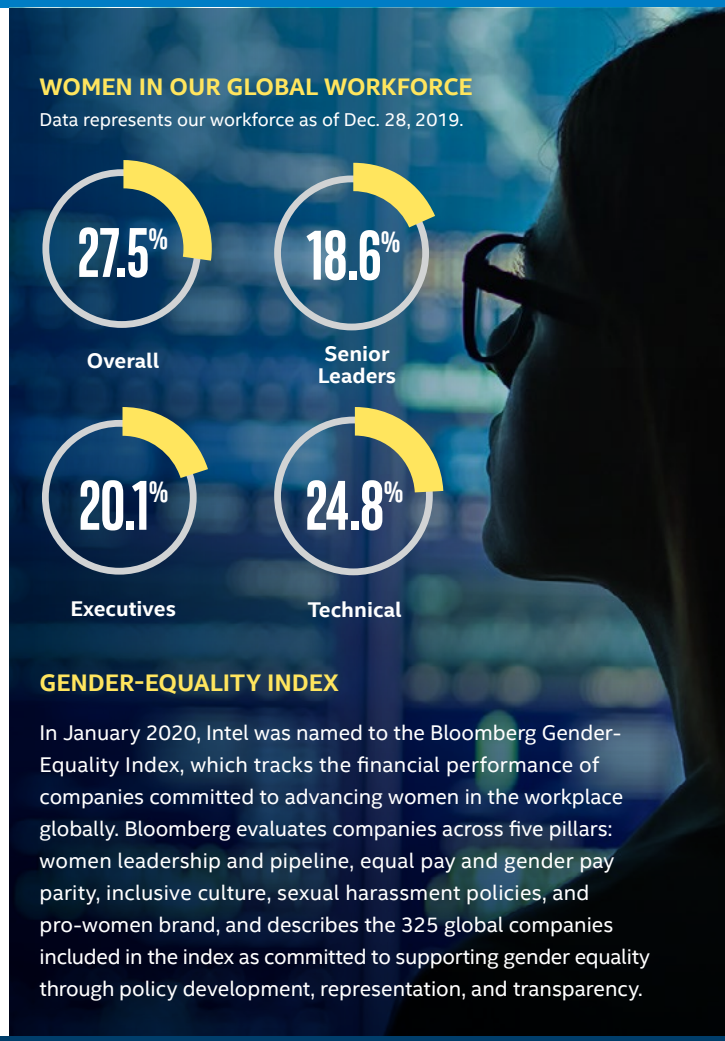
Our work in 2019 included continued support of six Historically Black Colleges and Universities (HBCUs), creation of a new pipeline program with the American Indian Science and Engineering Society, launch of an accessibility overview course for employees, and expansion of our supplier diversity and inclusion program. We also continued to advance transparency in our pay and representation by publicly releasing our 2017 and 2018 EEO-1 survey pay data mandated by the U.S. Equal Employment Opportunity Commission, becoming the first company to publicly release this information. See our most recent diversity report for more details about our work and progress toward global inclusion at Intel.

Looking ahead, we will continue our work to increase the number of women and underrepresented minorities in senior leadership roles and ensure that inclusive leadership practices are further embedded into our culture. We are also taking steps to drive full inclusion and accessibility across the technology industry, and expand the pipeline of talent for our industry through innovative global education initiatives and science, technology, engineering, and math (STEM) programs for girls and underrepresented minorities.

Finally, we remain committed to further advancing inclusion and accessibility for the millions of people in our communities who currently do not have the technology skills or access to the resources needed to participate in our digital economy.

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

[2] On average, women make $1 for every $1 men make. On average, URM employees in the U.S. make $1 for every $1 non-URM employees make.



WOMEN IN OUR GLOBAL WORKFORCE

Data represents our workforce as of Dec. 28, 2019.

GENDER-EQUALITY INDEX

In January 2020, Intel was named to the Bloomberg Gender-Equality Index, which tracks the financial performance of companies committed to advancing women in the workplace globally. Bloomberg evaluates companies across five pillars: women leadership and pipeline, equal pay and gender pay parity, inclusive culture, sexual harassment policies, and pro-women brand, and describes the 325 global companies included in the index as committed to supporting gender equality through policy development, representation, and transparency.

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 – 2019.

	FEMALE	URM[3]	HISPANIC	AFRICAN AMERICAN	NATIVE AMERICAN
REPRESENTATION	26.4%	15.8%	10.1%	4.9%	0.8%
GROWTH	↑6.9%	↑27.4%	↑21.6%	↑40.0%	↑60.0%

[3] We define URM to include our Hispanic, African American, and Native American employees.

INCLUSIVE WORKFORCE

Inclusion at Intel means instilling a culture where employees can bring their full experiences and authentic selves to work while unleashing their creativity, driving business results, and enjoying rewarding careers. Our goal is to ensure that our company culture welcomes all perspectives. An inclusive environment is critical for retaining and progressing our talent, and we must continue to improve our environment to fully embrace others.

Fostering Inclusion

The global Inclusion@Intel program provides a source of community for employees and empowers them to drive inclusive practices into their everyday working environment. This unique platform provides highlights on inclusive leaders, inclusion training, sharing of best practices, videos, podcasts, and scenario cards that can be used to encourage critical conversations.

Our Inclusive Leaders program is designed to equip managers to play leadership roles in growing Intel's inclusive culture. The program fosters leadership skills needed to build diverse and inclusive, high-performing teams.

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

Building Communities

We offer more than 30 Employee Resource Groups and seven leadership councils that connect over 22,000 employees. 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 people feel included in deep and wide-ranging networks.

Accessibility

We are committed to supporting and empowering job applicants and employees with disabilities and access needs, and embrace the use of science and technology to eliminate barriers. In 2019, we launched our Digital Accessibility Overview training course for employees, which focuses on digital accessibility and the importance of designing, building, and testing systems to meet the needs of our customers and employees, conform to Intel's standards and guidelines, and comply with digital accessibility laws. Digital accessibility means designing software, hardware, and services so that a wide range of users—including people with visual, auditory, motor, or cognitive disabilities—are able to navigate and understand digital content on websites, mobile applications, and electronic devices.

Our Intel Corporate Accessibility Policy outlines our commitment to a culture of accessibility. In addition, Intel technology teams are working on accessibility solutions. One group, for example, is working on ethnographic research and assistive technology solutions for Intel employees, and another is utilizing 3D data sets of American Sign Language for machine learning that can be used for real-time "speech to text."

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
- Baha'i Intel Network
- EXTEND Community
- Intel Bangladesh Association
- Intel Bible-based Christian Network
- Intel Chinese Employee Network
- Intel Disability and Accessibility 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 Latinx Network
- Intel Muslim Employee Group
- Intel Native American Network
- Intel Nepalese Group
- Intel Pakistani Employee Group
- Intel Parents Network
- Intel Russian-Speaking Employee Group
- Intel Sikh Employee Group
- Intel Taiwan Network
- Intel Vietnamese Group
- Network of Intel African Ancestry
- Next(gen) Professionals Network
- Pacific Islanders of Intel
- Turkish Employee Network at Intel
- Women at Intel Network

Our Workforce and Culture: Retention

Since its launch in 2016, Intel's confidential employee service, the Warmline, has provided employees with support to work through personal and professional roadblocks and explore different options before they consider leaving the company. Employees reach out to the Warmline to discuss a variety of concerns, from relationship problems with their manager to feeling stuck in their current position. Warmline advisors listen, provide resources such as communication strategies, and assist employees on their path to desired opportunities within the company.

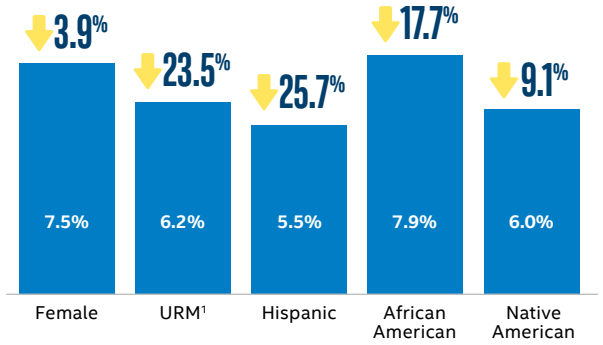
The Warmline provides a robust data set to help us identify patterns, locate problem areas, and address issues proactively and systemically. In 2019, we expanded the Warmline service from the U.S. to Costa Rica, Mexico, and Israel, and are now focused on extending real-time Warmline support and guidance at scale for our global workforce.

Leadership Councils

Our Leadership Councils, composed of over 200 Intel leaders, help guide and mentor members of the Employee Resource Groups, and also lead efforts in retention, recruiting, and professional development. The Intel Disability Leadership Council, Veteran Leadership Council, Black Leadership Council, Latinx Leadership Council, Native American and Pacific Islander Leadership Council, Network of Executive Women, and Out and Ally Leadership Council host sponsorship programs to help advance leaders within their respective communities. Council members include the senior-most employees and allies to support each other and their communities, and drive better business results. Their overall mission is to promote the progression and growth of diverse employees and foster an inclusive culture where all employees can thrive professionally.

[1] We define URM to include our Hispanic, African American, and Native American employees.

EXIT RATE



Our employee exit rate has decreased since 2015 in all categories.

Leadership Progression

Fellows represent the highest level of technical leadership at Intel and participate in strategic planning, decision-making, and research and development activities and their application to our technological initiatives. In January 2020, Intel named three women to the rank of Fellow, increasing the total number of women Fellows to 13%, up from 1.4% in 2015.

At the same time, we continue to make progress to improve the diversity among our vice presidents. Of our recently appointed vice presidents in the U.S., 21.4% 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, 18.6% of Intel senior managers globally are women.

"The Warmline is about creating a safe place where the employee feels heard and valued. We seek to understand the person's needs and wants, and we partner with them to create a path forward."

—**TOM LEEGSTRA**, Intel Warmline Case Manager

FOCUS ON LGBT+ INCLUSION

In 2019, we transformed our strategy to focus on role modeling an inclusive work environment that recognizes LGBT+ employee value, provides competitive benefits, fosters a sense of belonging, and promotes growth and opportunities globally. Based on our efforts, we doubled our engagement numbers and expanded IGLOBE, our LGBT+ employee resource group, to 13 chapters globally. We continue to work with the LGBT+ community to provide opportunities for employees to connect to Intel leadership and engage with industry partners.

Since 2002, the Human Rights Campaign (HRC) has listed Intel on its Corporate Equality Index (CEI), and has given the company the top CEI score of 100 in 15 of those years. The CEI recognizes employers that take concrete steps to ensure greater equality for LGBT+ workers and their families in the form of comprehensive policies, benefits, and practices. Our scores demonstrate our commitment to fostering an inclusive environment and supporting LGBT+ employees throughout their experience at Intel. In 2020, Intel Guadalajara also earned 100 points and received HRC Equidad MX Certification, awarded to companies in Mexico committed to providing LGBT+ inclusion in the workplace.

IGLOBE, together with the Out and Ally Leadership Council and Intel's Global Diversity and Inclusion team, hosted multiple activities to advance inclusion in 2019, including Pride celebrations. In 2020, IGLOBE will celebrate its 25th anniversary.

SUPPLIER DIVERSITY AND INCLUSION

Intel continues its commitment to diversity beyond work-force hiring and retention by supporting 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.

GOAL

DIVERSE SPENDING

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

Our Progress: Achieved

We met our commitment to reach more than $1 billion in annual spending with tier 1 and tier 2 certified[1] diverse suppliers. We also exceeded our goal to spend $200 million with women-owned businesses globally, reaching $279 million by the end of 2019.

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

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. In 2019, 53% of our top 120 non-diverse suppliers reported their tier 2[2] diverse spending, an 18% increase from 2018.

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

Driving Global Diversity and Inclusion

Over the past decade, we have partnered with other companies, NGOs, and governments to create opportunities for diverse suppliers, including hosting supplier workshops and collaborating on country-level certification standards. This work has included our partnership with NGOs and certifying bodies, such as WeConnect International, a global network that connects women-owned businesses to qualified buyers around the world. Examples of initiatives include:

- Intel drove the new Women Business Enterprise Certification in Japan in partnership with WEConnect International, Accenture, and Johnson & Johnson.
- Recently in Taiwan, Intel launched new supplier diversity certification efforts that have resulted in over $15M in certified diverse spends.
- In Israel, Intel sponsored the first minority-owned suppliers to be certified by Jasmine, a nonprofit that promotes women's economic development across Israel. Those suppliers were the first-ever minority-owned businesses to be certified in Israel. Spends with diverse-owned companies in this country have exceeded $90 million.

Learn more about Intel's efforts to create opportunities for diverse-owned businesses around the world to thrive.

24 TOTAL COUNTRIES

Intel's Supplier Diversity and Inclusion program grew to 24 countries in 2019, and we continue our efforts working with NGOs to identify and certify potential suppliers.

INCREASING DIVERSITY IN THE LEGAL PROFESSION

In 2004, Intel joined more than 100 other corporations to call for concrete action to promote diversity in the legal profession, in support of our belief that our interests are best served by legal representation that reflects the diversity of our employees, customers, and the communities where we do business. Many corporations and law firms have made progress since then, and we believe that Intel's outside counsel roster is among the most diverse in the U.S.

However, progress has been slow for the legal profession overall. In an effort to accelerate progress, we adopted in 2019 what we call the Intel Rule: Beginning January 1, 2021, Intel will not retain or use outside law firms in the U.S. that are average or below average on diversity. Firms will be eligible to do legal work for Intel only if at least 21% of the firm's U.S. equity partners are women and at least 10% of the firm's U.S. equity partners are underrepresented minorities.[3]

Over time, we will increase our required percentages so that Intel is always using firms that are at the forefront of the legal profession's progress on diversity. We will also work to develop the data necessary to apply our diversity criteria to firms worldwide. Read more.

[3] For this purpose, we define equity partners to include those whose race is other than full white/Caucasian, and partners who have identified as LGBT+, disabled, or veterans.

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.

Driving Innovation Through Diversity

In June 2015, Intel Capital announced the venture industry's largest-ever commitment to invest in technology companies led by women and underrepresented minorities. Initially envisioned as a five-year, $125 million fund, the Intel Capital Diversity Initiative was expanded in October 2016 to also invest in start-ups led by entrepreneurs living with disabilities, U.S.-based entrepreneurs from the LGBT+ community, and U.S. military veterans. Through September 2019, Intel Capital has invested $381 million in companies led by diverse teams; such companies make up 15% of its active portfolio, up from 10% in 2018.

Oakland students share how the Intel partnership helped inspire them to pursue careers in STEM.

At the 2019 Intel Capital Global Summit, Intel Capital announced a new a sponsorship of HBCUvc, a nonprofit that trains students at historically black colleges and universities (HBCUs) and Hispanic-serving Institutions about venture capital and technology entrepreneurship. HBCUvc provides students with skills training, mentorship, and the chance to build professional relationships with seasoned investors and entrepreneurs.

Investing in Pathways to the Tech Industry

Intel is a founding member of the Reboot Representation Tech Coalition, newly formed in 2018. The initiative, spearheaded by Melinda Gates' incubation company, Pivotal Ventures, aims to align existing philanthropic donations and increase funding to double the number of women of color graduating with computing degrees by 2025. The 12 members of the coalition have pledged more than $12 million to reach this goal.

In 2017, we launched a $4.5 million program with HBCUs aimed at increasing the number of African Americans who pursue electrical engineering, computer engineering, and computer science fields. Our partnerships with six HBCUs—Howard University, Florida A&M, Tuskegee, Morgan State, North Carolina A&T, and Prairie View A&M—are yielding results; for example, Howard University has seen an increase in enrollment in computer science of 55% and in computer engineering of 47%, and Prairie View has added courses in embedded systems, cyber-security, and AI.

Intel's $5 million, five-year partnership with the Oakland Unified School District in California demonstrates that with support and investment, schools can dramatically improve educational outcomes and encourage students to pursue further education and careers in STEM fields. Between 2015 and 2019, underrepresented minority students enrolled in computer science classes in the district increased 17x, and girls enrolled in computer science increased 33x. The partnership yielded a new engineering pathway program for students at McClymonds High school, including work-based learning, mentoring and internships, education and awareness for parents, and professional development support for teachers. In 2019, Intel redesigned the internship component of the program, combining six-week internships at Intel providing real-world experience working with engineers and college credit for coursework completed at a local community college.

INSPIRING NATIVE AMERICAN CODERS

Intel has partnered with the American Indian Science and Engineering Society (AISES), to expand computer science education and career readiness in schools in Arizona, California, and Oregon that serve Native American students. The Intel Next Generation of Native American Coders project features a two-semester course with culturally contextualized lessons, hands-on independent projects, mentorship, teacher training, equipment and supplies, and more. The aim of the initiative is to increase the number of Native American students in technology and engineering fields in academia and professionally.

Intel committed $1.32 million to the AISES "Growing the Legacy" scholarship program for the 2017–2021 school years to provide financial support for 40 Native American university students.

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 communities where we operate depends on an increasingly inclusive community of innovators prepared for the jobs of the future. We are collaborating with others to broaden access to opportunity, address global challenges and support community needs, and inspire the next generation of innovators.

17M VOLUNTEER HOURS

2020 marks the silver anniversary of Intel Involved, Intel's global corporate volunteer program. Since the program started in 1995, employees and retirees have logged over 17 million hours of service, including 1.2 million in 2019.

$1.25 M TO EMPOWER GIRLS

The Intel Foundation announced $1.25 million in grants to encourage U.S. middle school girls' interest in technology, engineering, and computer science through the Intel® She Will Connect initiative.

2020 GOODIE AWARD WINNER

Benevity, a global leader in CSR and employee engagement software, presented Intel with its 2020 BeCause "Goodie" Award in recognition of the specialized skills that our employees donate to nonprofits.

STRATEGY AND MANAGEMENT APPROACH

As a leading creator and driver of technology, Intel is well 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.

INTEL AI MAPPING FOR DISASTER RELIEF

Following a disaster, relief workers rely on maps to create response plans and deliver aid to people. In many parts of the world, maps are inaccurate or non-existent, making it difficult for relief organizations to estimate how many people need assistance and how to reach them. Learn how an Intel-Red Cross team has combined volunteer support, open source digital mapping, satellite imagery, and Intel AI to create detailed maps of bridges across Uganda, a previously poorly mapped country vulnerable to viral outbreaks and severe flooding.

WE AIM TO ACHIEVE LASTING SOCIAL IMPACT IN THREE MAIN WAYS

1 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. Through its matching programs, the Intel Foundation amplifies employee generosity and service.

2 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 and partnering with governments and educators on technology education initiatives.

3 Catalyzing Action

Intel and the Intel Foundation work to strengthen communities by investing in partnerships, inspiring others to take action, and leveraging the talent and skills of Intel employees. Intel also partners with our customers and other organizations to apply technology to address societal challenges—from improving the effectiveness of disaster relief, to analyzing deforestation, and counting Antarctic penguins.

EMPLOYEES CHANGING THE WORLD

In 2020, we celebrate the 25th anniversary of Intel Involved, our global corporate employee volunteer program. Since the program's launch in 1995, our employees have generously donated their skills, technology expertise, and more than 17 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, we identify and organize service projects for individuals and teams. Intel Involved is supported through the Intel Foundation's matching funds, and amplifies the impact of volunteerism by donating cash to eligible nonprofits and schools where Intel employees and U.S. retirees donate at least 20 hours of service in a year. Over the last 25 years, matching grants of over $113 million have positively impacted communities around the world.

Invested and Involved

2019 Volunteerism by the Numbers

39% Percentage of employees who volunteered

1.2M Number of hours

$30M Estimated in-kind value of volunteer hours[1]

$10M Total dollars matched by the Intel Foundation for Intel Involved volunteer hours[2]

[1] Based on the 2019 Value of Volunteer Time rate of $25.43 per hour published by Independent Sector.

[2] Volunteer payments made in 2019 are for 2018 hours. Payments are processed once the year closes.

[3] Based on Taproot's Pro Bono executive legal valuation rate of $250/hr.

The Intel Employee Service Corps (IESC), Intel's flagship skills-based volunteering program, harnesses the passion and expertise of Intel employees to provide critical, high-impact volunteering through technology in education, health, agriculture, and other fields. In 2019, IESC volunteers supported 10 projects in four countries, including Women in Science (WiSci) camps in Kosovo, Estonia, and the U.S.

In 2019, IESC volunteers from Intel's Data Center Group (DCG), traveled to Eswatini (formerly Swaziland) to build a computer lab at St. Anne's High School for Girls. The lab will open future opportunities for students and members of the local community who might otherwise not have access to technology. The volunteers also provided tech support at nearby Salesian High School for Boys, where another IESC team from DCG had built a computer lab in 2018.

> "Intel Employee Service Corps experience has been the defining moment of my 14+ year Intel career. The life-changing support and technology we provided to our clients made me proud to work for Intel."
>
> —**KIESHAWN LEWIS**, IESC Eswatani project lead volunteer

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 2019 our legal team donated over 1,800 hours, estimated to be valued at over $450,000.[3]

CELEBRATING BEING "IN" TO VOLUNTEER SINCE 1995

1995 Where It All Began
Intel Involved launches in the U.S., matching $5 for every hour volunteered at schools by employees.

1996 First Grant Awarded
Our first volunteer grants are awarded to 83 schools, sharing $73K in grants.

2000 Match Rate Doubles
Volunteer matching is doubled to $10 an hour. More than 15,000 employees volunteer.

2008 Intel Involved Goes Global
Employees worldwide are encouraged to participate and the program expands to include nonprofits.

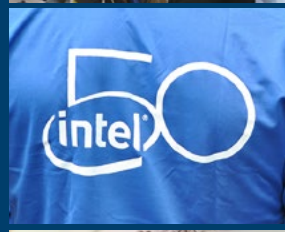
2008 1 Million Hours
Intel CEO Paul Otellini challenges employees to give back to their communities with 1 million hours of volunteer service. Intel employees volunteer 1.3M hours and generate $8.5M for 5,000 organizations.

2009 – 2016
1 Million Hours Sustained
Intel employees consistently show up for their communities, volunteering an average of 1.2M hours a year across 54 countries.

2018 50% for 50 Years of Intel
In celebration of Intel's 50th Anniversary, Intel Involved aims for 50% employee participation and delivers 59% (68,000 volunteers) and 1.5M hours.

2020 25 Years of Service
Intel Involved celebrates its 25th anniversary.

I'm in Intel Involved



GLOBAL VOLUNTEERISM, LOCAL IMPACT

Volunteer Heroes. Each year, the Global Intel Involved Hero Awards program recognizes Intel super volunteers. Finalists receive $2,500 grants from the Intel Foundation for the charitable organization or school of their choice. The overall winner receives an additional $7,500 grant for his or her designated organization and is recognized at Intel's Legends and Luminaries event celebrating the top employees' achievements each year.

This year's Intel Involved Global Hero of the Year recipient was Michele Huntzinger. In addition to her job as a project manager in Intel's Trademarks and Brands Group, Michele has served as the Executive Director of StandUp For Kids-Silicon Valley (SUFK) for over four years. She dedicates nearly 100 hours of her time each month to this role, overseeing more than 50 other volunteers and the operations of a drop-in center in San Jose, California that provides homeless youth a safe place to escape the dangers of the street and find support. She also works to ensure that the nonprofit has the capacity to deliver services now and in the future, and pays special attention to bringing meaningful resources directly to youth through a street outreach program and mentoring program.

Other finalists hailed from Ireland, Israel, Malaysia, Poland, the U.S., and Vietnam and delivered impact in a diverse range of ways, from empowering girls and creating technology training, to partnering on community recycling and serving in first responder programs.

Grants for Volunteerism

The Intel Foundation awards seed grants of up to $5,000 to support employee-initiated community service projects. Projects are selected based on their originality, potential impact, and expected outcomes. The following are examples of volunteer projects that received seed grants in 2019:

Hospice Renovations. In India, employees are repairing plumbing, installing tile, and adding storage solutions at a Bangalore center that provides support to terminally ill patients and their families. As a result, visitors and nurses will have much improved meeting and dining spaces.

Teaching Tech. Intel volunteers are teaching the basics of electronics and microcontroller programming to high school students in an underserved community in Minneapolis, Minnesota. A seed grant is funding the purchase of development boards and other electronic components for the project.

School for the Community. The primary school in Ráth Chairn County Meath in Ireland also serves as a community meeting space. Intel employees are painting the facility's stage and adding improvements such as a digital projector and screen, ventilation fan, and lighting.

Building Homes. Volunteers in Chengdu, China are providing labor, furniture, materials, and tools to help build homes that will house 32 people in an impoverished neighborhood.

SOCIAL INNOVATION LAB

Intel partnered with Arizona State University on a pilot program aimed at applying technology to solve social challenges. Some 40 Intel employees spent 10% of their time over a 12-week period working with ASU students and faculty, community partners, and local nonprofits to prototype solutions using Intel artificial intelligence and Internet of Things technologies. Projects included computer vision apps to make recycling easier, and drone technology for search and rescue operations and identification of invasive species.

REBUILDING COMMUNITIES

After Hurricane Maria devastated Puerto Rico in 2017, a team of 10 IESC volunteers from Intel's Sales and Marketing Group (SMG) traveled to Mayaguez, on the hard-hit western side of the island, to partner with Intel customer World Wide Technologies to set up 30 computer labs in underserved communities. Phase two of the project, scheduled for late 2020, calls for IESC volunteers to partner with another customer, CDW, to build 30 more computer labs with 1,000 computers in underserved communities near San Juan. The Intel Foundation matches employee contributions to assist communities around the world devastated by natural disasters. In 2019, donations for disaster relief by our employees, business units, and the Intel Foundation totaled nearly $650,000.

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. Our collaborations cross sectors, communities, and organizations, to enable individuals to become creators of technology.

Intel® Future Skills

Through a unique design-thinking curriculum and hands-on learning approach, the Intel® Future Skills program helps participants build technology, tenacity, and confidence. The curriculum, comprised of more than 20 customizable modules with more than 35 hours of content and activities, begins with character development, engaging empathy, and communication skills; encourages creative and locally relevant design and prototyping; and takes participants through a series of progressive skill-building challenges that require no prior technology or coding experience.

Intel Future Skills uses a train-the-trainer model to prepare cohorts of lead facilitators to build capacity at partner organizations and schools. In December 2019, we completed a pilot of the Intel Future Skills Training Academy in Oregon, which trained 30 Intel volunteers to deliver the program's curriculum.

In 2019, IESC volunteers traveled to Pearl, Mississippi, to lead Future Skills sessions to help prepare incarcerated women to re-enter society and gain employment. The team trained trainers and left behind a full set-up to enable upcoming cohorts of women to receive the training when they are close to release.

Computer Science for JROTC Cadets

More than 500,000 students at 3,400 high schools across the U.S. and other countries participate in Junior Reserve Officer's Training Corps (JROTC) programs administered by the U.S. military. Over half of JROTC cadets are minority students, and 40% are female. In 2018-19, only 32% of these cadets had access to Advanced Placement Computer Science coursework at their schools. Intel is a member of JROTC-CS, a private-public advisory consortium of industry and education organizations that aims to increase that number by bringing computer science and cyber education to JROTC programs. The JROTC computer science (JROTC-CS) initiative has the potential to bring AP computer science coursework to an additional 2.6 million students. Read more.

Intel® She Will Connect

We are committed to empowering girls and women through technology skills to expand economic opportunities and enable them to innovate in their communities. In 2019, we continued to expand the Intel She Will Connect initiative in the U.S. to encourage middle school girls' interest in science, technology, engineering, and computer science. To support this effort, the Intel Foundation announced $1.25 million in grants to organizations that offer after-school STEM programs, hands-on coding initiatives, and programs that expose girls to creative tech careers. Groups of Intel volunteers support the programs, which included a two-week technology camp for girls in San Diego, California followed by a series of career exploration trips to universities and tech companies, and an after-school program in Portland, Oregon aimed at increasing Latina girls' interest in and awareness of STEM subjects. Read more.

Intel® AI for Youth

Intel launched a comprehensive artificial intelligence (AI) readiness program, Intel® AI for Youth, in 2019. Driven in partnership with governments and academia worldwide, the program empowers youth to create their own social impact projects by enabling them to acquire technical skills in data science, computer vision, and coding, as well as teaching social skills focused on AI ethics and biases, and AI solutions-building. Participant projects have included a system to convert handwritten complaints by rural citizens to a digitized format that can be sent to government representatives, a project to predict depression among school children, a mini-robot to remind elderly people to take their medications, and an AI drone to search for missing people. The Intel AI for Youth program is currently available in India, Germany, Poland, Singapore, and South Korea.

We also launched a digital readiness program aimed at helping policy makers and government officials to connect, share, and learn a range of emerging technologies such as AI and 5G. This hands-on, immersive workshop focuses on using these technologies for improved governance, and includes discussions around multiple use cases in areas such as smart cities, healthcare, and transportation.

See how Intel® AI for Youth program is empowering young people with AI skills in inclusive ways.

LOCAL PARTNERSHIPS AND IMPACT

COSTA RICA. In early 2020, Intel and the Intel Foundation held a "train-the-trainer" workshop to help enable 40 community leaders and 20 Intel volunteers to proliferate digital skills training at Intelligent Community Centers in underserved areas across Costa Rica. Based on Intel Future Skills curriculum, the training covered communication, critical thinking, problem-solving, collaboration, leadership, project management, coding, and other essential technology skills. The goal is to turn the centers into cradles of innovation that provide Costa Ricans with opportunities to participate more fully in the Fourth Industrial Revolution.

OREGON. Intel continues a 17-year partnership with the Oregon Robotics and Tournament Outreach Program (ORTOP) by supporting the FIRST LEGO League (FLL), a robotics program engaging approximately 7,000 youth in fourth through eighth grades through hundreds of local robotics teams. Intel's support provides scholarships to girls, minority participants, and teams who meet financial need criteria. Intel also hosts the FLL Qualifying Tournaments annually. In 2019, Intel volunteers provided over 2,500 volunteer hours as judges, referees, and team coaches to support ORTOP programs.

ARIZONA. In collaboration with the local school district, Intel supports Project Lead the Way, a nonprofit that helps K-12 students acquire problem-solving, communication, collaboration, and critical thinking skills through computer science, engineering, and biomedical science. Examples of hands-on challenges that young participants have engaged in include designing robots to deliver supplies at a hospital, creating a video or podcast to teach others about concussions, and constructing a rescue method for a trapped zoo animal.

ISRAEL. Intel's Innovating Together initiative brings together Intel volunteers, residents, municipalities, and students to build tech experiences and transform urban spaces. Projects have included turning a pedestrian tunnel into a safe, fun space by creating an interactive tunnel game using augmented reality; installing digital storytelling displays throughout a neighborhood to give residents and visitors a virtual experience of local history; and transforming a neglected public park into an interactive meeting place with a digital Simon Says game. See the video.

INTEL FOUNDATION

For more than three decades, 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 disaster relief, and amplifying the investments of Intel employees across a broad spectrum of personal philanthropy and volunteerism.

The Foundation collaborates with nonprofit, public and private organizations, and schools to create and deploy global solutions by contributing thought leadership and financial resources to innovative programs that support underserved populations.

The Foundation's priorities include:

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

Matching employee's time and generosity: We connect employees' passions to philanthropy in the CSR ecosystem to take on global challenges and meet community needs through matching funds to schools and nonprofit organizations where our employees and U.S. retirees volunteer and make donations.

Responding to natural disasters: We match employees' donations to support communities when natural disasters strike and provide options for employees to make their donations count where and when they are needed most.

Recent Impact

Special Donation Matching for COVID-19

Intel Foundation programs include special matching opportunities for employee donations for disaster relief. In March 2020, the Foundation announced it would provide $4 million to support coronavirus relief, and would also match donations of Intel employees and U.S. retirees up to an additional $2 million. The funds will be distributed to community foundations and organizations that are focused on food security, shelter, medical equipment, and small-business support in communities around the world where Intel has a significant presence. This initiative complements the many other ways Intel is responding to the COVID-19 crisis. Read more in this report and on our website.

FOUNDATION AND CORPORATE GIVING
2019 Contributions (in millions)

	U.S.	International	Total
Corporate Cash	$29.1	$10.9	$40.0
Foundation			
Foundation Grants	$3.5	$6.4	$9.9
Donation Matching	$11.2	$2.3	$13.6
Volunteer Matching	$7.2	$2.8	$10.1
In-Kind Giving	$1.1	$0.5	$1.6
Total	$52.1	$23.0	$75.1

In 2019, charitable giving by Intel and the Intel Foundation totaled $75.1 million, and approximately $460 million over the past five years.

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 as an effective way to support communities while reinforcing our employees' generosity. In 2019, the Foundation donated $15.5 million through this program.

In addition, the Intel Involved program funded by the Intel Foundation extends the impact of volunteerism by donating $10 per volunteer hour to qualified nonprofits and schools where Intel employees and retirees donate at least 20 hours of service in a year. In 2019, the Foundation donated $10 million in volunteer matching grants.

Inspiring Young Innovators

At the world's largest pre-college science competition, held in Phoenix, Arizona in 2019, over 1,800 young innovators represented the best of millions of high school students who participated in affiliated science fairs around the world. Awards at the Intel International Science and Engineering Fair (Intel ISEF), a program of the 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 ended in 2019, and the millions of amazing young scientists and technologists who have participated in Intel ISEF.

In 2019, the Intel Foundation contributed to the first Women in Science (WiSci) Science, Technology, Engineering, Arts, and Math (STEAM) camp in the U.S. These camps aim to bridge inequity gaps through access to education, mentorship opportunities and leadership training. More than 50 middle school girls from diverse backgrounds came together in Bend, Oregon for a week of robotics, drones, coding, AI, leadership training, and friendship. IESC volunteers served as camp mentors, delivering the Intel Future Skills curriculum that is part of Intel's worldwide effort to encourage girls to pursue careers in technology-related fields. Since 2015, the WiSci STEAM camps—the result of private-public partnership between Intel, the U.S. Department of State, and the UN Girl Up campaign—have drawn more than 700 girls from over 20 countries. Watch the video.

APPENDIX

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 also use other recognized frameworks to inform the content of this report, including the Sustainability Accounting Standards Board Standards, the Task Force on Climate-Related Financial Disclosures framework, the UN Global Compact, and the UN Sustainable Development Goals.

We continue to integrate sustainability information into our investor communications, and additional information about Intel's operations and financial statements is available in our 2019 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 2019-2020 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 2019 (ended December 28, 2019). Our previous report was published in May 2019.

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, 2019 data is considered final based on information received by May 1, 2020, and provided that information reproduced or derived from our 2019 Annual Report on Form 10-K speaks as of January 23, 2020, the date we submitted our Form 10-K for filing.

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. In 2019, we established a company-wide certification to ISO 45001, an internationally recognized standard for environmental, health, and safety management systems, which requires independent third-party audits at our manufacturing sites. Five of our sites meet the ISO 50001 Energy Management System standard. Our operations in Ireland are covered by the European Union Emissions Trading Scheme.

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 2019-2020 Corporate Responsibility Report, we engaged Apex Companies LLC to complete the assurance review. Their report is included in this Appendix.

This 2019-2020 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 2019 Annual Report on Form 10-K, as updated by our Quarterly Report on Form 10-Q for the quarter ended March 28, 2020. 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 the "Non-GAAP Financial Measures" within "Management's Discussion and Analysis" in the 2019 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 2019, access the Report Builder website.

INDEPENDENT LIMITED ASSURANCE STATEMENT

To: The Stakeholders of Intel

Introduction and Objectives of Work

APEX Companies, LLC (Apex) 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 (Subject Matter).

This information and its presentation in Intel's 2019 Corporate Responsibility Report ('the Report') are the sole responsibility of the management of Intel. Apex was not involved in the drafting of the Report. Our sole responsibility was to provide independent assurance on the accuracy of the Subject Matter. This is the second year in which we have provided assurance over Intel's 2019 Corporate Responsibility Report.

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 2019 Corporate Responsibility Report ('the Report') for the period of calendar year 2019 (the 'Subject Matter'):

- Global Energy Use (Direct and Indirect)
- Global Greenhouse Gas Emissions (Scope 1, Scope 2 market-based and location-based, and Scope 3, Category 3 - Fuel and Energy Related Activities)
- Global Water Withdrawal (Freshwater and Reclaim Water)
- Global Water Withdrawal (Freshwater) restatement of 2018 data
- Number of Responsible Business Alliance (RBA) Validated Audit Program (VAP) supplier audits conducted
- Priority/Major Findings by Category for RBA VAP supplier audits
- Recordable Injury and Illness Rate
- Cumulative Trauma Disorder (CTD) Ratio (first aid:recordable cases)
- Percent of Underrepresented Minorities Employed (Hispanics, African American, Native Americans in U.S. only)
- Global Employee Turnover Rate

Our assurance does not extend to any other information included in the Report.

Reporting Boundaries

The following are the boundaries used by Intel for reporting sustainability data:

- Operational Control
- For GHG Emissions - all manufacturing sites and all non-manufacturing sites with air permits
- For Water and Energy - all manufacturing and technology development (TD) sites, non-manufacturing sites where Intel has operational control that have either >= 2,000 employees or < 2,000 employees that consume or generate an amount that is material to the global inventory.

*Material is defined by Intel as any site >= 1% of the global total for that metric/inventory

Note: Manufacturing sites include wafer fabs, assembly test (ATM), and mask operations

Reporting Criteria

The Subject Matter needs to be read and understood together with the description of the Subject Matter 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. The reporting criteria for other data is based on company criteria, as described in the CR Report.

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 2019 Report
- Activities outside the defined verification period of Calendar Year 2019

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 Subject Matter in the Report are the sole responsibility of the management of Intel.

Apex was not involved in the drafting of the Subject Matter or of the Reporting Criteria. Our responsibilities were to:

- obtain limited assurance about whether the Subject Matter 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 Apex's 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 Subject Matter;
2. Conducting interviews with relevant Intel personnel regarding data collection and reporting systems;
3. Reviewing the data collection and consolidation processes used to compile Subject Matter, including assessing assumptions made, and the data scope and reporting boundaries;
4. Reviewing documentary evidence provided by Intel;
5. Agreeing a selection of the Subject Matter to the corresponding source documentation;
6. Reviewing Intel systems for quantitative data aggregation and analysis; and
7. Assessing the disclosure and presentation of the Subject Matter 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 Subject Matter 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.

A summary of data within the scope of assurance for 2019 is attached.

Statement of Independence, Integrity and Competence

Apex is an independent professional services company that specializes in Health, Safety, Social and Environmental management services including assurance with over 30 years history in providing these services.

Apex has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day-to-day business activities.

No member of the assurance team has a business relationship with Intel, its Directors or Managers beyond that required of this assignment We have conducted this verification independently, and there has been no conflict of interest.

The assurance team has extensive experience in conducting assurance over environmental, social, ethical and health and safety information, systems and processes, has over 20 years combined experience in this field and an excellent understanding of Apex's standard methodology for the verification of greenhouse gas emissions data.

Lisa Barnes, Lead Verifier
Principal Consultant
Apex Companies, LLC
Lakewood, Colorado

John Rohde, Technical Reviewer
Practice Line Leader
Apex Companies, LLC
Lakewood, Colorado

April 17, 2020

SASB AND TCFD FRAMEWORK ALIGNMENT

Based on feedback gathered during our integrated investor outreach activities, we have aligned our disclosure with two additional frameworks: the Sustainability Accounting Standards Board Standards (SASB) and the Task Force on Climate-related Financial Disclosures (TCFD). Below is a mapping of how our latest disclosure aligns with these frameworks.

SASB. SASB has developed voluntary industry-specific disclosure standards for sustainability issues in order to facilitate communication by companies to investors of decision-useful information. Below, we have outlined how our existing disclosure aligns with the recommended metrics for the SASB Technology and Communications Sector – Semiconductor Standard.

Topic	Accounting Metric	Code	Intel Metric or Qualitative Disclosure	Disclosure Location
Greenhouse Gas Emissions	(1) Gross global Scope 1 emissions (2) amount of total emissions from perfluorinated compounds	TC-SC-110a.1	(1) 1.49 Million Metric Tonnes CO_2e (2) 0.77 Million Metric Tonnes CO_2e	2019-20 Corporate Responsibility Report, p 36 CDP Climate Change Survey
Greenhouse Gas Emissions	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	TC-SC-110a.2	We discuss our strategy and long history of goal setting and reductions. Through our actions we have achieved a 39% reduction in Scope 1 emissions on a per unit basis since 2010. We have also achieved a 31% absolute reduction of Scope 1 and 2 emissions since 2000, even as we expanded our manufacturing capacity significantly.	2019-20 Corporate Responsibility Report, p 36 2019 Annual Report on Form 10-K, p 14 2020 Proxy Statement, p 5, 8, 45 CDP Climate Change Survey
Energy Management in Manufacturing	(1) Total energy consumed, (2) percentage grid electricity, and (3) percentage renewable	TC-SC-130a.1	(1) 34.6 billion gigajoules energy consumed (2) 81% grid electricity (3) 71% renewable energy globally.	2019-20 Corporate Responsibility Report, p 35 and p 38
Water Management	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	TC-SC-140a.1	(1) 45.2 million m^3 withdrawn (2) 11 million m^3 consumed. See Appendix for detail on water metrics by location, including information on baseline waster stress by location.	2019-20 Corporate Responsibility Report, p 40 and p 76 2019 Annual Report on Form 10-K, p 14 2020 Proxy Statement, p 45
Waste Management	Amount of hazardous waste from manufacturing, percentage recycled	TC-SC-150a.1	(1) 124.7 thousand tons (2) 81% recycled and achieved zero hazardous waste to landfill.	2019-20 Corporate Responsibility Report, p 42 2019 Annual Report on Form 10-K, p 14 2020 Proxy Statement, p 45
Employee Health & Safety	Description of efforts to assess, monitor, and reduce exposure of employees to human health hazards	TC-SC-320a.1	We disclose our strategy for employee health, safety and wellness, including our company-wide certification to ISO 45001.	2019-20 Corporate Responsibility Report, p 24 2019 Annual Report on Form 10-K, p 13 2020 Proxy Statement, p 43
Employee Health & Safety	Total amount of monetary losses as a result of legal proceedings associated with employee health and safety violations	TC-SC-320a.2	$400 in 2019	2019-20 Corporate Responsibility Report, p 33

SASB and TCFD Framework Alignment, continued

Topic	Accounting Metric	Code	Intel Metric or Qualitative Disclosure	Disclosure Location
Recruiting & Managing A Global & Skilled Workforce	Percentage of employees that are: (1) foreign nationals and (2) located offshore	TC-SC-330a.1	We do not disclose the first metric as we do not believe a single percentage of foreign nationals is a useful metric for our business given our global business model, but we do disclose a breakdown of our workforce by region (49% of employees in the U.S. and 51% outside of the U.S.). We disclose additional human capital metrics that we believe are more effective for assessing this aspect of our performance, including diversity and inclusion, employee engagement, training and development, and responsible supply chain metrics.	2019-20 Corporate Responsibility Report, p 23 2019 Annual Report on Form 10-K, p 13
Product Lifecycle Management	Percentage of products by revenue that contain IEC 62474 declarable substances	TC-SC-410a.1	While we do disclose information on our strategy and approach to product ecology and supplier requirements for declarable substances, we do not believe a single percentage of revenue is an effective metric for evaluating risk and performance in this area.	2019-20 Corporate Responsibility Report, p 45 Material Declaration Data Sheet (MDDS) database website.
Product Lifecycle Management	Processor energy efficiency at a system-level for: (1) servers, (2) desktops, and (3) laptops	TC-SC-410a.2	We do not disclose single percentages for these product categories, given the wide range of products we produce in each category and the continued release of new products. We believe more decision-useful information is our disclosure regarding our overall strategy for product energy efficiency, supporting goals, industry collaborations, and public policy engagements.	2019-20 Corporate Responsibility Report, p 39
Materials Sourcing	Description of the management of risks associated with the use of critical materials	TC-SC-440a.1	We provide disclosure on our management approach to responsible minerals sourcing. With respect to rare earth elements, Intel has thoroughly reviewed product and supply chain impacts and determined that although certain regional supplies may fluctuate, Intel has sufficient existing supply, alternative sourcing, and/or low risk material availability within our manufacturing and supply chain. Intel has confirmed that access to rare earth mineral supplies represents a low risk to impact production or delivery of goods.	2019-20 Corporate Responsibility Report, p 53 SEC Conflict Minerals Filing Intel Statement on Rare Earth
IP Protection & Competitive Behavior	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	TC-SC-520a.1	Information on legal proceedings is disclosed in our Annual Report on Form 10-K and in our Quarterly Reports on Form 10-Q, available on our Investor Relations website.	2019 Annual Report on Form 10-K, p 107 Investor Relations website

SASB and TCFD Framework Alignment, continued

TCFD. TCFD has developed a voluntary framework for use by companies to provide information to investors, lenders, insurers, and other stakeholders on climate-related financial risk disclosure. Below, we have outlined how our existing reporting aligns with the recommended disclosure. We will continue to evaluate opportunities to evolve our disclosure moving forward based on discussions with our investors and stakeholders.

Disclosure Area	TCFD Recommended Disclosure	Intel Disclosure Description	Disclosure Location
Governance	Disclose the organization's governance around climate-related risks and disclosures.	Responsibility for oversight of CSR issues, including climate change, has been included in the Corporate Governance and Nominating Committee Charter since 2003. Intel follows an integrated approach to addressing climate change with multiple teams responsible for managing climate-related activities, initiatives, and policies, including manufacturing and operations, government and public affairs, supply chain, and product teams. Strategies, progress toward goals, and regulatory developments are reviewed with senior executives from these teams on a regular basis.	2019-20 Corporate Responsibility Report p 26 2020 Proxy Statement p 28 CDP Climate Change Survey
Strategy	Disclosure of the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.	We describe our climate-related risks and opportunities in our Corporate Responsibility Report (in the "Our Business" and "Climate and Energy" sections), the Intel Climate Change Policy Statement, and the risk-factors section of our Annual Report on Form 10-K. 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. For two decades, we have 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 31% on an absolute basis. To complement our existing processes and assessments, we evaluated and benchmarked existing climate-related scenario frameworks in 2019, began assessing company-specific scenarios and considerations in 2020, and expect to add the results to our disclosure in 2021.	2019-20 Corporate Responsibility Report p 35 2019 Annual Report on Form 10-K p 56 Intel Climate Change Policy CDP Climate Change Survey
Risk Management	Disclose how the organization identifies, assesses, and manages climate-related risks.	Our overall approach to risk management is described in our Proxy Statement and our risk factors are described in our Annual Report on Form 10-K. Additional detail on our proactive efforts to reduce our climate change impacts is included in our Corporate Responsibility Report, primarily in the Climate and Energy section as well as our CDP Climate Change Survey. This includes detail regarding our investments in green power, energy conservation, and product energy efficiency. For example, at the end of 2019, 71% of our global power and 100% of the power we used in our U.S. and European Union operations was green power. Since 2012, we have invested more than $200 million in energy conservation projects in our global operations, resulting in cumulative savings of more than 4.5 billion kWh and cost savings of more than $500 million. We also describe our proactive engagements with policymakers on climate and energy issues in our Corporate Responsibility Report and the Intel Climate Change Policy. We proactively engage with our stakeholders to understand impacts of both potential regulatory requirements and also changing expectations of stakeholders, including our investors, customers, and local communities.	2019-20 Corporate Responsibility Report p 26 and p 35 2019 Annual Report on Form 10-K p 56 2020 Proxy Statement p 29 Intel Climate Change Policy CDP Climate Change Survey
Metrics and Targets	Disclosure of the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	Our public climate-related metrics, goals and targets, as well as our Scope 1, 2, and 3 emissions data are included in our annual Corporate Responsibility Report and also reported through the CDP Climate Change Survey.	2019-20 Corporate Responsibility Report p 36 CDP Climate Change Survey

SUSTAINABLE DEVELOPMENT GOALS

The UN 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, including our new 2030 strategy and goals. We 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 have established new 2030 sustainability goals, and will continue 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 2019, 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.

Diversity and Inclusion

SDG 5: Achieve gender equality and empower women and girls

SDG 10: Reduce inequality within and among countries

To shape the future of technology, we believe we must be representative of that future. In January 2019, we announced that we achieved gender pay equity globally by closing the gap in average pay between employees of different genders in the same or similar roles (after accounting for legitimate business factors that can explain differences, such as performance, time at grade level, and tenure). This achievement was a direct result of a years-long evaluation of global gender pay equity. We also met our commitment to reach more than $1 billion in annual spending with tier 1 and tier 2 certified[1] diverse suppliers, and collaborate with others to encourage more women and underrepresented minorities to enter and succeed in technology careers.

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

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.

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.

NON-GAAP FINANCIAL MEASURES

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

YEARS ENDED (In Millions, Except per Share Amounts)	Dec. 29, 2019	Dec. 29, 2018	Dec. 30, 2017
Operating Income	$22,035	$23,316	$18,050
Acquisition-related adjustments	1,324	1,305	1,257
Restructuring and other charges	393	(72)	384
Non-GAAP Operating Income	**$23,752**	**$24,549**	**$19,691**

Earnings per Share – Diluted	$4.71	$4.48	$1.99
Acquisition-related adjustments	0.29	0.28	0.25
Restructuring and other charges	0.09	(0.02)	0.08
(Gains) losses from divestiture	(0.16)	(0.11)	(0.08)
Ongoing mark-to-market on marketable equity securities	(0.06)	0.03	–
Tax Reform	–	(0.06)	1.13
Income tax effect	–	(0.02)	0.09
Non-GAAP Earnings per Share – Diluted	**$4.87**	**$4.58**	**$3.46**

YEARS ENDED (In Millions)	Dec. 28, 2019	Dec. 29, 2018	Dec. 30, 2017	Dec. 31, 2016	Dec. 26, 2015
Net cash provided by operating activities	$33,145	$29,432	$22,110	$21,808	$19,018
Additions to property, plant, and equipment	(16,213)	(15,181)	(11,778)	(9,625)	(7,326)
Free cash flow	$16,932	$14,251	$10,332	$12,183	$11,692
Net cash used for investing activities	($14,405)	($11,239)	($15,762)	($25,817)	($8,183)
Net cash provided by (used for) financing activities	($17,565)	($18,607)	($8,475)	($5,739)	$1,912

INTEL 2019 WATER INVENTORY BY LOCATION AND SOURCE

The following table details our water use, discharge, consumption, and conservation by source and destination for Intel sites around the world. Our fresh water withdrawals totaled 12.6 billion gallons (47.5 megaliters) in 2019. Approximately 80% 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 or to recharge surface or groundwater sources. 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 Apex Companies LLC (see the "Independent Limited Assurance Statement" in this Appendix).

Reported in Megaliters per Year

		Water Withdrawals by Source (Total water usage) – Megaliters per Year													
		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 (On-site well)	Total Fresh Water Withdrawals (All sources)	Total Water Withdrawals (All sources)	Water Discharged[3]	Water Consumption	Water Conserved	Water Source	Discharge Destination (Of municipality)	River Basin
China	Chengdu[5]	890	–	–	–	–	–	**890**	**890**	332	558	–	Surface	Surface	Yangtze River
	Dalian	9,971	–	–	–	–	–	**9,971**	**9,971**	9,125	846	2,656	Surface	Sea	Pearl River
	Shanghai – Zizhu	89		–	–	0.4	–	**89**	**89**	69	20	4	Surface, Ground	Surface	Yangtze River
Costa Rica	San Jose	–	152	–	–	0.1	–	**152**	**152**	81	71	3	Ground	Surface	San Juan River
India	Bangalore: Airport Road[4]	13	–	–	–	0.001	–	**13**	**13**	0	13	10	Surface	N/A (Zero discharge)	Arkavathi and Cauvery Rivers
	Bangalore: Sarjapur[4]	145	–	–	–	11	–	**156**	**156**	0	156	94			
Ireland	Leixlip	6,791	–	–	–	–	–	**6,791**	**6,791**	5,868	923	2,559	Surface	Surface	Shannon River
Israel	Haifa[4]	32		128	–	–	–	**32**	**160**	64	96	16	Sea (Primary); Surface & Ground (Secondary)	Sea (Primary); Third-Party Reuse (Secondary)	Mediterranean Sea (Coastal aquifer)
	Jerusalem[4]	6		24	–	–	–	**6**	**30**	22	7	–			
	Qiryat Gat[4]	821		3,286	–	–	–	**821**	**4,107**	2,240	1,867	1,753			
Malaysia	Kulim	772	–	–	–	–	–	**772**	**772**	141	630	142	Surface	Surface	Kedah River
	Penang	697	–	–	–	–	–	**697**	**697**	78	619	–			Pulua Pinang River
Poland	Gdansk	–	17	–	–	–	–	**17**	**17**	13	4	1	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 3.0.

[5] Site located in area experiencing high water stress, based on WRI's Aqueduct Water Risk Atlas 3.0.

Intel 2019 Water Inventory by Location and Source, continued

Reported in Megaliters per Year

Location[1]		Water Withdrawals by Source (total water usage) – Megaliters per Year								Water Discharged[3]	Water Consumption	Water Conserved	Water Source	Discharge Destination (of municipality)	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 (On-site well)								
United States	Arizona: Chandler[4]	1,385		–	–	–	–	**1,385**	**1,385**	717	667	531	Surface	Ground; Third Party	Colorado/ Salt River
	Arizona: Ocotillo[4]	10,108		–	3,618	–	–	**10,108**	**13,726**	12,111	1,614	1,913			
	California: Bowers - Santa Clara	199	–	–	–	–	–	**199**	**199**	129	70	24	Surface	Surface to Sea	Santa Clara River
	California: Folsom	364	–	–	–	–	–	**364**	**364**	143	221	–			
	California: Misson – Santa Clara	341	–	–	49	–	–	**341**	**390**	341	49	44			
	California: San Jose Innovation	46	–	–	–	–	–	**46**	**46**	35	12	–		Surface	Sacramento River
	New Mexico: Rio Rancho[4]	–	211	–	–	–	2,357	**2,568**	**2,568**	2,343	225	1,225	Ground	Surface	Bravo River
	Oregon: Aloha	990	–	–	–	–	–	**990**	**990**	689	302	–	Surface	Surface	Columbia River
	Oregon: Hawthorn Farm	73	–	–	–	–	–	**73**	**73**	55	18	–			
	Oregon: Jones Farm	549	–	–	–	–	–	**549**	**549**	412	137	–			
	Oregon: Ronler Acres	10,006	–	–	–	–	–	**10,006**	**10,006**	8,438	1,569	5,295			
	Texas: Austin	71	–	–	–	–	–	**71**	**71**	53	18	–	Surface	Surface	Colorado River
Vietnam	Ho Chi Minh City	439	–	–	–	–	–	**439**	**439**	122	316	207	Surface	Surface	Mekong River
Total		**45,178**		**3,438**	**3,667**	**12**	**2,357**	**47,546**	**54,651**	**43,621**	**11,028**	**16,477**			

[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 3.0.

2019 ENVIRONMENTAL, HEALTH, AND SAFETY VIOLATIONS

In 2019, officials made 145 visits (including audits and inspections) to Intel sites across the globe, including 49 health and safety agency inspections, 23 fire protection agency inspections, and 73 environmental agency inspections. Intel received one environmental Notice of Violation (NOV), five fire protection-related NOVs, and one health and safety-related NOV during the year. Details on NOVs and our subsequent corrective actions are provided in the table below.

Location	Violation	Fine	Intel's Corrective Action
Timisoara, Romania	Covers on electrical floor boxes were not secured. Transparent doors lacked signs to make them more visible. Health and safety booklets needed signatures and accident files needed modifications per legal provisions.	$400	Electrical floor boxes were secured, and will be checked periodically. Signage was added to doors. Signatures were added to the booklets, and a process was adopted to ensure completion in the future. Accident files were modified.
Ronler Acres, Hillsboro, OR	The pH at the site WATR outfall point of compliance (POC) dropped below pH 6.0 for 69 minutes, exceeding the permitted limit of 60 minutes per 24-hour period. Intel notified Clean Water Services of the exceedance.	$0	Intel implemented automatic chemical controls for pH dosing and auto-divert capabilities to avoid improper discharges, and updated troubleshooting procedures.
Santa Clara, CA	Exit signage was incorrect, and a service certification for a fire sprinkler/standpipe system was needed. Fire pipes showed corrosion, ceiling spaces were oversized, a seismic brace was missing, and an arm-over on fire piping lacked a hanger.	$0	Installed appropriate exit signage, and repaired aging fire sprinkler piping. Installed missing sheetrock in ceiling and added a hanger on the fire piping arm-over.
Chengdu, China	The government template was not being used in the fire on-duty record. The fire system dashboard was being recorded every shift instead of every two hours.	$0	The government template was put into use, and the frequency for recording the fire system dashboard was changed to every two hours.
Hawthorn Farm, Hillsboro, OR	A cafeteria exit sign needed replacing, storage rooms had items within 18 inches of a sprinkler, and ceiling tiles were damaged or missing.	$0	The exit sign was replaced, storage heights were reduced, and ceiling tiles were added or replaced.
Jones Farm, Hillsboro, OR	Sprinkler heads needed replacing, a stairwell door was difficult to open, TV station curtains lacked flame-treated documentation, and sprinklers lacked escutcheon rings. Emergency egress was blocked, flammable liquid cabinets and fire doors did not self-close and latch, and an intentionally blocked door was not properly marked. Kitchen storage cylinders were not secured properly, and a sprinkler wrench was missing. Fire blocking in wire chase, hardware on dock cages door, and ceiling tiles needed repair or replacement. The interior of a shielded area chamber lacked fire suppression, and more spare sprinkler heads were needed. An emergency exit sign was oriented incorrectly, privacy screens lacked non-combustible materials documentation, and a lab lacked sprinkler protection.	$0	Sprinkler heads and the stairwell door were replaced. Documentation was added to the curtains. Sprinkler escutcheon rings were added, and emergency egress was cleared. Flammable liquid cabinets and fire doors were repaired to self-close and latch. Signage was added to the blocked door. Cylinders were secured, and a sprinkler wrench was added. Fire blocking in the wire chase, dock cage door hardware, and ceiling tiles were repaired, installed, or replaced. The shielded area chamber, not in use, was padlocked. Spare sprinkler heads were added, the exit sign was repositioned, and documentation was added to the privacy screens. Sprinkler protection is being added in the lab.
Williams Gateway Airport, Mesa, AZ	A fire door/window and a foam suppression system were not functional. A sprinkler system needed maintenance, and fire alarm control panels batteries failed.	$0	The fire door/window was repaired, and full redesign and replacement of the foam suppression system is in progress. Sprinkler system maintenance and testing were performed and the fire alarm control panel batteries were replaced.

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 AND SERVICE SUPPLIERS BY SPENDS

These companies represented approximately 75% of Intel's total supply chain spends in 2019

Accenture	DHL Global Forwarding	JSR Corporation	Rinchem Company Inc.
Advanced Semiconductor Engineering[2]	DuPont	JX Nippon Mining and Metals Corporation	Samsung Electro-Mechanics Co., Ltd.
Advantest America Inc	EBARA Corporation[7]	KellyOCG	Samsung Semiconductor, Inc.
AEM Holdings LTD	Edwards Ltd	Keysight Technologies, Inc.	Schneider Electric Industries SAS[2]
AGC, Inc.	Elitegroup Computer Systems Co., LTD.	King Yuan Electronics Corp. (KYEC)[4]	SCREEN Semiconductor Solutions Co., Ltd.
Air Liquide	Entegris, Inc.	KLA	Securitas USA Inc.[1]
Air Products and Chemicals, Inc.	Essai Inc	KOKUSAI ELECTRIC CORPORATION[2,3]	Shin-Etsu Chemical Co. Ltd[2]
Altran Technologies	Exyte	Lam Research Corporation[2]	Shinko Electric Industries Co. LTD.
Amkor Technology, Inc.	Fabrinet	Lasertec Corporation[5]	Siemens Industry, Inc.
Applied Materials Inc.[2]	Federal Express	Linde	SiliconMotion
Arm Limited	FEI Company	Marvell Technology Group, Ltd.	Siltronic AG[2]
ASM International N.V.[2]	Flex Ltd.	Mentor Graphics Corporation	SIRVA Worldwide, Inc.
ASM Pacific Technology Limited	FormFactor, Inc.	Merck KGaA Darmstadt, Germany	SK Hynix Inc.
ASML[6]	FUJIFILM Electronic Materials	Micron Technology, Inc	Skanska USA Building Inc.[8]
AT&S[2]	GLOBALFOUNDRIES	Microsoft	SUMCO Corporation[2]
Avantor Performance Materials International, Inc.	GlobalWafers Co., LTD.	Mitac Holdings Corporation	Sundt Construction, Inc.
Azurewave Technologies	Harder Mechanical Contractors	Mitsubishi Gas Chemical Company Inc.[2]	Supermicro
Broadcom Inc.	Hensel Phelps	Moses Lake Industries	Synopsys Inc.
Cabot Microelectronics Corporation	Hitachi High-Technologies[2]	Murata Machinery Ltd.[2]	Taiwan Semiconductor Manufacturing Company Ltd[2]
Cadence Design Systems, Inc.	Honeywell Electronics MTLS	NetApp	Tokyo Electron Limited[1]
Cymer	HOYA Corp. USA	Nikon Corporation	Tokyo Ohka Kogyo Co. LTD[2]
Daifuku Co., LTD	IBIDEN Co., LTD.	Onto Innovation	Unimicron Technology Corporation
DB Schenker	JE Dunn Construction	Pegatron Corporation	United Microelectronics Corp
Delta Design	Jacobs Engineering Group, Inc.	Powertech Technology Inc.[4]	UTi Worldwide
Dentsu McGarry Bowen, LLC	JLL[8]	Quantum Global Technologies dba Quantum Clean	VWR, part of Avantor

[1] Suppliers that received a 2019 Supplier Continuous Quality Improvement (SCQI) award.

[2] Suppliers that received a 2019 Preferred Quality Supplier (PQS) award.

[3] Supplier additionally recognized for Distinguished Performance in Safety in 2019.

[4] Suppliers that received a 2019 Supplier Achievement (SAA) award for extraordinary results in availability.

[5] Supplier that received a 2019 Supplier Achievement (SAA) award for extraordinary results in innovation.

[6] Supplier that received a 2019 Supplier Achievement (SAA) award for extraordinary results in technology.

[7] Supplier that received a 2019 Supplier Achievement (SAA) award for extraordinary results in sustainability.

[8] Supplier that received a 2019 Supplier Achievement (SAA) award for extraordinary results in supplier diversity.

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