2013 Corporate Responsibility Report

At Intel, innovation isn't simply something we pursue; it's who we are. Intel's vision is to create and extend computing technology to connect and enrich the life of every person on Earth.

In this report, we discuss our corporate responsibility performance during 2013, and the actions we are taking to care for our people, care for the planet, and inspire the next generation. Below are a few key highlights:

We achieved our goal to manufacture microprocessors that are "conflict-free." Intel was one of the first companies to set public goals related to "conflict minerals."

To engage our employees in achieving our environmental goals, we linked a portion of their compensation to sustainability metrics and provided funding for their projects through our Sustainability in Action Grant Program.

We empowered our employees to give back to their communities through the Intel Involved program, resulting in 1.2 million hours of service worth an estimated $28 million.

We achieved world-class safety performance of two times better than the U.S. semiconductor industry average and were once again named to Fortune magazine's "100 Best Places to Work For" list.

Intel remained the largest voluntary purchaser of green power in the U.S., according to the U.S. Environmental Protection Agency, and earned the U.S. Green Building Council's Ray Anderson Radical Industrialism Award.

To help close gender gaps in education and technology, we launched the Intel® She Will Connect training and networking program aimed at bringing millions of women online.

We launched the Program to Accelerate Supplier Sustainability, designed to further improve supplier corporate responsibility through more stringent requirements related to compliance, performance, and transparency.

To advance our strategy to transform education and innovation, we announced that we will donate 50,000 Intel® Galileo development boards—designed for the "maker" and education communities—to 1,000 universities.

About This Report

We prepared this report using the Global Reporting Initiative* (GRI) Sustainability Reporting Guidelines, and self-declare the report to be prepared "in accordance" with the G4 guidelines at the comprehensive level. A GRI Content Index is provided in the Appendix, along with information about the report's scope and approach to assurance.

We continue to integrate sustainability information into our Annual Report and 10-K and other investor communications. The Our Business and Integrated Value Approach section of this report covers content recommended by the International Integrated Reporting Committee for inclusion in "integrated reports," and can be downloaded as a standalone document or read as an interactive part of the full 2013 Corporate Responsibility Report. Please refer to the box at right for more information about navigating and customizing the report.

Additional information about Intel's operations and financial statements is available in our 2013 Annual Report and Form 10-K.

Past performance does not guarantee future results. This Corporate Responsibility Report contains forward-looking statements, and actual results could differ materially. Risk factors that could affect Intel's results are included in Intel's filings with the Securities and Exchange Commission, including our most recent reports on Form 10-Q and Form 10-K and earnings release.

How to Use This Document

We created this report in Portable Document Format (PDF) to facilitate searching and customizing it, and have also optimized the design format for viewing it on tablets. Readers can create customized reports and download individual sections and supplemental materials through our Report Builder web site.

For best viewing results on a PC, we recommend using Adobe Acrobat* Version 7.0 or above and QuickTime*. For best viewing results on a tablet, we recommend using Adobe Acrobat Version X or above and QuickTime. For best printing results, use legal-size paper.

This icon indicates interactive content in the report. Click (or tap touch-enabled devices) the icon to access the interactive content or to view additional information.

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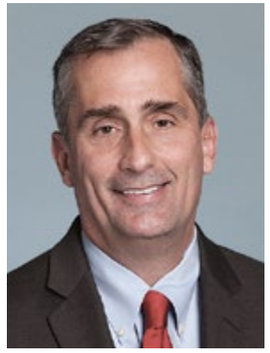
Click or tap this link to return to the page you last viewed.

Note: References to "Intel" throughout this document pertain to Intel Corporation. Intel Foundation is a separate entity.

Letter From Our CEO



From ultra-mobile and wearable devices to cloud computing and security, the technology universe is changing dramatically. During this unprecedented industry transformation, we remain as committed to leadership in corporate responsibility as we do to innovation in our products and technologies. We believe that corporate responsibility creates value for our company, our stockholders, and society.

At Intel, our focus is on taking action and achieving results. I am especially proud of our leadership in the area of "conflict minerals." We have worked for five years to ensure that our products do not contain tantalum, tin, tungsten, or gold derived from sources that benefit armed groups in the Democratic Republic of the Congo (DRC) or adjoining countries—making sure that we are still able to source responsibly from the region. In 2013, we accomplished our goal to manufacture "conflict-free" microprocessors. While this is a significant milestone, we will continue our work to establish "conflict-free" supply chains for these minerals—for our company and our industry.

Intel remains the largest voluntary purchaser of "green" power in the U.S., according to the U.S. Environmental Protection Agency, a designation that we have held since 2008. We have also made substantial progress toward achieving our 2020 sustainability goals, and our focus over the next few years will be on improving our own performance as well as that of our supply chain.

Energy-efficient performance remains a driving force in the design of our products. In 2013, we launched 4th generation Intel® Core™ processors that deliver industry-leading performance as well as the largest generational gain in battery life in Intel's product history.

As part of our efforts to encourage innovation and push the boundaries of imagination—in corporate research labs, classrooms, homes, and even garages—we collaborated with Arduino* to introduce the Intel® Galileo development board, designed for the "maker" and education communities. To spark the minds of young innovators and ignite new technologies, we plan to donate 50,000 Intel Galileo boards to 1,000 universities over 18 months. I am proud of Intel's ongoing efforts in education, many of which encourage hands-on learning that inspires the interest in science, technology, engineering, and math that is vital to our success.

In 2013, we also invested significantly in our employees through training and development, great-place-to-work and diversity initiatives, and programs that encourage employees to volunteer with local schools and nonprofit organizations. These efforts helped us once again earn a spot on Fortune magazine's annual "100 Best Companies to Work For" list.

I am personally committed to ensuring that Intel does the right things, in the right way, and I welcome your feedback on our performance. As a United Nations Global Compact LEAD member, Intel is committed to transparency in reporting about our corporate responsibility performance and actions. This report provides a summary of our accomplishments in 2013, as well as a look forward to the goals we hope to achieve.

Brian Krzanich
Chief Executive Officer
Intel Corporation

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Our Business and Integrated Value Approach

We strive to make the best silicon and technology products in the world and, through their application, to create a better future. We have embedded corporate responsibility and sustainability into our vision and strategy, management systems, and long-term goals. We believe that this integrated approach creates value for Intel as well as our stockholders, customers, and society.

We launched 4th generation Intel® Core™ processors that deliver industry-leading performance as well as the largest generational gain in battery life in Intel's product history.

In 2013, close to half of our wafer manufacturing was conducted within the U.S., at our facilities in New Mexico, Arizona, Oregon, and Massachusetts.

To drive strategic alignment with our corporate responsibility objectives, Intel has linked a portion of our executive and employee compensation to environmental metrics since 2008.

MEMBER OF
Dow Jones Sustainability Indices
In Collaboration with RobecoSAM

Intel was named to the Dow Jones Sustainability Indices for the 15th consecutive year for our leadership in corporate responsibility.

What's inside is at the heart of what we do every day at Intel, and it's more than just what we make.

Key Section Links

Performance Summary and Goals

Intel Code of Conduct

Intel 2013 Annual Report and Form 10-K

Intel Investor Relations

Intel Company Information

Intel 2014 Proxy Statement

Intel® Core™ Processor Family

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Company Profile

Our goal is to be the preeminent computing solutions company that powers the worldwide digital economy.

Over time, the number of devices connected to the Internet and each other has grown from hundreds of millions to billions. The combination of embedding computing into devices and connecting them to the Internet, known as the Internet of Things, as well as a build-out of the cloud infrastructure supporting these devices, is driving fundamental changes in the computing industry. As a result, we are transforming our primary focus from the design and manufacture of semiconductor chips for personal computing (PC) and servers to the delivery of solutions consisting of hardware and software platforms and supporting services across a wide range of computing devices, and innovating around energy-efficient performance, connectivity, and security.

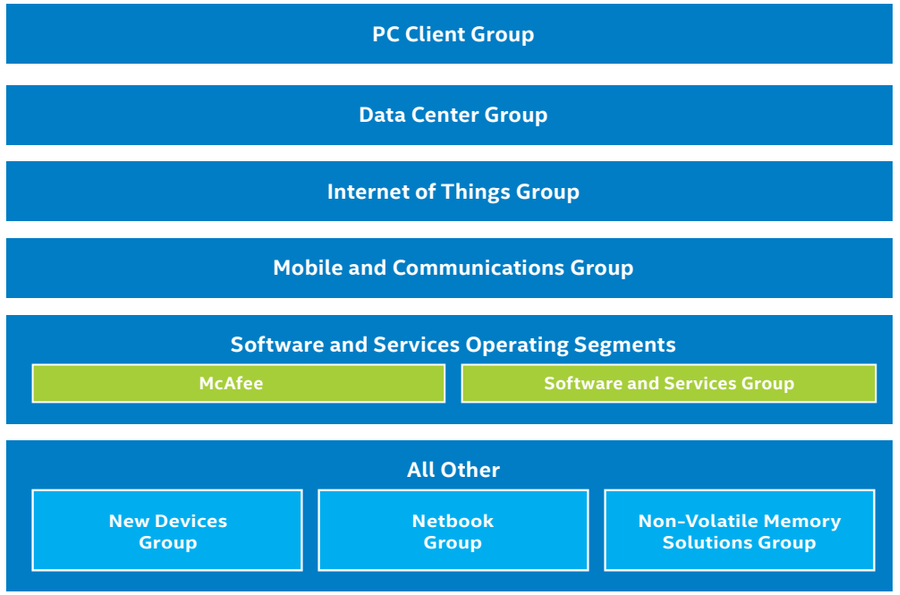
Intel designs and manufactures advanced integrated digital technology platforms. A platform consists of a microprocessor and chipset, and may be enhanced by additional hardware, software, and services. We sell these platforms primarily to original equipment manufacturers (OEMs), original design manufacturers (ODMs), and industrial and communications equipment manufacturers in the computing and communications industries. Our platforms are used in a wide range of applications, such as PCs (including Ultrabook™ devices and 2 in 1 systems), desktops, servers, tablets, smartphones, automobile infotainment systems, automated factory systems, and medical devices. We also develop and sell software and services primarily focused on security and technology integration. We serve customers around the world, and at fiscal year-end 2013 we had 107,600 employees in more than 60 countries.

Business Organization and Operations

Our products primarily compete based on performance, energy efficiency, integration, innovative design, features, price, quality, reliability, brand recognition, and availability. One of our important competitive advantages is the combination of our network of manufacturing and assembly and test facilities with our global architecture design teams. This network enables us to have more direct control over our processes, quality control, product cost, production timing, performance, power consumption, and manufacturing yield.

Most of our competitors rely on third-party foundries and subcontractors, such as Taiwan Semiconductor Manufacturing Company, Ltd. and GlobalFoundries Inc., for their manufacturing and assembly and test needs. We have recently started providing foundry services as an alternative to such foundries.

Intel Business Organization and Operating Segments



In April 2014, we announced a change to our financial reporting structure to reflect changes in our organizational model (shown above). For more information, read the press release or download our latest financial filing.

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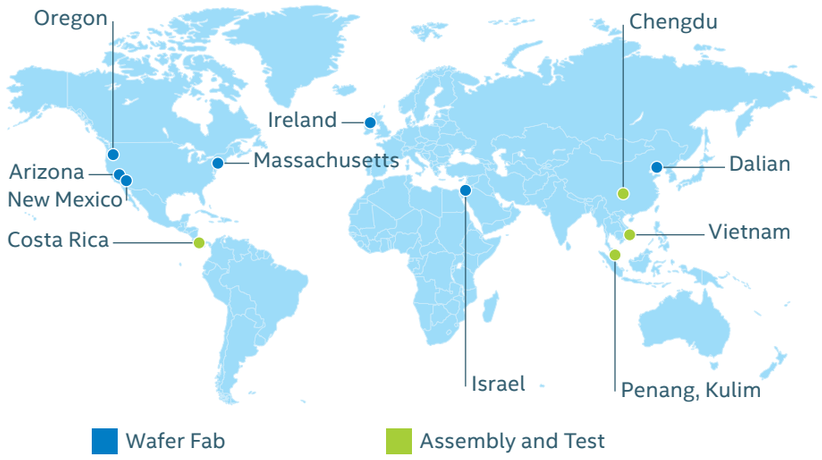
As of the end of fiscal 2013, 46% of our wafer fabrication, including microprocessors and chipsets, was conducted within the U.S. at our facilities in New Mexico, Arizona, Oregon, and Massachusetts. The remaining 54% of our wafer fabrication was conducted outside the U.S. at our facilities in Israel and China. Our Massachusetts fabrication facility is our last manufacturing on 200mm wafers and is expected to cease production by the end of 2014. Our fabrication facility in Ireland is currently transitioning to a newer process technology node, with manufacturing expected to recommence in 2015.

We use third-party foundries to manufacture wafers for certain components, including networking and communications products. In addition, we primarily use subcontractors to manufacture board-level products and systems. We purchase certain communications networking products and mobile phone components from external vendors primarily in the Asia-Pacific region.

Intel Worldwide Operations



Our principal executive offices are located in the U.S., and as of the end of fiscal 2013, 46% of our wafer fabrication was conducted within the U.S.

Countries with More Than 50 Employees[1]

Location	Employees	Location	Employees
Argentina	193	Malaysia	8,222
Austria	184	Mexico	903
Belgium	64	Netherlands	263
Brazil	229	Poland	783
Canada	223	Romania	108
China	7,884	Russia	805
Costa Rica	2,626	Singapore	427
Denmark	161	South Korea	335
Egypt	109	Spain	109
Finland	264	Sri Lanka	137
France	674	Sweden	105
Germany	2,683	Taiwan	997
Hong Kong	177	Turkey	59
India	4,341	United Kingdom	912
Ireland	2,838	United States	51,114
Israel	8,072	Vietnam	978
Japan	564		

[1] As of December 31, 2013. Includes regular employees only (does not include Intel contract employees or interns, or employees of our software and services operating segments).

Intel is headquartered in Santa Clara, California and incorporated in the state of Delaware. We have over 300 facilities located in more than 60 countries. In the U.S., our five largest sites are: Oregon (17,571 employees); Arizona (11,751 employees); Folsom, California (6,247 employees); Santa Clara, California (6,227 employees); and Albuquerque, New Mexico (2,879 employees).

Following the manufacturing process, the majority of our components are subject to assembly and test. We perform our components assembly and test at facilities in Malaysia, China, Costa Rica[1] and Vietnam. To augment capacity, we use subcontractors to perform assembly of certain products, primarily chipsets and networking and communications products. In addition, we use subcontractors to perform assembly and test of our mobile phone components. Our NAND flash

[1] We expect to close our manufacturing operations in Costa Rica by the end of 2014.

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memory products are manufactured by IM Flash Technologies, LLC and Micron Technology, Inc. using 20-nanometer (nm), 25nm, or 34nm process technology, and assembly and test of these products is performed by Micron and other external subcontractors.

Although we manufacture the majority of our products in our own factory network, we have thousands of suppliers, including subcontractors, providing our various materials and services needs. We set expectations for supplier performance and reinforce those expectations with periodic assessments. We communicate those expectations to our suppliers regularly and work with them to implement improvements when necessary. For more information about our supply chain, see the Building the Supply Chain of the Future section of this report.

Products

We offer platforms that incorporate various components and technologies, including a microprocessor and chipset, standalone System-on-Chip (SoC), or multi-chip package. A platform may also be enhanced by additional hardware, software, and services. A microprocessor—the central processing unit (CPU) of a computer system—processes system data and controls other devices in the system. A chipset sends data between the microprocessor and input, display, and storage devices, such as the keyboard, mouse, monitor, hard drive or solid-state drive, and optical disc drives.

We offer and continue to develop SoC products that integrate our core processing functions with other system components, such as graphics, audio, and video, onto a single chip. We also offer features to improve our platform capabilities, such as Intel® vPro™ technology, which is designed to provide businesses with increased manageability, upgradeability, energy-efficient performance, and security while lowering the total cost of ownership.

We offer components for smartphones, tablets, and connected devices, which include baseband processors, radio frequency transceivers, and power

Intel® Microprocessors

Intel® Quark Processor/SoC
Designed with a level of integration for applications where lower power, size, and cost take priority, including wearable technologies and the next generation of intelligent, connected devices

Intel® Atom™ Processor
Designed to deliver performance and battery life for mobility in tablets, 2 in 1 systems, and smartphones as well as power efficiency in microservers

Intel® Pentium® Processor
Designed to deliver quality, reliability, and performance for work and play

Intel® Core™ i3 Processor
Designed to deliver responsive performance and built-in security to play, create, and entertain

Intel® Core™ i5 Processor
Designed for visuals and adaptive performance on-demand with Intel® Turbo Boost technology and built-in security features to safely work, play, create, and entertain

Intel® Core™ i7 Processor
Designed for visuals and maximized performance with Intel® Turbo Boost technology and built-in security features for the most demanding applications including high-performance gaming, HD video creation, and consumption

Intel® Xeon® Processor
Designed to deliver performance, energy efficiency, and cost-effective solutions that scale to address compute, network, and storage requirements

Intel® Xeon® Phi™ Processor
Designed to deliver performance for parallel workloads

Intel® Itanium® Processor
Designed to deliver mainframe reliability and enterprise performance on a platform that shares common characteristics of the rest of the data center

We offer a range of platforms based on the microprocessors shown above.

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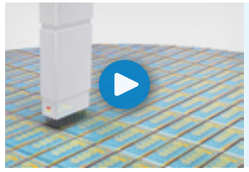
management integrated circuits. We also offer comprehensive smartphone and tablet platforms, including multi-mode Long Term Evolution (LTE*) modems, Bluetooth® wireless technology and Global Positioning System (GPS) receivers, software solutions, customization, and essential interoperability tests. Our McAfee subsidiary offers software products that provide security solutions designed to protect systems in consumer, mobile, and corporate environments from malicious virus attacks as well as loss of data.

We are committed to investing in world-class technology development, particularly in the design and manufacture of integrated circuits. Research and development (R&D) expenditures were $10.6 billion in 2013, compared to $10.1 billion in 2012. Our R&D activities are directed toward developing the technology innovations that we believe will deliver our next generation of products, which will in turn enable new form factors and usage models for businesses and consumers. Our R&D activities range from designing and developing new products and manufacturing processes to researching future technologies and products.

Our R&D model is based on a global organization that emphasizes a collaborative approach to identifying and developing new technologies, leading standards initiatives, and influencing regulatory policies to accelerate the adoption of new technologies, including joint pathfinding conducted between researchers at Intel Labs and our business groups. We centrally manage key cross-business group product initiatives to align and prioritize our R&D activities across these groups. In addition, we may augment our R&D activities by investing in companies or entering into agreements with companies that have similar R&D focus areas, as well as directly purchasing or licensing technology applicable to our R&D initiatives.



Watch Video This video shows how computer chips are made. It starts with common sand and highlights the most important manufacturing steps until the computer chip (here a 3rd generation Intel® Core™ processor) is ready for sale.

Customers

We sell our products primarily to OEMs and ODMs. We also sell our products to other manufacturers, including makers of a wide range of industrial and communications equipment. Our customers also include those who buy PC components and our other products through distributor, reseller, retail, and OEM channels throughout the world. In 2013, Hewlett-Packard Company accounted for 17% of our net revenue (18% in 2012), Dell Inc. accounted for 15% of our net revenue (14% in 2012), and Lenovo Group Limited accounted for 12% of our net revenue (11% in 2012). No other customer accounted for more than 10% of our net revenue during these periods. In 2013, 83% of our revenue from unaffiliated customers came from outside the U.S.

Our Customer Excellence Program (CEP) uses a web-based survey administered by a third-party market research firm to obtain and prioritize customer feedback on the quality of Intel's products and services. In 2013, the company received a 91% "Delighted" score from customers. We have exceeded our 75% "Delighted" score goal since 2006. A portion of every employee's pay is tied to the survey results and the satisfaction of our customers. For more information, see "Compensation, Benefits, and Work/Life Effectiveness" in the Caring for Our People section of this report.

Competition

The computing industry continuously evolves with new and enhanced technologies and products from existing and new providers. Intel faces significant competition in the development and market acceptance of technologies in this environment. We have competitors in each of the market segments, including other companies that make and sell microprocessors, SoCs, other silicon components, and software and platforms to businesses that build and sell computing and communications devices to end users. We also face competition from OEMs that, to some degree, choose to vertically integrate their own proprietary semiconductor and software assets.

For more information about our products, customers, competitors, and operations, see the Intel 2013 Annual Report and Form 10-K.

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Strategy and Governance

At Intel, corporate responsibility is part of our integrated management approach. We have taken steps to embed corporate responsibility into our vision, corporate objectives, governance and compensation systems, and value chain.

We believe that our focus on corporate responsibility creates value for Intel and our stakeholders. It helps us manage our business more effectively and identify ways to apply our technology and expertise to benefit the environment and society, which in turn helps us mitigate risks, reduce costs, protect brand value, and identify market opportunities. We believe that we can apply our technology and experience to help improve energy efficiency, address critical environmental challenges such as climate change, and improve education access and quality worldwide. Designing products with improved energy-efficient performance helps us meet customer needs and identify market expansion opportunities; improving energy efficiency in our operations helps us reduce our emissions and energy costs; and investing in training, diversity, benefits programs, and education enables us to attract and retain a talented workforce.

Our business success has always depended on our ability to build trusted stakeholder relationships—with employees, customers, suppliers, governments, and communities. We work to develop a strong culture of trust through open and direct communication, and are committed to operating with transparency. We regularly engage with external organizations to gather feedback that helps improve our performance and increase the economic and social impact of our programs and initiatives over time.

Frameworks such as the United Nations Millennium Development Goals have helped inform our corporate responsibility strategy and approach. Intel is a LEAD member of the United Nations Global Compact, and our Human Rights Principles reference external standards such as those of the International Labour Organization and the Guiding Principles on Business and Human Rights endorsed by the UN Human Rights Council.

Intel's Corporate Responsibility Oversight Structure

Click or tap the ⓘ symbol for additional information.

We have integrated oversight and management for corporate responsibility issues at multiple levels of the company and across different countries where we operate.

Governance and Management Approach

Intel's Board of Directors oversees, counsels, and directs management in the long-term interests of the company and our stockholders. Matters in which the Board is actively engaged include business strategy, risk oversight, succession planning, and corporate responsibility and environmental stewardship. Since 2003, the Board's Corporate Governance and Nominating Committee has had formal responsibility for reviewing and reporting to the Board on corporate responsibility and sustainability issues at Intel. A number of directors have expertise in key corporate responsibility areas, including corporate governance, education, and environmental sustainability. Director biographies are available on our Biographies web site and in our 2014 Proxy Statement.

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We use a distributed model for managing corporate responsibility across our company, as we believe that embedding responsibility within specific business groups is the most effective management approach. Many Intel business groups have established teams dedicated to corporate responsibility issues, and we have also 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 advisor to the business groups and MRCs to drive strategic alignment and incorporate external stakeholder feedback into decision processes.

As part of our commitment to governance best practices, Intel pays for performance. We provide a majority of executive compensation through arrangements in which the amounts ultimately received vary to reflect Intel's performance. Our executive compensation programs evolve and are adjusted over time to support Intel's business goals and to promote both near- and long-term profitable growth of the company. In addition, since 2008, we have linked a portion of every executive's compensation to corporate responsibility and environmental factors, just as we do for all other employees. For more information on our governance systems and compensation approach, see the Caring for Our People and Caring for the Planet sections of this report, as well as our 2014 Proxy Statement.

Creating and Measuring Shared Value

In recent years, investors have become increasingly interested in the connection between corporate responsibility performance and business value creation. As such, Intel is a supporting member of the Shared Value Initiative, created by the organization FSG and Harvard Business School professor Michael Porter to bring together leaders from companies, civil society, and governments to build a strong and engaged global community and further develop the concept of "shared value." Shared value is a framework that helps companies leverage the full range of their internal assets to address social and environmental impacts and identify opportunities with the end goal of creating more value and increasing a firm's competitiveness.

Integrated Value Framework

Risk Management	Operations	Brand	Revenue
License to Operate and Governance • Regulatory risk (i.e., environmental) • Community engagement • Supply chain responsibility	**Cost Savings and Continuous Improvements** • Operational efficiency • Management quality • Employee engagement	**Reputation and Goodwill** • Differentiation • Trusted partner • Goodwill	**Growth and Innovation** • Market expansion • Product innovation • New customer needs

Integrating 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.

The concept of shared value is consistent with how Intel has defined corporate responsibility for many years: a management approach that helps us better manage risks and identify opportunities in order to create business value for the company and for society. In recent years, Intel has been recognized as an example of leadership in a number of forums and publications, and we helped develop a new white paper on shared value measurements that provides companies with a step-by-step process and a pragmatic approach to measurement and implementation of the shared value concept.

In 2013, we continued to advance the concept of shared value, communicate best-practice examples, and identify new opportunities to leverage the concept and measurement approaches for Intel initiatives. In early 2014, FSG highlighted Intel in the research paper "The New Role of Business in Global Education," and Intel published two new shared value case studies on the Intel Education Service Corps and our Code for Good programs. We are also applying the shared value framework for the new Intel® She Will Connect program.

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Risk Management and Business Continuity

Risk is inherent in business. Intel's Board of Directors and management consider "risk" for these purposes to be the possibility that an undesired event could occur that might adversely affect the achievement of our objectives.

Risks vary in many ways, including the ability of the company to anticipate and understand the risk, the types of adverse impacts that could occur if the undesired event occurs, the likelihood that an undesired event and a particular adverse impact would occur, and the ability of the company to control the risk and the potential adverse impacts. The types of risks that Intel faces include:

- **Macro-economic risks** such as inflation, reductions in economic growth, or recession
- **Political risks** such as restrictions on access to markets, confiscatory taxation, and expropriation of assets
- **"Event" risks** such as natural disasters
- **Business-specific risks** related to strategic position, operational execution, financial structure, legal and regulatory compliance, corporate governance, and environmental stewardship

Not all risks can be dealt with in the same way. Some risks may be easily perceived and controllable, while others are unknown; some risks can be avoided or mitigated by a particular behavior; and some risks are unavoidable as a practical matter. In some cases, a higher degree of risk may be acceptable because of a greater perceived potential for reward. Intel engages in numerous activities to align voluntary risk taking with company strategy, understanding that projects and processes may enhance the company's business interests by encouraging innovation and appropriate levels of risk taking.

Management is responsible for identifying risk and risk controls related to significant business activities; mapping the risks to company strategy; and developing programs and recommendations to determine the sufficiency of risk identification, the balance of potential risk to potential reward, and the appropriate manner in which to control risk. The Board implements its risk oversight responsibilities by having management provide periodic briefing and informational sessions on the significant voluntary and involuntary risks that the company faces and how the company is seeking to control risk if and when appropriate. In some cases, as with risks of new technology and risks related to product acceptance, risk oversight is addressed as part of the full Board's engagement with the CEO and management. In other cases, a Board committee is responsible for oversight of specific risk topics and reports to the full Board.

Intel Crisis Management (ICM) handles our end-to-end response to crises and major business disruption events. ICM sets the standards and provides oversight for the emergency management and business continuity programs across Intel, and requires every Intel organization to embed business continuity into their core business practices. Through ICM, which reports to the Board of Directors, Intel maintains and regularly tests plans for all of its sites, facilities, and operations.

As a global corporation with locations and suppliers all over the world, Intel must be prepared to respond to a wide range of disasters and keep the business running. Our programs are designed to provide quick response and help ensure the safety of our personnel, safeguard our facilities, and begin the return to "normal operations." In the event of a business disruption, our plans are designed to enable us to continue critical business functions, such as handling customer orders, overseeing production and deliveries, and managing our supply chain.

Intel's mergers and acquisitions process incorporates a screen that assesses environmental, governance, "conflict minerals[1]," and a number of other criteria that could impact the company's acquisitions. Intel Capital, our global investment and mergers and acquisitions organization, has integrated additional criteria into its due diligence process to identify potential environmental, governance, and social risks in new investments.

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

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Ethics and Compliance

The Intel Code of Conduct guides the behavior of our employees, officers, non-employee directors, wholly owned subsidiaries, and suppliers, and is a cornerstone of our culture.

Through the Code of Conduct, which we review on an annual basis, we seek to promote honest and ethical conduct, deter wrongdoing, and support compliance with applicable laws and regulations. The principles embodied in the Code reflect our policies related but not limited to conflicts of interest, nondiscrimination, antitrust, anti-bribery and anti-corruption, privacy, health and safety, and protecting our company's assets and reputation. The Code directs employees to consider both short- and long-term impacts on the environment and the community when they are making business decisions, and to report potential issues as soon as they arise.

All employees are expected to complete training on the Code of Conduct when they join the company and annually thereafter. The Code is available in 15 languages, and training sessions incorporate real case scenarios. Employees are encouraged to raise ethical questions and concerns, and have multiple channels to do so—anonymously, if they prefer, and as permitted by law. They assert adherence to the Code through an annual disclosure process for targeted populations across the company.

Depending on their roles and geographical locations, certain employees are assigned more in-depth ethics and compliance training courses, such as those covering anti-corruption, import-export compliance, insider trading, and antitrust. For example, in 2013 approximately 35,000 employees—about 30% of our workforce—received additional training on our anti-corruption policies and procedures. As part of our anti-corruption program, we conduct risk-based due diligence screening on selected suppliers and distributors. We also communicate our ethical expectations, including compliance with our Code of Conduct, to our suppliers and other third parties.

In 2013, our leadership in ethical business practices earned us a place on Ethisphere* Institute's "World's Most Ethical Companies" list for the third consecutive year.

Intel has also published a set of Human Rights Principles to complement the Code of Conduct and express our commitment to human rights and responsible labor practices. The Code and the annual Code training course cover our Human Rights Principles. For more information, see the Respecting Human Rights section of this report.

Intel's Ethics and Compliance Oversight Structure

Click or tap the ⊙ symbol for additional information.

In addition to these groups, Intel organizations such as Finance, Audit, Human Resources, and Legal provide essential expertise and support to help management and employees execute to the company's ethics and compliance expectations.

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Intel's CEO sets the tone for our ethical culture and holds managers accountable for communicating ethics and compliance expectations. Each year, our CEO communicates with employees and senior managers about the importance of ethics and legal compliance. This "tone from the top"—combined with our annual ethics and compliance training, regular communications throughout the year, and educational resources on our employee intranet site—helps to create an ethical and legally compliant culture. In 2013, we also conducted an ethics culture survey of employees that monitored their perception of manager tone and comfort level about raising concerns.

Each year, Intel's Ethics and Compliance Oversight Committee (ECOC) invites various Intel organizations to assess and report on ethics and compliance in their respective businesses or sites, and reviews risk topics that span business groups. In 2013, seven Intel business groups, subsidiaries, and sites completed comprehensive risk assessment reviews with the ECOC. Business groups also monitor their performance (including training, management tone, risk assessment and more) on a quarterly basis, and send results to the Corporate Ethics Office. In addition, they conduct self-assessments and implement action plans.

We regularly recognize teams and individual employees for their contributions to Intel's ethical and compliant environment through the Intel Ethics and Compliance Excellence Awards program, launched in 2010. In 2013, four teams and individuals received the award. We also have an internal Ethics and Legal Compliance Group speaker series and newsletter, which in 2013 covered themes such as export compliance, antitrust, anti-corruption, and privacy.

Intel maintains a robust process for reporting misconduct, including online channels, and has a clearly communicated non-retaliation policy. Processes for informing senior management and the Board about allegations of misconduct include periodic reports of overall misconduct statistics, as well as details about key investigations in progress and after completion. Our Ethics and Compliance Business Champions review quarterly investigative packages with the leaders of their respective business groups. The largest categories of verified cases in 2013 were corporate travel card misuse, expense reporting misconduct, conflict of interest, falsification of employment credentials, and misuse of assets. Consistent with our commitment to maintaining the highest levels of ethics and compliance, we are addressing these concerns through senior management discussions, employee communications, and individual corrective action measures.

In 2014, as we expand into new markets and businesses, we will continue to assess risk and execute our programs globally for current and new employees to help ensure that we act with uncompromised integrity worldwide.

Public Policy and Political Accountability

Intel works with governments, organizations, and industries around the world to advocate policies that encourage new ideas, promote fair commerce, and protect resources.

The following is a brief summary of our key areas of interest and engagement in the public policy arena. For more information, visit our Public Policy web site and our Public Policy blog.

Tax and Trade. We support tax policies that enhance the ability of innovative companies to compete in the global marketplace and, in turn, produce economic prosperity. Intel engages in a highly capital-intensive business, and the location of our facilities can be substantially affected by the tax and economic development policies of potential host countries.

Intel supports trade agreements and rules that facilitate general commerce between countries and expand the high-tech industry's access to growing world markets. We work proactively to support the development of free trade

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agreements (FTAs) on a worldwide, regional, and bilateral basis. FTAs improve Intel's access to markets around the world by eliminating tariffs on products, increasing intellectual property (IP) protections that are critical to innovation and investment, and ensuring a more open and transparent regulatory and standards environment for long-term success.

Intellectual Property. We work to improve the quality and reliability of patents, help new World Trade Organization (WTO) members conform their patent laws to WTO requirements, develop procedures to lower the costs of resolving patent disputes, and ensure that the interests of patent holders and good-faith manufacturers are properly balanced through fair litigation rules. We also advocate the benefits of increasing the protection of trade secrets in many jurisdictions, and seek to ensure that regulators are not requesting unnecessary, sensitive product information as a condition of market access.

Privacy and Security. Intel works to create an environment in which individuals can trust technology, and supports policies that foster innovation and enable individuals to protect their personal data. Trust in the global digital economy is contingent upon providing robust security and a high level of privacy protection. As individuals use devices across the compute continuum and store data in the cloud, there is a greater need to ensure that information is properly protected.

Health. Intel supports government leaders in developing policies and standards that promote the effective use of healthcare information technology. We collaborate with policymakers and medical standards organizations, and identify and promote open standards, interoperable systems, and complementary policies. For more information, see "Health and Life Sciences" in the Inspiring the Next Generation section of this report.

Environment. As an environmentally responsible manufacturer of energy-efficient products, Intel works with governments worldwide to help shape progressive and practical environmental and energy policies. Intel has led industry efforts to implement voluntary measures that can make regulation unnecessary, such as obtaining industry commitments to reduce greenhouse gas emissions and eliminate the vast majority of uses of a family of chemicals known as PFOS. For more information on our environmental policy initiatives, see the Caring for the Planet section of this report.

Workforce. We want to create the best, most productive workplace environment that we can for our employees, so that our organizations can be as efficient, productive, and competitive as possible. To ensure that the U.S. has access to the highly skilled talent needed to remain competitive, we advocate for immigration reforms to enable businesses to recruit, hire, and retain highly skilled foreign nationals in job fields that have a shortage of qualified U.S. workers. We support initiatives that enhance the science, technology, engineering, and math skills of students and workers worldwide.

We also believe in treating our employees equally, regardless of sexual orientation. In early 2013, along with nearly 300 other companies, we filed an amicus brief to the Supreme Court of the U.S. challenging the constitutionality of the Defense of Marriage Act. In early 2014, along with 47 other organizations, we filed a similar brief with the 10th Circuit Court of Appeals on the impact of bans on marriage equality. For more information, see the Caring for Our People and Inspiring the Next Generation sections of this report.

Political Accountability

We have increased our disclosure in recent years regarding our direct and indirect corporate political contributions. The Intel Political Accountability Guidelines outline our approach to making political contributions, including details about accountability at the senior management and Board of Directors levels. In 2013, Intel tied for fifth-place rank among almost 200 companies evaluated for best practices in political accountability in the CPA-Zicklin Index of Corporate Political Accountability and Disclosure.

Intel works to educate political candidates about the implications of public policy decisions for our business, and provides financial support to candidates who support or advance positions that are consistent with our business objectives. Intel makes relatively few direct political contributions using corporate funds. In 2013, our corporate contributions to state and local candidates, campaigns, and ballot propositions totaled approximately $74,600.

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The Intel Political Action Committee (IPAC) accepts voluntary contributions from its members and uses those funds to contribute to political candidates' campaigns. No corporate funds are contributed to IPAC other than for administrative expenses, and employee participation in IPAC is voluntary. Donations are divided evenly between the two major political parties, and are part of Intel's efforts to enable employees to support candidates who understand our business concerns and will be open-minded to our views regarding our public policies. IPAC supports candidates who have an understanding of issues that are important to Intel, have demonstrated leadership, have a leadership role, or have Intel employees or facilities in their voting districts. There are some instances when candidates that IPAC supports may vote against us on one issue and be our most active proponents on other issues; however, IPAC does not correlate contributions to any specific official government action. Our Vice President of Global Public Policy reviews the congruency of our political contributions with our corporate policies on an annual basis. The sum of political contributions from IPAC to candidates in 2013 was $491,000.

Our memberships in industry and trade associations help us work collaboratively with other companies and groups to address key public policy issues. We estimate that in 2013, our trade association membership dues attributed to political activities totaled approximately $488,000.

Over the past few years, attention has increased on the potential for misalignments between a company's stated policy positions and some of the positions of candidates or trade associations that such company has supported. We annually evaluate our political spending for alignment and effectiveness, although we recognize that it is impractical and unrealistic to expect that we or our stockholders and stakeholders will agree with every issue that a politician or trade association may have supported.

To address potential misalignment issues, we have: put systems in place (including executive and Board-level review), increased disclosure about our trade association dues and areas of potential misalignment, and posted our positions on key public policy issues to ensure that they are available to all stakeholders.

Intel Political Accountability Practices at a Glance

Guidelines and Oversight. Intel Political Accountability Guidelines (which include information on executive management and Board oversight processes) are publicly disclosed on our Corporate Governance and Ethics web site.

Direct Contributions. In 2013, Intel switched from annual to semiannual disclosure of direct corporate contributions and IPAC contributions. Historical archived political contribution reports are also publicly disclosed on our Report Builder web site.

Trade Association Dues. Trade association membership dues (and payments to other tax-exempt organizations such as 501(c)(4) organizations) are disclosed 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 2013, our reported lobbying expenditures totaled $4.4 million, compared to $3.7 million in 2012.

Independent Political Expenditures. Intel has a policy of not making independent political expenditures or funding electioneering communications, as those terms are defined by applicable law.

Corporate contributions, IPAC contributions, and trade association membership dues payment reports are available on our Report Builder web site.

We believe that the overall benefit of our memberships in these organizations outweighs our differences, although we will continue to evaluate our memberships during the planning process each year. We have also taken proactive steps to educate associations on our positions and provide background information on key issues. For example, we signed a multi-stakeholder agreement to clearly articulate our position on "conflict minerals."

In early 2013, as a result of stakeholder dialogue, we also updated the Intel Political Accountability Guidelines to clarify certain aspects of our review processes and disclosure, including our processes to review the congruency of our political contributions with our corporate policies.

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Stakeholder Engagement

We derive significant value from our diverse stakeholders and maintain formal management systems to engage with, listen to, and learn from them. When appropriate and relevant to our business, we incorporate their feedback into our thinking and planning.

We prioritize our stakeholders and their concerns by looking at both the relevance of the stakeholder's relationship to our business and the importance of the issue being raised. By evaluating our community programs based on local input, and adapting our reporting methodology and the content of this report, we are better able to meet the needs of our stakeholders.

In addition to face-to-face meetings, a number of web and social media channels provide us with valuable, ongoing feedback 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. Through this account, we receive and respond to hundreds of messages each year on a wide variety of topics. In addition, members of our corporate responsibility team and leaders across Intel discuss their views and opinions, and receive and respond to comments on our external CSR@Intel blog, Facebook page, and Twitter account.

For more than 10 years, we have met with leading environmental, social, and governance research firms and socially responsible investors to review our Corporate Responsibility reports, gain a better understanding of emerging issues, help set priorities, and gather feedback on our performance. In 2013, representatives of more than 20 firms attended our annual outreach tour in three cities. Key discussion topics included transparency, climate change, water use, human rights, and "conflict minerals."

We work with community stakeholders to consider the impact of our operations at all phases: entering, operating, and exiting. When entering a community, we work with third parties to conduct needs assessment studies to prioritize our community engagement activities. During our operating phase, we work to build relationships with local stakeholders through informal meetings, community advisory panels (CAPs), working groups, and community perception surveys (CPSs). CAP members provide constructive input on a broad range of issues, such as education, environmental impact, health and safety, and emergency response and management. For example, the Intel New Mexico Community Environmental Working Group (CEWG) meets monthly to discuss Intel's environmental impact. CPSs (usually administered by third parties) give us insight over time into a local community's expectations of our company and an external view of our performance. Before making the decision to exit a community, we evaluate potential alternatives, and when closing a facility is necessary, we work to minimize the impact on our employees who may be affected and to properly dispose of the affected assets and operations.

Using a variety of methods to engage with our stakeholders and obtain feedback on our performance helps us analyze and prioritize corporate responsibility issues as part of our corporate responsibility materiality assessment process. This information also informs the direct actions that we take to improve our performance at local and global levels.

Explore.intel.com

To leverage the power of technology for our stakeholder engagement efforts, our interactive Explore Intel web site provides real-time disclosure and information for the community surrounding our campuses. The web site covers our sites in Arizona, China, Costa Rica, Ireland, Israel, New Mexico, Oregon, and Vietnam.

Featuring a mix of videos from our senior leaders and environmental managers, site photos, real-time environmental data for the manufacturing facility, and contact information, the site makes it easy for community members to engage with our environmental managers and community relations managers.

Stakeholder Engagement Activities

Stakeholders	Tools and Processes	Benefits and Results
EMPLOYEES		
	Open-door policy designed to give employees access to management at all levels.	Multiple processes support direct communication up and down the organization. OHS and other survey results allow us to track our performance in key areas and identify gaps on a regular cadence. For more information, see the Caring for Our People section of this report.
	Employee surveys, including our Organizational Health Survey (OHS).	
	Circuit News, our daily intranet "newspaper," which includes direct feedback tools; and "Planet Blue," our internal employee social media platform.	
	Quarterly Business Update Meetings for all employees, and Executive Open Forums and webcasts that include Q&A sessions.	
CUSTOMERS		
	Customer Excellence Program (CEP), a structured program that uses a web-based survey administered by a third-party market research firm to obtain and prioritize customer feedback about the quality of Intel's products and services. A portion of employees' annual variable compensation is tied to CEP results.	Objective customer feedback enables us to identify areas for improvement. In 2013, employees received an additional day of pay based on the customer satisfaction levels under the CEP. For more information, refer to the Intel Quality System Handbook.
	Consumer Support web site.	
	External blogs, such as Technology@Intel, with discussions of interest to customers; and other social media channels, including Twitter and Facebook.	
SUPPLIERS		
	Intel's Supplier Site.	Setting consistent expectations for our suppliers reduces risk and improves efficiency across our supply chain. Based on stakeholder feedback and benchmarking research, we have provided additional detail in the Building the Supply Chain of the Future section of this report.
	Supplier development activities, including educational resources, webinars, and a Supplier Sustainability Leadership Summit.	
	Participation in industry working groups, including the Electronic Industry Citizenship Coalition (EICC).	
GOVERNMENTS AND POLICYMAKERS		
	Active engagement in policy and legislative efforts worldwide through individual discussions and exchanges with joint industry and government committees.	Our efforts in policy development foster credible, trustworthy relationships; strengthen regard for Intel as a valued corporate citizen; and create a supportive public policy environment. For more information, see "Public Policy and Political Accountability" in this section.
	Intel Global Public Policy and Intel Corporate Affairs staff engagement with policymakers.	
	Policy@Intel web site and blog.	

(continues on next page)

Stakeholder Engagement Activities (continued)

Stakeholders	Tools and Processes	Benefits and Results
COMMUNITIES		
	Community advisory panels and working groups, two-way forums where community members and Intel representatives collaborate to address community issues and concerns. Community perception surveys and needs assessments conducted as needed.	Maintaining an open dialogue with our communities has allowed us to build positive and constructive relationships at the local level. For more information on our community engagement activities, see the Inspiring the Next Generation section of this report.
	Intel Community and Explore.intel.com web sites, which include feedback mechanisms.	
	Placement of Intel employees on local nonprofit boards and commissions, and employee volunteer activities in local schools and nonprofits.	
	Extensive working relationships with educators and educational institutions worldwide, and third-party evaluations of our education programs.	
INVESTORS		
	Regular face-to-face meetings with social responsibility-oriented fund managers and analysts.	Feedback and benchmark data drive improved performance and help us identify emerging issues and concerns.
	Timely interaction with investors and research firms through e-mail exchanges, conference calls, regular meetings with management, visits, Investor Day, and detailed investor surveys.	
	Online stockholder forum featuring investor surveys on a range of issues and information about corporate responsibility	
	Intel Corporate Responsibility e-mail account, Intel Investor Relations e-mail account, and CSR@Intel blog.	
NON-GOVERNMENTAL ORGANIZATIONS (NGOS)		
	Issues meetings, formal dialogues, joint projects, and multi-sector efforts.	Intel's interactions with NGOs promote mutual understanding on environmental issues, regional education priorities, technology options and solutions for developing countries, supply chain management issues, and other topics. Details on our collaborations with NGOs in our main corporate responsibility focus areas are covered in other sections of this report.

Key Sustainability Challenges and Opportunities

We incorporate feedback from our stakeholders to inform our analysis of key corporate responsibility issues and their impact on our business.

Corporate Responsibility Materiality Analysis

Identify

Identify issues from a wide range of stakeholders and sources.

Primary Sources

- Employee blogs and forums
- Customer concerns
- Corporate Responsibility web site e-mails and CSR@Intel blog
- Social media channels
- Results of community advisory panels and community perception surveys
- Meetings/feedback sessions with investors
- Proxy resolution negotiations
- Ethics and Compliance Oversight Committee
- Strategic chemical review process
- Community relations
- Corporate responsibility/ sustainability conferences
- Market research on reputation issues
- Meetings with government officials
- Review of external standards
- Participation in industry working groups
- Scan of industry trends

Issues

- Climate change
- Water conservation
- Air emissions/quality
- Education
- Employee relations
- Fair compensation
- Stock price performance
- Energy efficiency
- Labor unions
- Materials restrictions
- Employee health
- Privacy and data security
- Political contributions
- Taxes/incentives
- Diversity
- E-waste
- EHS/human rights in the supply chain
- "Conflict minerals"
- Product-related human rights concerns (McAfee)
- Gay marriage

Prioritize

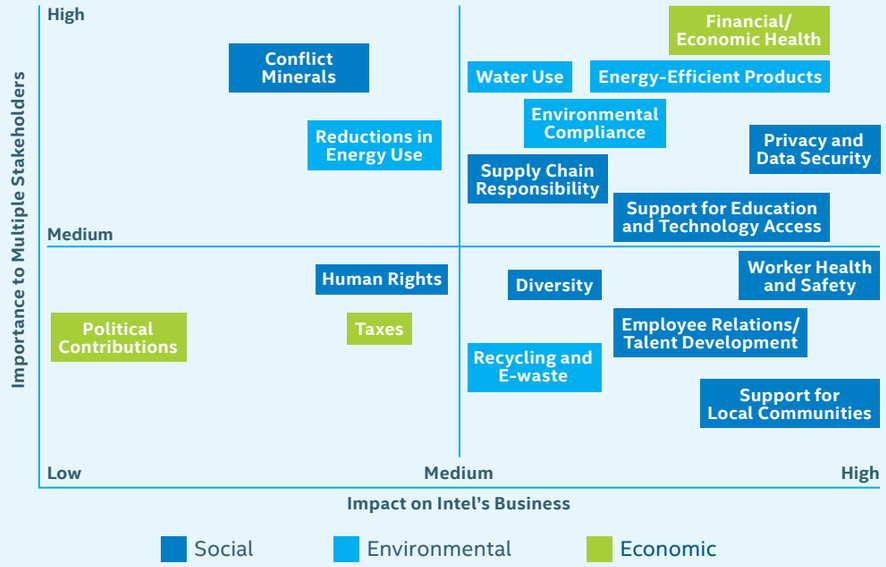
Use a consistent set of filters to determine the significance of each issue and develop a list of the most material issues.

Key Criteria

- Business continuity
- Impact to brand/reputation
- Applicability to multiple regions
- Alignment with Intel's business strategies
- Impact on the community
- Ability to attract and retain talent
- Regulatory impacts

This materiality matrix illustrates the topics that we believe are of greatest interest to our stakeholders, who want to make informed decisions about Intel's environmental, social, and economic performance.

Materiality Matrix



Review

Embed the process in internal decision-making and external review.

Internal Review

- Board of Directors and Corporate Responsibility Management Review Committee (MRC) reviews
- Corporate strategic discussions
- Business group MRC/planning

External Review

- Outreach to socially responsible investors
- Corporate Responsibility Report review
- SustainAbility participation and benchmarking

Decisions

- Set new performance goals
- Initiate new projects or develop new policy
- Communicate with stakeholders
- Include in Corporate Responsibility Report, site/ local reports, Corporate Responsibility web site

We have used the Sustainability Materiality Framework developed by the research firm AccountAbility to define corporate responsibility materiality, both for this report and for our strategy development. (Note that "materiality" in this context does not refer to financial materiality.)

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Key Corporate Responsibility and Sustainability Issues: Challenges and Opportunities

Energy Efficiency and Climate Change. As impacts to climate and energy have become major focus areas for businesses and governments, we have taken steps to reduce absolute emissions from our operations and to address the climate change impact of our products. We continue to work on lowering our normalized and absolute emissions and increase the energy-efficient performance of our products. Worldwide efforts to reduce emissions and address climate change also present potential market opportunities for Intel technologies, including those for smart grids, transportation, and sensing.

Workforce Talent and Diversity. Our ability to attract and retain top talent is key to our business success. We invest in cultivating a safe, respectful, and ethical work environment that enables employees to thrive both on the job and in their communities. We continue to work to increase the number of under-represented minorities and technical females in our workforce—especially at management and senior leadership levels—through targeted internal professional development initiatives and external education programs aimed at building the talent pipeline in engineering and technical disciplines.

Education Transformation and the Digital Divide. Intel's success depends on young people having access to quality education and technology. As a leading technology company, we believe that we can help governments around the world achieve their economic development and educational goals by effectively integrating technology into their programs and strategies. Recognizing the lack of access to technology and education that still exists for many girls and women around the world—and the importance of enabling that access to spur economic development—we are expanding our engagement efforts and partnerships in this area.

Water Use. Sustainable water management is a key focus at Intel, and we have invested significant resources in innovative conservation efforts. However, we face challenges in reducing our water use as our manufacturing processes become more complex. In recent years, we have expanded disclosure on our water use and conservation efforts, and continue to engage with external organizations to understand emerging best practices.

Waste Reduction and Recycling. We recycle a significant amount of the solid and chemical waste generated in our operations. However, we continue to face challenges in reducing chemical waste generation, despite our reduction and recycling efforts. We will continue to address these challenges in support of our new 2020 environmental goals.

Human Rights, Labor Standards, and Supply Chain Responsibility. In our industry and others, companies are taking a more active role in pushing for improvements in policies and processes for managing human rights issues, including human rights in the supply chain. We have completed an analysis and stakeholder engagement process to review our policies, processes, and potential risk areas related to human rights. We are also: assessing emerging stakeholder concerns surrounding the use of technology products by governments in ways that raise censorship and human rights concerns, evaluating positive applications of technology to strengthen human rights, and working to understand how this impacts Intel's policies and management systems.

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Financial Results and Economic Impact

In 2013, Intel delivered revenue of $52.7 billion, net income of $9.6 billion, and earnings per share of $1.89. We generated approximately $20.8 billion in cash from operations, and our gross margin was 59.8%. We returned $6.6 billion to stockholders in the form of dividends and share repurchases.

2013 Financial Results

In 2013, client computing products generated $33 billion in revenue and approximately $12 billion in operating profits. We introduced the 4th generation Intel® Core™ processor family for use in notebooks, desktops, and tablets. We have worked with our customers to help them develop a new class of personal computing devices that includes Ultrabook devices and 2 in 1 systems. These computers combine the energy-efficient performance and capabilities of today's notebooks and tablets with enhanced graphics and improved user interfaces such as touch and voice in a thin, light form factor that is highly responsive and secure, and that can seamlessly connect to the Internet. We believe the renewed innovation in the PC industry that we fostered with Ultrabook devices and expanded to 2 in 1 systems will continue.

In 2013, our data center business revenue grew to more than $11 billion, driven by rising demand for cloud services, high-performance computing, storage, and networking. We continued to ramp the many-core Intel® Xeon Phi™ coprocessor, positioned to boost the power of the world's most advanced supercomputers, and we introduced new Intel® Xeon® processors incorporating Intel's industry-leading 22nm process technology. The 22nm Intel Xeon processors provide improved performance and better power consumption across the compute, network, and storage portfolio.

Our continued investment in developing our assets and execution in key focus areas is intended to help strengthen our competitive position as we enter and expand further into adjacent market segments, such as smartphones and tablets. A key characteristic of these adjacent market segments is low power consumption based on System-on-Chip (SoC) products. We are making significant investments in this area with the accelerated development of SoC solutions based on the 64-bit Intel® Atom™ microarchitecture. We are also optimizing our server products for energy-efficient performance, as we believe that increased Internet traffic and the use of ultra-mobile devices, the Internet of Things, and cloud computing have created the need for an improved server infrastructure.

In 2013, we introduced the Intel® Quark SoC family of products. Designed for applications in which low power and size take priority over high performance, the Intel Quark SoC offers extremely low power consumption and a high level of integration in a low-cost package to be used in the next wave of intelligent, connected devices.

In 2013, we also announced the Arduino*-compatible Intel® Galileo microcontroller board, and in early 2014 we launched the Intel® Edison development board. When combined with the Intel Quark SoC, these systems provide an open-source platform for customers to design products such as, but not limited to, automation for home appliances or industrial manufacturing, home media centers, and robots. In combination with the continued build-out of the cloud and the announcement of Intel Quark technologies, we expect to be on the forefront of the acceleration and proliferation of the Internet of Things.

As part of our commitment to return value to stockholders, in 2013 Intel paid $4.5 billion in dividends and spent $2.1 billion to repurchase Intel shares, bringing the cumulative return to stockholders from dividends and repurchases to $125 billion. In 2013, our provision for taxes was $3 billion and our effective tax rate was 23.7%, compared to $3.9 billion and 26%, respectively, in 2012.

For additional 2013 financial highlights, see "Performance Summary, Recognitions, and Goals" later in this section. For a more detailed discussion of our financial performance, see our 2013 Annual Report and Form 10-K.

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Economic Impact

Intel provides high-skill, high-paying jobs at our sites around the world. We also impact economies through our sourcing activities, consumer spending by Intel employees, and tax revenue. In addition, the company makes sizable capital investments and provides leadership in public-private initiatives to spur economic growth and innovation. Intel's investments in education also help communities and countries advance economic development and improve competitiveness.

Intel's global investment and mergers and acquisitions organization, Intel Capital—one of the largest venture capital organizations in the world—seeks out and invests in promising technology companies. Since 1991, Intel Capital has invested over $11 billion in more than 1,300 companies in 55 countries.

In 2013, we engaged PricewaterhouseCoopers to conduct an analysis of the direct, indirect, and induced effects of our operations and selected subsidiaries in the United States over a five-year period. The study, "Intel's Economic Impacts on the U.S. Economy, 2008–2012," found that total impact on the U.S. gross domestic product (GDP) from 2008–2012 was $408 billion. The study also found that while Intel had 53,200 full- and part-time employees in the U.S. in 2012, each Intel job supported 13 additional jobs in the U.S., resulting in total support of 774,600 U.S. jobs.

In 2008, we commissioned IHS Global Insight to conduct an independent study of Intel's longer term economic impact in the U.S. and Europe. In the study, "The Economic Impact of Intel Corporation in the United States and European Union, 2001–2007," calculations of Intel's economic contributions were measured by the direct, indirect, and induced effects of Intel's own operations, as well as productivity gains throughout the economy that stem from the use of Intel microprocessors. The study found that between 2001 and 2007, Intel contributed $758 billion to the U.S. GDP. The study also revealed that Intel contributed $247 billion (€177 billion) to the European Union GDP over the 2001–2007 period.

Periodically conducting local assessments helps us better understand Intel's direct and indirect economic impact on the communities where we operate.

For example, in recent years, we commissioned a study of the direct and indirect economic impact of our operations in Arizona and New Mexico from the L. William Seidman Research Institute at the W.P. Carey School of Business at Arizona State University. The study reconfirmed that our operations have a significant economic impact on the local community. Another study of our Oregon operations, conducted in 2011 by ECONorthwest, found that "total economic impacts attributed to Intel's operations, capital spending, contributions, and taxes amounted to almost $14.6 billion in economic activity, including $4.3 billion in personal income taxes and 59,990 jobs in Washington County, Oregon."

Impact assessments of our international sites also demonstrate significant economic impact. For example, we hired Consejeros Economicos y Financieros, S.A. to complete an economic impact study of Intel Costa Rica's 15 years of operation. Since 1997, Intel Costa Rica's capital investments have totaled approximately $900 million, and from 1998 to 2011, the site's operations accounted for an average of 5.5% of Costa Rica's GDP. From 2002 to 2011, Intel Costa Rica spent more than $350 million with local suppliers.

Analysis of our direct and indirect impact in Israel in 2012 showed that although Intel directly employed approximately 8,500 employees and interns, indirect employment exceeded 17,000 additional jobs. In 2012, Intel Israel's total direct and indirect reciprocal procurement was $737 million. To support global growth of science education and industry development, Intel helped establish a consortium of leading industrial companies and academic institutes in the country to develop underlying technology and methodologies to support 450mm wafer manufacturing, and launched the Intel Collaborative Research Institution for Computational Intelligence.

"Intel's total impact on the U.S. GDP from 2008–2012 was $408 billion."

Intel's Economic Impacts on the U.S. Economy, 2008–2012, PricewaterhouseCoopers, December 2013

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Performance Summary, Recognitions, and Goals

The following table provides a high-level summary of our key economic, environmental, and social indicators. Click or tap the report section names in the table to see normalized production figures and details that appear in other sections of this report.

Key Indicators	2013	2012	2011	2010	2009
FINANCIAL RESULTS AND ECONOMIC IMPACT					
Net revenue (dollars in billions)	$52.7	$53.3	$54.0	$43.6	$35.1
Net income (dollars in billions)	$9.6	$11.0	$12.9	$11.5	$4.4
Provision for taxes (dollars in billions)	$3.0	$3.9	$4.8	$4.6	$1.3
Research and development spending (dollars in billions)	$10.6	$10.1	$8.4	$6.6	$5.7
Capital investments (dollars in billions)	$10.7	$11.0	$10.8	$5.2	$4.5
Customer survey “Delighted” score	91%	92%	93%	91%	86%
CARING FOR THE PLANET					
Greenhouse gas emissions (million metric tons of CO_2 equivalent)[1]	1.69	1.85	2.01	2.39	2.45
Energy use (billion kWh—includes electricity, gas, and diesel)	5.6	5.5	5.3	5.2	5.1
Total water withdrawn (billions of gallons)	8.7	9.0	8.3	8.2	7.9
Chemical waste generated (thousand tons) / % chemical waste to landfill	53.7 / 4%	47.3 / 7%	35.3 / 5%	31.3 / 11%	24.7 / 13%
Solid waste generated (thousand tons) / % solid waste recycled	110.7 / 89%	137.1[2] / 88%	70.4 / 85%	46.9 / 84%	42.7 / 79%
CARING FOR OUR PEOPLE					
Employees at year end	107,600	105,000	100,100	82,500	79,800
Women in global workforce	25%	26%	26%	28%	28%
Women on our Board at year end	20%	20%	27%	30%	27%
Investments in training (dollars in millions)	$300	$299	$299	$254	$267
Safety—recordable rate[3] / days away case rate[3]	0.60 / 0.11	0.62 / 0.12	0.66 / 0.12	0.59 / 0.11	0.49 / 0.11
Organizational Health Survey scores—“Proud to work for Intel”	N/A	88%	87%	85%	82%
INSPIRING THE NEXT GENERATION					
Employee volunteerism rate	43%	47%	50%	48%	38%
Worldwide charitable giving (dollars in millions)[4]	$109	$106	$93	$126	$100
Charitable giving as percentage of pre-tax net income	0.9%	0.7%	0.5%	0.8%	1.8%
BUILDING THE SUPPLY CHAIN OF THE FUTURE					
On-site supplier audits (third-party and Intel-led audits)	104	106	49	8	0

[1] Including purchases of Renewable Energy Certificates. [2] An estimated 47% of this total was due to construction waste related to the building of two new fabrication facilities.
[3] Rate based on 100 employees working full time for one year. [4] Includes total giving (cash and in-kind) from Intel Corporation and the Intel Foundation.

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 2013.

2013 Selected Awards and Recognitions

Overall Corporate Responsibility

Dow Jones Sustainability Indices. Listed on North America and World indices (15th year)

Fortune magazine. World's Most Admired Companies (1st in our industry) and Blue Ribbon Companies lists

FTSE Group. Listed on the FTSE4Good Index (13th year) (global)

United Nations Global Compact. Listed on the United Nations Global Compact 100 Index

Corporate Responsibility magazine. 100 Best Corporate Citizens (14th year) (U.S.)

Ethisphere* Institute. 2013 World's Most Ethical Companies

Corporate Knights. Global 100 Most Sustainable Corporations in the World (8th year)

Reputation Institute. 2013 CSR RepTrak* 100 Study (global)

MAALA Corporate Responsibility Index. Platinum rating (9th year) (Israel)

Environment

U.S. Green Building Council. Ray Anderson Radical Industrialism Award

U.S. EPA. "Organizational Leadership" Climate Leadership Award

Interbrand. Best Global Green Brands 2013

Malaysia Ministry of Energy, Green Technology, and Water. Energy Efficiency Management Excellence Award, Industry category

Solar Energy Industries Association. Top 25 Companies Using Solar (U.S.)

Maplecroft. 3rd in Climate Innovation Index (U.S.)

The Green500. Several Intel-based systems ranked in the top 10 in the 2013 lists of the world's most energy-efficient supercomputers

Business/Workplace/Citizenship

Forbes. Most Reputable Companies in the Americas (U.S.)

Barron's. World's Most Respected Companies

Fortune magazine. 100 Best Companies to Work For 2013 (U.S.)

Glassdoor. Best Places to Work Employee Choice Awards (U.S.)

Working Mother magazine. 100 Best Companies for Working Mothers (U.S.)

Anita Borg Institute. Top Company for Technical Women (U.S.)

Diversity MBA Magazine. Top 50 Out-Front Companies for Diversity Leadership (U.S.)

Human Rights Campaign. Corporate Equality Index (11th year) (U.S.)

AMR Research. Top 25 Supply Chains (5th overall) (global)

National Conference on Citizenship. Included in Civic 50 Ranking (U.S.)

Center for Political Accountability. 5th in CPA-Zicklin Index (U.S.)

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Progress Toward Goals

Discussions of our performance to goals and future goals are integrated into each relevant section of this report. The following table provides a high-level summary of our company-wide goals in key corporate responsibility areas. Click or tap the report section names in the table for details on our goals and performance in other sections of this report. A summary of our goals for 2014 and beyond is included on the next page of this report.

Progress Toward Goals Summary

Report Section	Goal	2013 Progress
Caring for the Planet	In 2012, we set 2020 environmental goals to drive reductions in greenhouse gas emissions, energy use, water use, and waste generation, as well as increases in recycling and product energy efficiency.	We made progress toward our 2020 goals through investments in energy conservation and renewable energy, and both our water consumption and solid waste generation decreased compared to 2012. However, chemical waste generation continued to rise, due to the increased complexity of our manufacturing processes and product design.
Caring for Our People	We set a goal to continue to drive improvements in the organizational health of the company in 2013, targeting at least 70% employee participation in our Organizational Health Survey (OHS), and maintaining or improving 95% of the survey scores. We also set a goal to drive key improvements in diversity and hiring of technical under-represented minorities and women. To maintain our world-class safety performance, we set an aggressive safety recordable rate goal of 0.40, as well as a goal to promote early reporting of ergonomic injuries.	We did not conduct an OHS in 2013. We continued to engage in good-faith efforts under our affirmative action plans to meet our hiring goals. We maintained our world-class safety levels compared to our peer companies and industry benchmarks, but did not meet our aggressive safety goals.
Inspiring the Next Generation	We set a global employee volunteer goal of 40% to continue supporting our local communities. We also set goals to provide technology training to more than 1 million healthcare workers by 2015, establish education programs in 100 countries by 2014, and grow the education market segment to 100 million units by 2014.	Our global volunteer rate was 43%, exceeding our goal and resulting in 1.2 million volunteer hours. We made progress toward our healthcare worker goal and reached our education initiative goal.
Building the Supply Chain of the Future	We set goals to complete or review 75 on-site supplier audits, track the percentage of our top 75 suppliers that have published Global Reporting Initiative (GRI)-based sustainability reports, and roll out our new Program to Accelerate Supplier Sustainability (PASS). We also set a goal to manufacture the world's first microprocessor that is "conflict-free" for the minerals tantalum, tin, tungsten, and gold.	We exceeded our audit goal, verified that half of our top 75 suppliers had published GRI-based sustainability reports by the end of 2013, and introduced PASS to approximately 100 of our top Tier 1 suppliers. We also achieved our goal of manufacturing "conflict-free" microprocessors.[1]
Respecting Human Rights	We set goals to conduct a targeted human rights impact assessment for our software business, strengthen grievance and remediation processes related to human rights concerns, and work with our subsidiaries to further align our policies and management processes.	While we continued to meet with our McAfee subsidiary about its human rights screening process, we postponed the human rights impact assessment for our software business.

[1] "Conflict-free" means "DRC conflict free," which is defined by Securities and Exchange Commission rules to mean products that do not contain "conflict minerals" (tin, tantalum, tungsten, and/or gold) that directly or indirectly finance or benefit armed groups in the Democratic Republic of the Congo (DRC) or adjoining countries. We also use the term "conflict-free" in a broader sense to refer to suppliers, supply chains, smelters, and refiners whose sources of "conflict minerals" do not finance conflict in the DRC or adjoining countries.

Goal Summary for 2014 and Beyond

This table includes a summary of our corporate responsibility goals for 2014, as well as longer term goals. For more information on our performance and goals, click or tap the report section names in the table for details on our goals and performance in other sections of this report.

Report Section	Goal
Caring for the Planet	• Reduce direct greenhouse gas emissions by 10% on a per chip[1] basis by 2020 from 2010 levels. • Achieve cumulative energy savings of 4 billion kWh from 2012 to 2020. • Reduce water use per chip[1] below 2010 levels by 2020. • Waste reduction and recycling: – Achieve zero chemical waste to landfill by 2020. – Achieve 90% solid waste recycle rate by 2020. – Reduce chemical waste generation by 10% on a per chip[1] basis by 2020 from 2010 levels. • Implement enhanced “green” chemistry screening and selection process for 100% of new chemicals and gases by 2020. • Design all new buildings to a minimum LEED* Silver certification level between 2010 and 2020. • Increase the energy efficiency of notebook computers and data center products 25x by 2020 from 2010 levels.[2]
Caring for Our People	• Drive key improvements and hire at full availability for technical under-represented minorities and women. • Achieve at least 70% participation and maintain or improve scores in at least 95% of the questions on our Organizational Health Survey. • Maintain our world-class safety performance by achieving a targeted safety recordable rate of 0.50. • Improve early reporting of ergonomic-related injuries, specifically cumulative trauma disorders, with a targeted First Aid to Recordable Ratio goal of 9:1.
Inspiring the Next Generation	• Through the Intel® She Will Connect program, reduce the Internet gender gap by 50% in sub-Saharan Africa by 2016. • Provide ICT training to 1 million healthcare workers in developing countries by the end of 2015 through the Intel World Ahead 1Mx15 Health Program.
Building the Supply Chain of the Future	• Complete or review the results from 75 on-site supplier audits to drive reduction in priority and major findings, and faster time to closure. • Enable 100 of our top Tier 1 suppliers to meet our Program to Accelerate Supplier Sustainability (PASS) requirements by the end of 2014, and all 250 top Tier 1 suppliers to meet the requirements by the end of 2016. • Reach at least one-third of our top Tier 1 suppliers through our capacity-building programs by the end of 2014. • Complete a third-party audit of one of our assembly and test facilities in 2014. • Establish a 100% green Intel ground transportation fleet by 2016.
Respecting Human Rights	• Continue to integrate our human rights-related processes and policies with our subsidiaries. • Influence the electronics industry and our supply chain to improve human rights performance. • Conduct a targeted human rights impact assessment for our software business.

[1] Assuming a typical chip size of approximately 1 cm^2 (chips vary in size depending on the specific product).
[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, and number of recharge cycles of volume notebook computers in that model year.

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Looking Ahead

We will continue our focus on creating positive impact for society while expanding and transforming our business.

To succeed in this changing computing environment, we have the following key objectives:

- Strive to ensure that Intel® technology is the best choice for any computing device, including PCs, data centers, cloud computing, ultra-mobile devices, and wearables;
- Be the platform of choice for any operating system;
- Maximize and extend our manufacturing technology leadership;
- Extend to adjacent services such as security, cloud, and foundry;
- Expand platforms into adjacent market segments to bring compelling new SoC solutions and user experiences to ultra-mobile form factors, including smartphones and tablets, as well as notebooks, embedded systems, and microserver applications;
- Develop platforms to enable devices that connect to the Internet of Things, and to each other, to create a computing continuum offering consumers a set of secure, consistent, engaging, and personalized forms of computing; and
- Strive to lower the footprint of our products and operations as well as be an asset to the communities in which we work.

We believe that applying our core assets to our key focus areas provides us with the scale, capacity, and global reach to establish new technologies and respond to customers' needs quickly. Our core assets and key focus areas include:

Silicon and Manufacturing Technology Leadership. Our in-house manufacturing capability allows us to optimize performance, shorten time to market, and scale new products more rapidly. We believe that this competitive advantage will be extended in the future as the costs to build leading-edge fabrication facilities increase, and as fewer semiconductor companies are able to combine platform design and manufacturing.

Architecture and Platforms. We are developing a wide range of solutions for devices that span the computing continuum, from notebooks, desktops, tablets, and smartphones to in-vehicle infotainment systems and beyond. We continue to invest in improving Intel architecture to deliver increased value to our customers and expand the capabilities of the architecture into adjacent market segments.

Software and Services. We offer software and services that provide security solutions through a combination of hardware and software for consumer, ultra-mobile, and corporate environments. We continue to collaborate with companies to develop software platforms optimized for Intel processors and that support multiple hardware architectures and operating systems.

Security. Through our expertise in hardware and software, we embed security into many facets of computing. We expect to bring unique hardware, software, and end-to-end security solutions to the market in order to offer increased protection against security risks for consumers and businesses worldwide.

Customer Orientation. Our strategy focuses on developing our next generation of products based on the needs and expectations of our customers. In turn, our products help enable the design and development of new user experiences, form factors, and usage models for businesses and consumers.

Strategic Investments. We invest in companies around the world that we believe will further our strategic objectives, support our key business initiatives, and generate financial returns. We generally focus on companies and initiatives that we believe will stimulate growth in the digital economy, create new business opportunities for Intel, and expand global markets for our products.

Corporate Responsibility. We are committed to developing energy-efficient technology solutions that can be used to address major global problems while reducing our environmental impact. We are also committed to empowering people and expanding economic opportunity through education and technology, driven by our corporate and Intel Foundation programs, policy leadership, and collaborative engagements. In addition, we strive to cultivate a work environment in which engaged, energized employees can thrive in their jobs and communities.

Caring for Our People

For decades, the backbone of our corporate culture has been the Intel Values: Customer Orientation, Discipline, Quality, Risk Taking, Great Place to Work, and Results Orientation. Our success depends upon recruiting and cultivating talented people who share these values. Intel is known for its technology, but the people behind the technology are what make the company great. We are committed to helping our people get the most out of their careers—from recruitment through retirement.

In 2013, Intel was once again named to Fortune magazine's annual "100 Best Companies to Work For" list.

$300 Million

We invested $300 million in employee training and development in 2013, or an average of approximately $3,100 per employee.

We maintain world-class safety performance through programs that help employees enjoy a better quality of life.

>5,600

More than 5,600 employees took sabbaticals in 2013, returning refreshed and revitalized.

Learn what life at Intel is like for Intel employees.

Key Section Links

Performance Summary and Goals
Intel Values
Jobs at Intel
Life at Intel
Intel Culture and Diversity
Compensation and Benefits

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Management Approach

Intel's success rests on our employees' ongoing passion for innovation. We cultivate a safe, respectful, and ethical work environment that enables employees to thrive on the job and in their communities.

Our Global Workforce

As of December 31, 2013, Intel had 107,600 employees worldwide (including employees of our subsidiaries), approximately 51% of whom were located in the U.S. Intel's workforce is highly educated, with over 82,400 people in technical roles. Our employees hold approximately 9,200 master of science, 5,300 PhD or equivalent, and 4,000 master of business administration degrees.

Our Philosophy and Management Practices

Intel invests significant resources to develop the talent needed to keep the company at the forefront of innovation. We work to build a strong engineering pipeline and attract top performers, and we offer career development and work/life programs—from recruitment through retirement—that make Intel an employer of choice.

Our Human Resources (HR) organization has primary responsibility for the management of our workplace and talent development activities. Our senior vice president and director of HR oversees groups such as Talent Transformation and Diversity, Employee Communications, Compensation and Benefits, and Learning and Development. A dedicated research team is responsible for tracking and analyzing HR data to help managers and leaders improve our workplace performance. HR also collaborates closely with many other groups across Intel, such as working with Corporate Services on office redesigns and on-site conveniences, and with Corporate Affairs on employee volunteer programs and initiatives. In addition, a number of Management Review Committees made up of senior leaders from across the company regularly review performance on HR topics such as diversity and culture.

Intel Values
Customer Orientation. We strive to listen and respond to our customers, suppliers, and stakeholders; clearly communicate mutual intentions and expectations; deliver innovative and competitive products and services; make it easy to work with us; and be a vendor of choice.
Discipline. We strive to conduct business with uncompromising integrity and professionalism; ensure a safe, clean, and injury-free workplace; make and meet commitments; properly plan, fund, and staff projects; and pay attention to detail.
Quality. We strive to achieve the highest standards of excellence; do the right things right; continuously learn, develop, and improve; and take pride in our work.
Risk Taking. We strive to foster innovation and creative thinking, embrace change and challenge the status quo, listen to all ideas and viewpoints, learn from our successes and mistakes, and encourage and reward informed risk taking.
Great Place to Work. We strive to be open and direct, promote a challenging work environment that develops our diverse workforce, work as a team with respect and trust for each other, win and have fun, recognize and reward accomplishments, manage performance fairly and firmly, and be an asset to our communities worldwide.
Results Orientation. We strive to set challenging and competitive goals, focus on output, assume responsibility, constructively confront and solve problems, and execute flawlessly.

Our values define who we are and how we act as employees and as a company. They are more than just words; we live by them every day.

Our "open door" policy enables employees to speak directly with all levels of management about their ideas, concerns, or problems, and to collaborate with managers to address workplace issues. We invest in cultivating a culture in which employees feel comfortable asking questions and sharing their views about our business directly with senior leaders. We use a variety of open communications channels to accomplish this, including quarterly Business Update Meetings, open forums, and social media.

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People at Intel grow by continuously learning—on the job, in the classroom, and by working with others. Regular conversations between employees and their managers help identify development opportunities and objectives. Through our internal Learning and Development program (formerly called Intel University), employees connect with one another, acquire new skills, and share their knowledge as volunteer instructors. We make significant investments in the development of strong leaders, recognizing that having skilled managers throughout the organization is critical to our success. We work to set clear management and leadership expectations, and we conduct succession planning.

Celebrating the accomplishments of our employees is a top priority, from everyday thank-yous to formal reward programs. “Great Place to Work” volunteer teams at Intel sites worldwide plan social events for employees and their families, including parties and outings to local art and sporting events.

Our goal is to empower our employees to build meaningful and rewarding careers throughout their years at Intel.

Promoting Innovation

Our employees are prolific inventors of technologies that solve real-world challenges. Driven by our ongoing pursuit of Moore’s Law, innovation has always been an integral part of Intel’s culture.

We believe that innovation depends on correctly defining challenges, setting aggressive goals, and putting the right people on the right problems. Innovation also means removing barriers—the ones between research and development and between development and manufacturing—and giving employees the appropriate mix of autonomy and direction. Intel researchers are working in the field—at universities and at our laboratories around the world—to advance knowledge in areas such as energy conservation, biotechnology, and optical communications. Our product development teams and manufacturing engineers, in turn, transform research into an array of products that are improving every facet of life.

We conduct an ongoing dialogue with employees about our innovation goals and investments, and provide resources for managers on innovation-related best practices, methods, and tools, including how to encourage creative behavior and foster innovation in their teams. We use recognition and reward programs, leadership resources, and interactive forums to create a culture that encourages risk taking and the open exchange of ideas essential to sustained innovation. An employee intranet portal on innovation describes concrete methods to use at each stage of the process and serves as a repository of employee ideas for product design enhancements, business process improvements, and more.

Measuring Our Progress

Managing a complex, geographically dispersed workforce is extremely challenging. We have instituted a number of ways to regularly assess the health of our overall organization and business groups, and obtain feedback so that adjustments can be made as needed.

Our Organizational Health Survey (OHS) tells us what employees think about our workplace. This assessment provides insight into current business-specific issues, historical trending on a core set of questions, and comparisons to external benchmarks. It helps us identify strengths and areas for improvement in our business groups and geographies, and provides data for planning and improvement.

The survey is conducted on a periodic basis, and results are openly shared with employees. We did not conduct an OHS in 2013, but plan to conduct one in 2014. To see survey results from previous years, download our 2012 Corporate Responsibility Report on our Report Builder web site.

Business groups also conduct their own surveys to measure progress; for example, our Ethics Program Office surveys employees on the state of ethics, and our Corporate Services organization measures satisfaction with services, such as those at our cafes.

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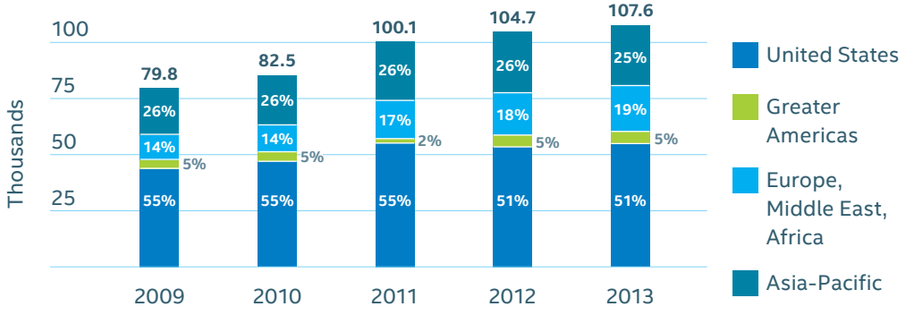
Workforce Data

We have published workforce statistics in our Corporate Responsibility Report since 2002. The majority of the increase in total employees between 2012 and 2013 was due to hiring at Intel and our wholly owned subsidiary McAfee. Additional details are available in the Report Data File on the Report Builder web site.

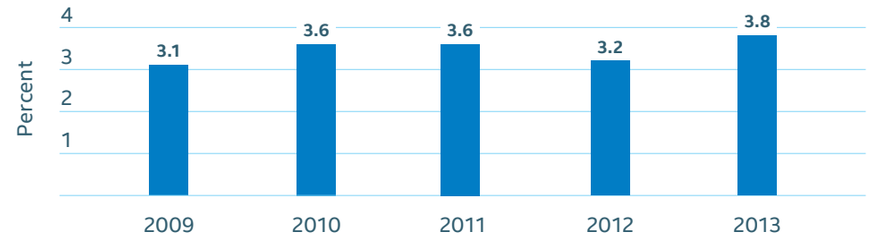
Total Employees by Region[1]



[1] Includes all regular Intel employees plus approximately 9,600 employees of our software and services operating segments, including McAfee and the Software and Services Group.

Our employees' faces reflect those of our customers, vendors, and colleagues in the global market.

Global Turnover[1]



[1] Includes all regular Intel employees plus approximately 9,600 employees of our software and services operating segments, including McAfee and the Software and Services Group. Does not include Intel contract employees and interns, or terminations due to divestiture, retirement, or redeployment.

In 2013, our turnover rates remained low across all regions. Regular monitoring of turnover by performance rating (top, middle, and low) helps us spot and address issues and trends swiftly.

2013 Employee Data

Employee Category	Greater Americas	APAC	EMEA	U.S.	Total
REGULAR[1]					
Exempt[2] / Non-Exempt[3]	2,984 / 1,117	18,080 / 6,096	14,685 / 3,752	39,947 / 11,207	75,695 / 22,232
Regular Total	**4,161**	**24,175**	**18,437**	**51,154**	**97,926**
INTEL CONTRACT EMPLOYEES AND INTERNS					
Exempt / Non-Exempt	303 / 71	1,024 / 206	1,869 / 735	407 / 354	3,603 / 1,366
Contract / Intern Total	**374**	**1,230**	**2,604**	**761**	**4,969**
Grand Total	**4,535**	**25,405**	**21,041**	**51,916**	**102,895**

APAC = Asia-Pacific EMEA = Europe, Middle East, Africa
[1] Regular employees only. The definition of "regular employee" does not include Intel contract employees and interns, or employees of our software and services operating segments. [2] Exempt employees receive compensation through an annual salary and are "exempt" from overtime provisions of the Fair Labor Standards Act (FLSA). [3] Non-exempt employees are entitled to the minimum wage and/or overtime pay protections of the FLSA.

Half of our employees are based in the United States.

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Building a Strong Workforce

Our continuing record of innovation depends on recruiting and cultivating the greatest talent in the world.

Intel employees are problem solvers. They challenge assumptions and are passionate about issues and opportunities in our world. We seek out candidates who possess these characteristics. We are also committed to a diverse workforce, and have multiple programs and campus recruiting initiatives designed to enable us to recruit candidates with varying backgrounds and experiences. For more information, see "Diversity and Inclusion" later in this section.

We use a variety of social media channels to inform potential employees about our culture and work environment, including our Jobs at Intel Blog, and our Facebook, Twitter, and LinkedIn accounts.

Internship Programs. Intel's internship programs provide a major pipeline for new hires. We offer a variety of internship options aimed at PhD, master, and bachelor degree students. For the past few years, we have worked to expand undergraduate internship opportunities for students in their freshman and sophomore years, the time when engineering students are most likely to change majors if they don't gain hands-on experience. For more information, see our Jobs at Intel – Students and Grads web site.

Career Opportunities for Returning Veterans. Intel is actively recruiting and hiring returning veterans for jobs across the U.S., including a high concentration of positions in Arizona and New Mexico. We have targeted recruiting efforts at a number of military bases, and we use numerous military job web sites to advertise positions. Intel employs more than 4,300 U.S. military veterans, including active members of the National Guard and military reserves, across all segments of our business—from information technology (IT) and engineering to finance and high-tech manufacturing.

Employee Spotlight: Rob Polston

Rob Polston, Intel's Veteran Recruiting and Staffing Program Manager, concurrently serves as an officer in the U.S. Army Reserves as a veteran of Operation Joint Endeavor (Bosnia) and Operation Enduring Freedom (Afghanistan). It is Polston's job to identify military veteran candidates who are a good fit for Intel. Once veterans are hired, he helps to assure a smooth and seamless transition from military culture to the corporate environment through training, coaching, and mentorship. "At Intel, we believe that hiring veterans is not only the right thing to do, but a critical part of our business success," says Polston. "The veterans we hire absolutely meet the critical skills that we require to compete in the global economy."

Military veterans frequently find the transition into Intel relatively easy, since the skills critical to success in the military are similar to those that we need in our business. In addition, our sabbatical program creates a culture that accommodates extended temporary assignments, which makes supporting employees on active deployment or annual military training straightforward for our managers. We allow military experience to be substituted for the equivalent of college technical degrees in our manufacturing facilities, and have rewritten job descriptions to enable veterans to more easily match their military experience to skills in demand at Intel.

Helping New Employees Make the Transition. We work hard to welcome and integrate new hires into our culture. We want them to feel comfortable, inspired, connected, and—most importantly—valued. The welcoming process starts before the first day on the job, through a web-based portal with a variety of resources and information to help introduce new employees to the company. Included are social networking resources to connect them to each other and to existing members of Intel's workforce. Our New Employee Orientation includes engaging activities and networking, and members of our 26 Chartered Employee Groups proactively embrace new hires to help them feel comfortable.

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Career Growth and Development

We combine a mix of resources and learning methods to create a rich career development culture.

We encourage employees to work with their managers to align their job assignments with their talents and passions, as well as the needs of the organization. Career development at Intel is viewed as a continuing conversation between employees and their managers—not something that is brought up only during annual reviews. Managers strive to meet with each employee at least quarterly to review the prior quarter's goals, the employee's development and performance against expectations, and the upcoming quarter's priorities and goals. These meetings provide opportunities to recognize excellence and discuss performance issues, thus contributing to individual development and improvement in a team's performance, execution, and business results.

When employees are ready to try new challenges, they can "test-drive" short-term assignments by providing coverage for employees on sabbatical leave, or by taking advantage of one of our rotation or temporary assignment programs. Our sabbatical program creates regular opportunities for 90-day rotations and has contributed to a culture that views rotations as a positive and standard practice. More than 5,600 employees completed sabbatical coverage assignments in 2013, with many employees gaining valuable management experience by covering for their direct managers.

Intel also hosts a web-based development opportunity tool that enables employees to apply for part-time or temporary job opportunities across the company. More than 65,000 employees have visited the site since it was launched in 2011. More than 3,600 employees have completed development assignments posted on the tool to expand their networks and acquire new skills. Employees also use our internal global job-posting system to learn about and apply for new positions at Intel. Many employees pursue career growth by taking assignments in other countries, where they are exposed to unique cultural experiences while acquiring new business skills.

Intel's Employee Development Approach
Learn. Provide employees with a robust range of resources and tools, including: courses focused on job skills, professional development, and managerial training; external professional certification programs; and access to world-class institutions via tuition reimbursement.
Connect. Encourage employees to connect with managers, senior leaders, and one another through open forums, quarterly events, mentoring and coaching relationships, employee groups, and online and social media channels.
Experience. Give employees opportunities to expand their skills through rotational, temporary, or sabbatical coverage assignments. These assignments can accelerate performance and career growth, and help employees share their expertise with others.

Intel's commitment to career development has led to increased manager capability, a stronger infrastructure, and improved employee satisfaction.

Our Career Development Workshop is designed to help employees at all levels think strategically about their career development plans, and to facilitate discussions with their managers. More than 51,000 employees have participated in the workshop since its launch in 2008.

Management/Leadership Development

We set clear, consistent expectations for our managers and leaders, and give them opportunities to gain critical skills and knowledge by attending internal and external courses, connecting with other managers, and taking on new challenges. Through our Manager and Leader Feedback Survey (administered twice a year), employees evaluate how well their managers are communicating, motivating, and developing their teams. Managers share the survey results—both strengths and areas for improvement—with their teams and develop action plans. We also factor the results into our annual manager performance reviews. In 2013, more than 68,000 employees provided their managers and leaders with constructive feedback through this process.

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In response to the survey results, we have invested in a number of management and leadership development programs. Programs focus on supporting employees during transition periods, such as when they assume leadership roles for the first time or advance to more senior positions. We have seen continuous improvement in our manager and leader performance to expectations since we began implementing these programs.

Our senior leaders have access to courses that cover personal leadership, execution, strategy, and organizational leadership. All courses are offered globally, and Intel executives teach many of them. We offer action learning programs that blend strategic business needs with senior leader learning and growth. These programs focus on current business challenges to ensure that real work is accomplished during leadership development. We also have an executive coaching program that links senior leaders with professional internal and external coaches.

Management and Leadership Development Programs
New Managers. Intel welcomed 1,500 new managers in 2013. The "New to Management" program supports new managers during their first year of leading people. Participants attend workshops facilitated by senior leaders, take advantage of self-study resources, and have access to transition coaching. Throughout the year, they have a strong support network that enables them to lead highly engaged teams and achieve business results.
Experienced Managers. To support the ongoing development of our seasoned managers and leaders, we offer 50 core instructor-led courses, as well as online performance training and support modules that provide "just-in-time" help. More than 16,000 employees completed manager training in 2013. In addition, an online Manager Dashboard tool provides resources to help managers run the "people" side of their business.
Senior Leaders. The annual Intel Executive Summit (formerly the Intel Leader Summit) is a two-day conference designed to educate, align, and inspire Intel's top leaders from around the globe and highlight the leadership behaviors needed for Intel's future success. The impact has been far-reaching throughout the company, as leaders have committed to positive changes and started sharing newly learned behaviors with the next generation of leaders in their organizations.

We have leadership programs in place to address development needs at different experience levels.

2013 Intel Learning and Development Statistics	
Total learning hours delivered[1]	3,080,200
Total number of trainings completed	1,197,400
Number of learners who received training[2]	174,200

[1] Includes a mix of training methods, such as instructor-led classroom, virtual classroom, and other (multimedia/on-the-job activity).
[2] Includes Intel employees, contractors, suppliers, and interns.

Most of Intel's internal courses are led by more than 4,700 employee volunteers, who leverage their skills and knowledge of a particular subject to teach other employees.

Intel Learning and Development

In 2013, Intel invested approximately $300 million in employee training and development, including instructor-led and e-learning courses and tuition reimbursement. That amount translates to an investment of approximately $3,000 and an average of 31.4 hours of training per employee. Our Tuition Assistance Program provides financial assistance to eligible U.S. employees who are completing job-related degree programs or coursework. In 2013, we invested $7.9 million in the program, helping more than 1,100 employees pursue educational opportunities.

Intel provides a comprehensive development curriculum, including new employee orientation, cultural integration, skills training, professional certification, and external education. Training programs cover a broad range of topics, such as project management, problem-solving, effective decision-making, cross-cultural training, and technical subjects. In 2013, Training magazine once again recognized our strong focus on employee development by including Intel in its list of the top 125 global training organizations.

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Communication and Recognition

Open and direct communication has been a hallmark of Intel culture since the company's founding. Employees report that they value getting the straight scoop from their leaders and managers, and appreciate being able to speak freely about issues that concern them.

Intel's open door philosophy gives employees access to all levels of management to address work-related concerns. Employee surveys indicate that this philosophy contributes to organizational health, improves productivity, and decreases turnover.

Because Intel's success depends upon all employees understanding how their work contributes to the company's overall vision and business strategy, we use a broad range of electronic and interpersonal channels to keep employees aligned with our strategy. Our overall goal is to ensure that employees receive timely information and candid answers to their questions.

Circuit, our employee intranet portal, provides corporate and local Intel news, and information about workplace services and benefits. It is accessible through a web browser or mobile phone application. We also reach employees through a network of digital video screens that broadcast news and information in our factories, lobbies, and cafeterias.

Employees are encouraged to use Intel's internal social media channels for business and collaboration purposes, and to build a sense of community across our global sites. Senior leaders and other employees publish personal essays to open dialogue about business issues, challenges, and opportunities. Employees have the opportunity to comment on news articles and features so they can add their valuable knowledge and perspectives to the corporate dialogue. We believe that employees are the best and most knowledgeable ambassadors for our company, and we encourage them to participate in external social media channels. We have also received recognition for our Social Media Guidelines and Digital IQ social media training courses for employees.

Corporate-wide Recognition Programs

Intel Achievement Award (IAA). The IAA is the company's highest honor for personal and small-team accomplishments. Less than one-half of 1% of all employees receive an IAA each year. Winners are rewarded with company stock and an invitation to a banquet hosted by the CEO.

Intel Quality Award (IQA). IQAs are given annually to a few Intel organizations that have made long-term commitments to operational excellence and have demonstrated performance to Intel Values. Organizations complete applications that are presented to a panel of executive judges, who select the winners. Winning organizations are expected to act as role models and mentors for groups that subsequently enter the IQA application process.

Intel Inventor Award. Launched in 2011, Inventor Awards recognize employees who file high-quality invention disclosures that result in issued patents. Winners receive restricted stock units, except for employees in countries where local law requires a cash award.

Division Recognition Award (DRA). DRAs recognize employees for reaching critical milestones or completing projects that demonstrate a strong commitment to Intel Values. DRAs are presented to employees in front of their peers at quarterly Business Update Meetings.

Spontaneous Recognition Award (SRA). SRAs can be given by any employee at any time to show appreciation for a peer, subordinate, or manager, and may include cash, a gift card, or other reward.

Other Awards. Formal programs also recognize employees for: performance to Intel Values, years of service, technology innovation, Intel Learning and Development instructor contributions, volunteerism (such as the Intel Involved Hero Award), and environmental excellence (such as the Intel Environmental Excellence Awards).

From simple and sincere personal thank-yous to formal banquets, Intel offers multiple types of recognition that reward employees for their accomplishments.

We foster a culture of recognition and appreciation. Recognition includes corporate-wide programs as well as local programs created by individual business groups to acknowledge the achievement of specific goals. We also host company-wide events to celebrate major project milestones, product launches, and company anniversaries.

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Diversity and Inclusion

The wide range of perspectives that we gain by hiring and developing talent from a diverse, global labor pool gives us a better understanding of the needs of our customers, suppliers, and communities, and helps us advance our leadership in both technology and corporate responsibility.

Diversity is an integral part of Intel's competitive strategy and vision. Our goal is to be a leader in diversity, and we develop annual diversity action plans with recruitment and employee development indicators that are monitored quarterly.

Intel provides equal employment opportunity for all applicants and employees without regard to race, color, religion, sex, national origin, ancestry, age, disability, medical condition, genetic information, military and veteran status, marital status, pregnancy, gender, gender expression, gender identity, sexual orientation, or any other characteristic protected by local law, regulation, or ordinance. Intel also makes reasonable accommodations for disabled employees and prohibits harassment of any individual on any basis. We strive to continuously advance a work environment that honors, values, and respects all of our employees.

Investing in the Pipeline. Intel invests in a range of programs to build the pipeline of qualified women in science, engineering, math, and technology fields. We also collaborate on initiatives to improve basic access to education and technology for girls, women, and underserved populations around the world. For more information, see the Inspiring the Next Generation section of this report.

Investing in Intel's Technical and Leadership Diversity. We continue to work on increasing the number of technical females and under-represented minorities in leadership positions, and have key initiatives designed to improve recruitment, retention, and development of African Americans, Hispanics, Native Americans, and technical women on our leadership teams.

Employee Spotlight: Makiko Eda

Makiko Eda, vice president of Intel's Sales and Marketing Group and president of Intel K.K. (Japan), joined Intel in 2000 as a market research manager. Prior to her current role, she held several senior marketing roles, most recently as director of marketing and consumer sales for Intel's Asia-Pacific region, where she was responsible for all aspects of brand and promotions marketing strategy and execution across this diverse region. She now manages Intel's sales and marketing business operations in Japan. "The resources that Intel has committed to diversity and inclusion have helped make our workplace one where all employees can thrive," says Eda. "The different perspectives that we bring also contribute to our leadership in the industry."

Internal and external research has validated the importance of providing growth experiences for various employees who may feel isolated. To build stronger pipelines for employees who are pursuing technical and leadership careers, Intel provides a variety of development opportunities, including site-based leadership training and a networking series targeted for African American, Hispanic, and female employees. These programs deliver specific leadership tools; career-enhancing strategies; and access to peers, coaches, and some of Intel's most senior leaders and technologists.

We offer employees both internal and external career development training at organizations such as the African American Leadership Institute and the Latino Leadership Institute. The Blueprint for Extraordinary Performance, an Intel leadership development series, is targeted at boosting retention and advancing the careers of African American and Hispanic employees. The program covers business acumen, organizational leadership, strategic thinking, communication skills, and more.

We also have three leadership councils made up of Intel's most senior African American, Hispanic, and female leaders, who serve as visible role models, sponsors, and passionate voices for employees at Intel. They actively engage in hiring, retaining, and sponsoring our diverse talent.

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Cultivating a Supportive Network. We provide managers with tools and resources for rewarding and recognizing diversity efforts within their groups. We also encourage members of our workforce—from recent college graduates to long-time employees—to join our 26 chartered Intel employee affinity groups. These groups are organized around ethnicity, national origin, military service, religious beliefs, gender, sexual orientation, gender identity, and other groupings, such as parenthood and disability. They provide a powerful means of support and integration for employees, as well as opportunities to participate in a variety of programs, such as cultural awareness events, mentoring, and community projects. Intel provides funding for group activities; dedicated support staff; space for meetings, study, or prayer; and communications vehicles.

Building Multicultural Awareness. Several Intel programs are designed to promote cultural awareness among employees. Frequent company events give employees opportunities to share their heritage and connect with others. We provide intercultural training, including online resources outlining cultural traits; and courses on awareness, inclusion, unconscious bias, and gender communication differences. We also host numerous discussion forums within our employee communications portal to foster respectful dialogue among employees.

Strengthening External Alliances. Intel is active on the boards and industry committees of national diversity organizations, such as the Anita Borg Institute, Society of Hispanic Professional Engineers, Society of Women Engineers, National Society of Black Engineers, American Indian Society of Engineers and Scientists, Out & Equal Workplace Advocates, National Urban League, and National Action Council for Minorities in Engineering. By establishing Intel as a trusted advisor and by building strong relationships with external organizations, we continue to enhance our own learning, help to achieve our diversity goals, share our best practices with others, and advance diversity beyond our own organization.

Moving forward, we will increasingly evolve our diversity practices to ensure a focus on global diversity and inclusion, and work to implement programs based on global assessment.

Intel Global Women's Initiative

A number of Intel programs are designed to support the development and retention of female employees, especially in technical and leadership areas. The following are a few examples.

Women Principal Engineers (PEs) and Fellows Forum. Now in its ninth year, this 100% technology-focused forum is designed to offer women PEs, Intel Fellows, and those likely to be promoted to PE opportunities to present their work in front of a highly technical audience.

Women at Intel Network (WIN). This employee group, which has 33 chapters worldwide, hosts several development conferences each year, and offers numerous development opportunities and networking events. In 2013, WIN also held its first global virtual conference.

Intel Global Women's Initiative Portal. Launched in 2010, this interactive portal enables all employees to connect with women around the world and interact with Intel's female leaders through blogs and discussion forums.

Intel Network of Executive Women (iNEW). All female vice presidents and Intel Fellows are invited to be members of the iNEW organization, which champions efforts around diversity and change, inspires development and retention, and serves as a passionate voice for under-represented minorities and women at Intel.

Extend Our Reach. Through this program, launched in 2011, Intel's most senior women executives act as sponsors and mentors who advocate for other senior-level female employees. More than 60 senior women are currently sponsored through the program.

Command Presence Workshop. Launched in 2009, this workshop is designed to help mid-level technical women be successful when presenting in task forces, in decision-making meetings, and to senior- and executive-level audiences. Senior technical women help train up-and-coming women to communicate as leaders, command the respect of leaders, and defend their ideas.

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Diversity Data

We continue to focus on efforts to increase the representation of women in our global workforce, including investing in the talent pipeline for women in engineering and technical disciplines. Additional diversity data is available on our Report Builder web site.

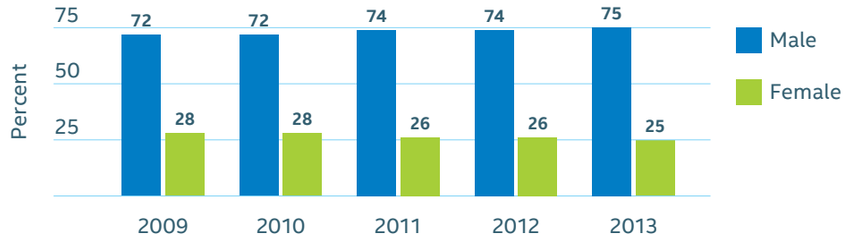
U.S. Hiring Data[1]

	2009	2010	2011	2012	2013
Minorities as a Percentage of U.S. Hires[2]	42%	57%	53%	52%	56%
Females as a Percentage of U.S. Hires	24%	24%	34%	22%	25%

[1] Regular Intel employees only (does not include employees of our software and services operating segments, Intel contract employees, or interns).
[2] Includes African American, Hispanic, Asian American/Pacific Islander, and Native American.

Over the past five years, diversity in our U.S. hiring has remained relatively flat.

Worldwide Workforce by Gender[1]



[1] Regular Intel employees only (does not include employees of our software and services operating segments, Intel contract employees, or interns).

Over the past five years, the percentage of women in our workforce has remained relatively flat.

2013 Workforce by Reporting Category

	U.S. Workforce[1]		U.S. Officials and Managers[1]		Corporate Officers and Appointed Vice Presidents[2]		Top 50 in Total Compensation[2]		Board of Directors[2]	
	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male
African American	411	1,389	31	106	3	3	1	—	—	—
Asian/Pacific Islander	4,496	11,261	352	1,554	5	26	1	6	—	—
Caucasian	5,865	22,414	742	3,508	21	102	7	28	2	8
Hispanic	1,046	3,236	59	293	—	2	—	—	—	—
Native American	69	206	4	12	—	—	—	—	—	—
Other/Unidentified[3]	137	372	2	28	7	21	—	7	—	—
Total	**12,024**	**38,878**	**1,190**	**5,501**	**36**	**154**	**9**	**50**	**2**	**8**

[1] Regular U.S. Intel employees only (does not include employees of our wholly owned subsidiaries, Intel contract employees, or interns). [2] These figures were reported on a global basis as of December 31, 2013.
[3] "Other" includes employees who reported as multi-racial and those who did not report race.

This table provides a high-level summary of our U.S. workforce and governance bodies by reporting category.

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Compensation, Benefits, and Work/Life Effectiveness

Intel's comprehensive pay, stock, and benefits program is designed to attract, retain, and reward our employees, enabling long-term growth and a continuing record of innovation.

We also strive to provide tools and benefits that support the work/life needs of different employees—from working parents and those with elder-care responsibilities to those in the military reserves. A more detailed overview of our compensation and benefits is available on the Report Builder web site. For additional information on compensation and benefits at Intel locations worldwide, visit our Compensation and Benefits web site or read our 2014 Proxy Statement.

Compensation

Intel's comprehensive pay, stock, and benefits package approach aligns company, employee, and stockholder interests, and provides employees with incentives to focus on meeting or exceeding business objectives. It is based on five guiding principles that support our philosophy of rewarding both individual performance and corporate success: meritocracy and egalitarianism, market competitiveness, alignment with business performance, promotion of health and welfare, and balance between employee and stockholder needs.

Our bonus programs are cornerstones of our pay strategy, linking employees' compensation directly to Intel's financial and operational performance metrics. Higher level employees, who have a wider job scope and greater ability to affect the company's performance, receive a higher percentage of their compensation through our bonus and variable compensation programs.

Employee Cash Bonus Program and Customer Excellence Program. The Employee Cash Bonus Program (ECBP) is a profit sharing program that pays cash awards to employees twice a year based on Intel's success. In 2014, the payouts will be made quarterly through the Quarterly Profit Bonus (QPB) program. Employees may also receive an additional two days of pay each year based on the results in our Customer Excellence Program (CEP), which is explained in the Intel Quality System Handbook. CEP measures overall customer satisfaction and drives corporate or business unit improvement actions. In 2013, employees received one additional day of pay under the program as a result of the company receiving a 91% "Delighted" score from customers. The payout was lower than in past years because Intel underperformed in the eyes of our phone and tablet customers. The 2013 ECBP and CEP payouts provided Intel employees with a total of an additional 16.5 days of pay (equal to 6.3% of their annual compensation).

Annual Performance Bonus Plan. Intel shares profits with employees worldwide by paying annual incentive cash payments through our Annual Performance Bonus (APB) plan, formerly called the Employee Bonus (EB) plan. The formula for determining APB payouts is based on a net income calculation and operational performance. Intel executive officers participate in a plan identical in all respects to the employee plan, with the added feature of an individual performance adjustment. Since 2008, we have included criteria related to environmental sustainability metrics, and in 2010 we added other metrics related to corporate responsibility, such as performance on the OHS and external reputation measures. For more information, see the Caring for the Planet section of this report. Instead of the APB program, eligible sales and marketing employees participate in our Commission program, which provides incentives linked to sales performance.

Equity Programs. Through stock options and restricted stock units (RSUs), employees may receive an equity interest in the company, acquire a stake in Intel's long-term growth, and potentially benefit from capital appreciation. We grant equity to more than 95% of our employees annually, including RSUs and stock options. Under our stock purchase plan, all regular full-time and part-time employees and interns can purchase stock through payroll deductions at 85% of Intel's stock price at the lower of the beginning or the end of a subscription period. Share-based compensation totaled $1.1 billion in 2013.

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Health and Wellness Benefits

Intel is committed to developing a culture in which employees and their families are healthy, productive, and engaged in wellness-oriented lifestyles. We have created a portfolio of health benefit plans and wellness programs designed to encourage employees to evaluate, improve, and maintain their health and the health of their families.

Intel's voluntary Health for Life program includes on-site primary care (with convenient access to quality care at low cost), on-site biometrics, annual health assessments, fitness programs, wellness seminars, flu prevention, and personalized wellness coaching. These benefits are deployed through Health for Life Centers at Intel's major U.S. and international sites. The centers are designed to be hubs for corporate and site-level wellness activities.

The Health for Life Wellness Check is available in more than 10 countries. It provides biometric screening, which includes cholesterol and glucose testing, basic measurements of blood pressure and body mass index, a health risk assessment, and wellness coaching. Since the program's inception, approximately 90% of Intel's employees have participated in the Wellness Check, receiving critical information about their health. Intervention programs, such as weight management, fitness, stress management, and tobacco cessation, are available for lifestyle behavior modification. We also maintain on-site fitness centers at our sites around the world.

U.S. Healthiest has awarded Intel Silver HealthLead* accreditation status for leading the way in employee health management and well-being initiatives.

Transition to Retirement

We support our employees' transition to retirement through savings plans, options for gradually reducing their workload, volunteer opportunities where they can apply their experience, and other programs. Our retirement benefits can include post-retirement medical benefits, 401(k) savings, Intel contributions to employee retirement plans, and defined benefit plans. Eligibility for these plans varies by country, legal requirements, and employee tenure. Intel considers market practice, retirement readiness, regulatory requirements, and company affordability when funding employee retirement plans. In the U.S., in 2013 we contributed 5% of eligible earnings to each employee's retirement account, irrespective of the employee's ability to save. For employees who retire from Intel in the U.S., we also provide funds based on tenure, which enable employees to purchase retirement medical coverage.

Intel offers expanded retirement benefits with Intel Encore Career Fellowships, through which U.S. employees who are eligible for retirement can take a subsidized, temporary position with a nonprofit organization upon retirement from Intel. Intel retirees use their practical experience in communications, process improvement, IT, operations, human resources, engineering, and other areas to help nonprofits build capacity, operate more efficiently, and ultimately have a broader impact on their communities. Intel supports participants with stipends and COBRA medical coverage during their assignments. In addition to helping employees transition to retirement, the program provides nonprofit organizations with experienced talent.

Intel's Sabbatical Program

Full-time employees in the U.S. and Canada receive 8-week paid sabbaticals upon completion of each seven years of service. Annual vacation time may be added to sabbaticals, resulting in up to 12 weeks of paid time off. Employees may also apply to extend their sabbaticals for up to six months to teach, volunteer, or complete educational opportunities that significantly enhance our business or benefit the community. Our sabbatical program creates a culture that anticipates and responds to extended periods of leave and encourages active career development for other employees through temporary coverage assignments. In 2013, more than 5,600 employees took sabbaticals, returning refreshed and revitalized.

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Special Leave Programs

In addition to taking time off through our vacation and personal absence programs, employees may take paid time off for special circumstances. Our robust employee leave program combines federal and state leave entitlements and Intel's leave guidelines. Programs include paid sabbaticals; personal leave; pregnancy leave; and bonding leave to care for a newborn, adopted child, or newly placed foster child. Intel supports employees who serve in the U.S. uniformed armed forces or National Guard, including providing Military Adjustment Pay. The U.S. government has publicly recognized Intel for its commitment and continuing efforts in this area.

Work/Life Effectiveness

Intel is committed to fostering a culture that reduces barriers to work/life effectiveness. Our commitment to flexibility is driven by the demands of our global business environment, which require ongoing collaboration across multiple locations and time zones. Program options may vary by business unit and job type, and are tailored for each country based on market needs and statutory requirements. Our work/life effort focuses on the following areas:

Flexibility. Our goal is to provide employees with a flexible work environment that allows them to manage their work responsibilities and their personal commitments with as much ease and as little stress as possible. Managers and employees have a shared responsibility to adopt the appropriate flexibility to accommodate the needs of both the employee and the organization. Flexible solutions may include adjusting work hours, location, or job structure to enable employees to meet their unique personal needs while ensuring that they meet their work deliverables.

Resources. Our intranet site includes a wide variety of work/life resources, and our Work/Life team sponsors ongoing seminars on topics such as weight management, depression, identity theft, stress, elder care, and working parent strategies. Our Employee Assistance Program provides employees with online resources and articles on a variety of work/life topics, as well as 24/7 access to consultants.

Intel Benefits and Work/Life Programs at a Glance

To address the diverse needs of our employees, we offer a range of benefits that varies across businesses, geographies, sites, and job types.

- Paid sabbatical benefit every seven years for U.S. and Canadian employees, and the ability to "bank" vacation time in many European countries to create an extended leave every five years
- Comprehensive health benefits, including medical, dental, vision, and employee assistance programs
- Multiple retirement plan options, including 401(k), retirement contributions by Intel, defined benefit plans, and post-retirement medical benefits
- Multiple leave programs, including personal, pregnancy, bonding, and military service
- Near-site childcare centers and back-up childcare programs
- Comprehensive adoption assistance
- Elder-care programs, including on-site caregiver training, intranet site, and referral resources
- Voluntary benefits, including critical illness and group legal insurance
- Employee discount programs for online and local shopping, as well as Intel products
- On-site fitness classes and recreation facilities, healthcare clinics, and spas
- Free fruit and beverages at multiple locations, and healthy choices in our cafeterias
- Commute reduction options, including telecommuting
- Employee use of Intel facilities for book clubs, music events, birthday parties, baby showers, etc. Space for employee gardens at some locations
- Scholarships for dependents of Intel employees (334 recipients in 2013)
- "Live Homework Help" for employees' families, available 24 hours a day, 7 days a week
- Family fun events, which reached over 90% of employees and their families in 2013

Services and Conveniences. Several discount programs offer employees reduced pricing on products and services, such as computers, cars, cell phones, home mortgages, banking, home solar energy systems, and local restaurants and stores. We also have on-site cafeterias, fitness centers, dry-cleaning services, spas, car washes, full-service banking, tax preparation assistance, and private rooms for nursing mothers. More than 90% of our employees in the U.S. have access to commute reduction options, such as vanpool and transit subsidies and carpool matching services, as well as air shuttles between major sites.

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Employee Health and Safety

Our safety and wellness programs help employees enjoy a better quality of life and contribute to Intel's success, since employees who are physically and mentally fit can be more productive.

We are guided by the Intel Environmental Health and Safety (EHS) policy 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. We maintain a fully integrated multi-site registration for both ISO 14001 and OHSAS 18001, the internationally recognized standard for occupational safety and health management systems.

Employees, contractors, and suppliers receive extensive safety training, starting with orientation sessions and continuing on the job. In 2013, over 341,000 hours were invested in EHS training with more than 258,000 attendees. Training helps employees understand their safety responsibilities, and covers materials needed for specific jobs (such as electrical safety, ergonomics, control of hazardous materials, and chemical safety). More than 40,000 employees have participated in a proactive ergonomics risk reduction program designed to limit exposure to repetitive strain associated with computer use. Business groups share responsibility for driving safety awareness and programs throughout their organizations.

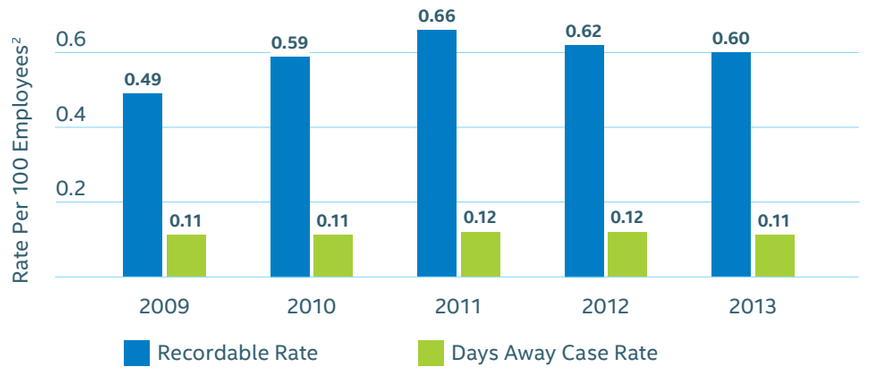
2013 Safety Update

Intel ended the year with an Occupational Safety and Health Administration (OSHA) recordable rate of 0.60, which is two times better than the U.S. semiconductor industry average. Our recordable rate decreased by 3%, and our days away case rate was slightly down compared to 2012. We believe that all workplace injuries are preventable, and our ultimate goal is to achieve zero injuries through continued investment in and focus on our core safety programs; injury reduction initiatives; and our Everybody, Everywhere, Everyday! (E3!) safety culture strategy.

Ergonomic-related or "cumulative trauma disorders" (CTDs) remained the most prevalent type of injury experienced at Intel in 2013 and accounted for 55% of all injuries reported. Despite emphasis on early reporting in recent years, our First Aid to Recordable Ratio for CTDs declined from 7.2:1 in 2012 to 5.2:1 in 2013.

While our safety performance was again exceptional in 2013 compared to our peer companies, we continue to focus on opportunities for improvement each year and drive toward our aggressive safety goals. In 2014, we will continue to deliver effective global programs and standards, and will also continue to expand Intel's safety culture so that even more employees go home injury-free.

Recordable and Days Away Injury Rates[1]



[1] Some of the historical figures have been restated due to new cases being reported after the close of the previous period. In our 2012 report, the 2012 recordable rate was stated as 0.58. Note that data is as of April 10, 2014.
[2] Rate based on 100 employees working full time for one year.

We continue to outperform U.S. Bureau of Labor injury prevention benchmarks for both U.S. manufacturers and U.S. semiconductor manufacturers. For additional information, download the Report Data File on our Report Builder web site.

Performance Summary and Goals

In 2013, we continued to invest in the development of our workforce and made progress toward meeting our diversity objectives. In the area of health and safety, we continued to make progress on improving early reporting of ergonomic-related injuries and encouraged our employees to lead healthy lifestyles.

Goals and Performance		
2013 Goals	2013 Performance	
Drive key improvements and hire at full availability for technical under-represented minorities and women.	The overall percentage of females in our global workforce was slightly down, even though we continued to invest in both internal and external initiatives to strengthen the pipeline of talent and advance our diversity objectives.	◒
Achieve at least 70% participation and maintain or improve scores in at least 95% of the questions on our annual Organizational Health Survey.	We elected not to conduct an Organizational Health Survey in 2013 due to leadership and organizational changes.	N/A
Maintain our world-class safety performance, achieving a targeted safety recordable rate of 0.40.	We continued to perform at world-class safety levels compared to our peers and industry benchmarks. However, we did not meet our aggressive goal of a 0.40 recordable rate. Intel's 2013 recordable rate was 0.60, down from 0.62 in 2012.	◒
Improve early reporting of ergonomic-related injuries, specifically CTDs, with a targeted First Aid to Recordable Ratio goal of 9:1.	While we improved early reporting of ergonomic injuries, with a First Aid to Recordable Ratio of 5.2:1, we did not meet our 2013 goal.	◒

● Achieved ◒ Partially Achieved or on Track ○ Not Met

In 2014, we will focus on making improvements in career development, decision-making, and manager effectiveness. We will also drive continuous improvement in workforce diversity, and build on our solid health and safety foundation by working toward our aggressive safety goals.

Goals for 2014
Drive key improvements and hire at full availability for technical under-represented minorities and women.
Achieve at least 70% participation and maintain or improve scores in at least 95% of the questions on our annual Organizational Health Survey.
Maintain our world-class safety performance, achieving a targeted safety recordable rate of 0.50.
Improve early reporting of ergonomic-related injuries, specifically CTDs, with a targeted First Aid to Recordable Ratio goal of 9:1.

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Caring for the Planet

Intel is committed to being a leader in environmental responsibility. We strive to continuously improve energy efficiency, reduce emissions, and conserve resources throughout our operations. We also focus on improving the energy-efficient performance of our products and collaborate with others to develop innovative ways that technology can address long-term sustainability challenges.

Intel has been the largest voluntary purchaser of "green" power in the U.S. since 2008, according to the U.S. EPA.

Intel links a portion of every employee's variable compensation—from front-line staff to our CEO—to environmental sustainability metrics.

Our investments in energy conservation have saved us $168 million over the past five years.

Our Sustainability in Action Grant Program provides funding for employees' innovative environmental projects.

See how Intel's commitments to energy efficiency, conservation, and LEED* certification helped the company earn the 2013 Ray Anderson Radical Industrialism Award.

Key Section Links

Performance Summary and Goals
Intel Environment Site
Product Energy Efficiency
Intel's Climate Change Policy
Intel's Environmental, Health, and Safety Policy
Intel's Water Policy
Explore Intel

Management Approach

We integrate environmental considerations into our entire business, including our governance and compensation practices, facilities design and manufacturing processes, and product design and development.

While many companies in the electronics industry outsource most of their production, we design and manufacture the majority of our component products in our own factories. We place a strong emphasis on driving environmental sustainability within our global manufacturing operations.

Our commitment to environmental sustainability is embodied in the Intel Code of Conduct and Intel's Environmental, Health, and Safety Policy, as well as our Climate Change Policy and Water Policy. We consider our environmental impact when we select sites, design buildings, set performance levels for manufacturing tools, and establish goals for new production processes. Intel supports a precautionary approach to the materials that we use in our products, and seeks alternatives for hazardous materials. When we must use them, 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. Intel also establishes clear environmental expectations for our suppliers and has initiated a number of sustainable purchasing actions. To learn more, see the Building the Supply Chain of the Future section of this report.

Intel® Product Life Cycle and Value Chain

Click or tap the ⓘ symbol for additional information.

We consider environmental impact throughout the stages of our products' life cycles, from research and development to materials selection, energy-efficient performance, and end-of-life management.

About the Performance Graphs: We report our key environmental performance indicators in both absolute terms and on a normalized, or "per chip," basis. Our Normalized Production Index (NPI) is derived from our worldwide wafer production data and assumes a typical chip size of 1 cm^2 for the "per chip" calculation (although actual chips vary in size depending on the specific product). The NPI is indexed to a baseline year of 1999, with the exception of our greenhouse gas emissions and energy use indicators, which use a baseline year of 2000. One important limitation of the NPI is that it does not take into account the number of additional manufacturing steps used in the newer process technologies. Underlying data for the performance graphs is available for download using the Report Builder web site.

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Since product energy efficiency is exceedingly important in our industry, we also focus on reducing our environmental impact by increasing the energy-efficient performance of our products. In addition to improving computing-related energy efficiency, the information and communications technology (ICT) industry has an important role to play in reducing global emissions. We have joined forces with businesses, academic institutions, and governments worldwide to find and promote additional ways that technology can be used to improve energy and resource management across other sectors of the economy.

Managing Environmental Performance

Multiple groups across Intel play critical roles in driving strategy, operational and product improvements, and policy initiatives related to environmental responsibility. Our Environmental Health and Safety (EHS) organization has primary responsibility for managing our environmental compliance and driving performance improvements in our operations. A number of additional groups across the company manage product-related sustainability. For example, our Corporate Products Regulations and Standards Group, working with our EHS and Technology Development groups, drives the sustainable design of our products; the Platform Engineering Group promotes the importance of energy-efficient performance in our products; and the Intel Energy and Sustainability Lab conducts research and development on emerging technologies.

For over a decade, Intel has maintained a multi-site, third-party-verified ISO 14001 registration, which evaluates the effectiveness of our environmental management system. We also maintain a multi-site certification for OHSAS 18001, the internationally recognized standard for occupational health and safety management systems. All audits are conducted by the National Standards Authority of Ireland, an independent registrar. Intel's fully integrated multi-site registration extends through December 31, 2016.

We establish environmental goals for each new generation of process technology, such as targets for air emissions, water usage, and water quality. The goals are set based on evaluations of potential environmental impacts of these new process technologies as they are transferred to our manufacturing facilities around the world. These environmental goals are tracked during technology development on an equal footing with cost, quality, yield, and other technical indicators. When the new process technologies are complete, they are then "copied exactly" to the receiving manufacturing sites. As a result, the environmental improvements and controls are similarly "copied exactly" so that we operate to the same high environmental standards worldwide.

Intel's Environmental Sustainability Oversight Structure

Click or tap the ⊙ symbol for additional information.

We have integrated oversight and management responsibility for environmental sustainability issues at multiple levels of the company, and across the countries where we operate.

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This approach has enabled us to reduce key environmental impacts such as greenhouse gas emissions while increasing our manufacturing output. In 2013, we made progress toward achieving our 2020 environmental goals, but continued to face challenges in reducing water use and chemical waste due to the increasing complexity of our manufacturing processes. For more information, see "Performance Summary and Goals" at the end of this section.

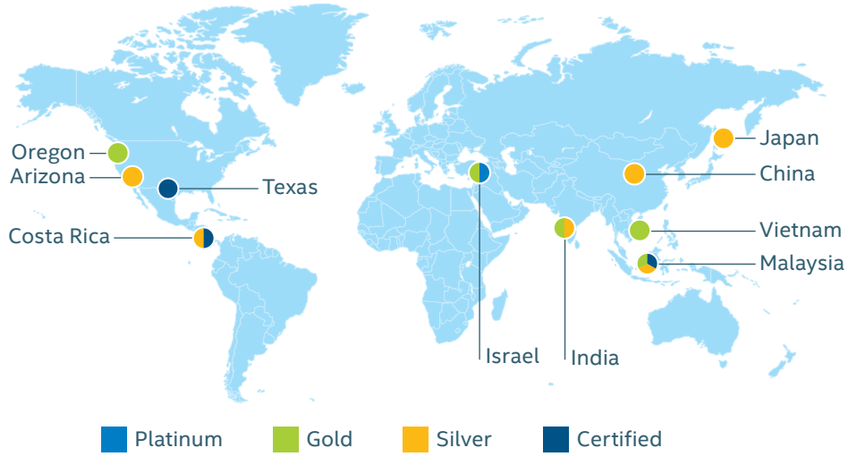
Many of the major trends in semiconductor manufacturing have helped reduce environmental impact over time. For example, the industry's move from 200-millimeter (mm) to 300mm wafers increased manufacturing energy efficiency by about 20%, primarily because more chips could be produced at a time. When the industry moves to 450mm wafers, we expect to achieve additional increases in manufacturing efficiency.

The trend toward smaller chips, such as the Intel® Atom™ processor, generates savings for similar reasons, as do advancements through Moore's Law that enable the sizes of features on chips to shrink over time.

However, innovation also creates some challenges in the areas of water conservation and chemical waste reduction, due in part to the increasing complexity of our manufacturing processes and the additional manufacturing steps used to create our newer microprocessors. This complexity can be understood by comparing our manufacturing process to building a city. We used to be able to build outward, the way that cities expand into suburban areas. We are now also "building up" as cities do by constructing skyscrapers. The multi-layered, vertical nature of our newer technology creates more powerful and energy-efficient products, but it also requires more chemicals and water rinses. In addition, we have been driving chemical and water use reductions for well over two decades, so many available efficiencies have already been realized, making it difficult to achieve additional large reductions. However, we remain committed to finding innovative ways to further reduce our operational environmental impact and to applying our energy-efficient technology and expertise to help customers, communities, and cities around the world become more sustainable.

Watch Video See how Intel's commitments to energy efficiency, conservation, and LEED certification helped the company earn the 2013 Ray Anderson Radical Industrialism Award.

Intel LEED* Certifications



As of April 2014, Intel had achieved LEED* certification for 36 new and existing buildings, with a combined total of approximately 10 million square feet of floor space.

Green Buildings and LEED Certification

For many years, our engineers have incorporated green design standards and building concepts into the construction of our facilities. Intel's policy is to design all new buildings to a minimum Leadership in Energy and Environmental Design* (LEED*) Silver certification level. Many of our existing manufacturing facilities have been LEED certified, including our first Platinum certified building, located in Israel.

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Intel has been working with the U.S. Green Building Council (USGBC) and other companies to share our learnings and provide input on criteria changes that would make it easier to pursue LEED certification for manufacturing sites, with the goal of expanding the number of manufacturers implementing green building practices.

In many cases, Intel builds facilities with sustainability features well beyond those required by local law. The company's assembly and test facility that opened in Vietnam in 2010, for example, is so far ahead of local green building standards that Vietnamese officials have asked Intel to share sustainability ideas with other manufacturers in the country. Every day, a solar array at the facility offsets an amount of carbon dioxide equal to that from about 500 of Vietnam's motorbikes.

Assessing Potential Biodiversity Impacts

Environmental impact assessments (EIAs) look at the possible positive and negative impacts that a proposed project may have on the environment, including social and economic aspects. Each country, state, or county/municipality has its own EIA requirements depending on the type of project. We complete EIAs as part of our new site selection process and regularly assess the ongoing impacts of our operations on biodiversity.

Based on analysis and mapping, we do not believe that any of our manufacturing or assembly and test operations are located near or have direct impact on the protected areas on the United Nations List of Protected Areas. A few of our operations are located in areas considered by some to be rich in biodiversity, but we know of no major negative impacts from our operations on threatened species or protected areas. We have also undertaken voluntary biodiversity projects at several of our sites.

For example, our 530-acre Ronler Acres campus in Oregon includes 22 acres of wetlands that provide wildlife habitat and stormwater retention. We monitor non-native species in the wetlands and have taken action to control invasive plant growth. Over the past decade, working with a wetlands specialist, we have successfully used bio-control methods to stop the growth of the purple loosestrife, an invasive species that crowds out native grasses and other plants.

Community Impact and Engagement

We are committed to collecting input from local communities about our environmental performance. Transparency and open communication guide our approach. For example, regular reports from our Arizona and New Mexico community environmental groups are posted online. Interactive Explore Intel web sites for campuses in Oregon, New Mexico, China, Costa Rica, Ireland, and Israel also provide local communities with real-time information and resources related to our environmental performance.

Our employees participate in environmentally focused community volunteer projects and education programs (such as the Intel International Science and Engineering Fair) that encourage study and innovation in environmental sustainability. For more information, see "Stakeholder Engagement" in the Our Business and Integrated Value Approach section and the Inspiring the Next Generation section of this report.

Employee Engagement

We believe that engaging employees is key to achieving our environmental strategies and goals.

Linking Compensation to Environmental Performance. Since 2008, we have linked a portion of every employee's variable compensation—from front-line staff to our CEO—to the achievement of environmental sustainability metrics. We believe that including an environmental component in the overall Annual Performance Bonus (APB) calculation helps focus executives and employees on the importance of achieving our environmental objectives. The 2013 compensation metrics focused on solid waste recycling in our operations, in support of one of our 2020 environmental goals. Environmental metrics for our 2014 APB will focus on energy efficiency in our operations. For more information, see the Caring for Our People section in this report and our 2014 Proxy Statement.

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Sustainability in Action Grant Program. Through this program, employees can apply for funding for innovative environmental projects. Employees are encouraged to include external stakeholders in their projects, and many focus on addressing environmental issues in their local communities. In 2013, Intel provided funding for nine employee projects related to bike sharing, wetlands conservation, composting, and more. From 2006 through the end of 2013, the Sustainability in Action Grant Program provided funding for 58 projects around the world.

Intel Environmental Excellence Awards. Since 2000, Intel has presented these awards to employees who have helped reduce Intel's environmental impact. In 2013, 57 teams from around the world were nominated for their work to promote recycling and waste reduction, lower the environmental impact of our products and operations, and educate others on sustainability topics. Contributors to the 12 winning projects from 16 Intel sites in eight countries received monetary awards and trophies.

In addition to yielding environmental benefits, these employee projects frequently save money for Intel. Estimated annual cost savings from the 2013 winning projects exceeded $32 million, bringing the total estimated savings generated by Environmental Excellence Award projects to more than $232 million over the past four years.

Green Teams and Employee Groups. Intel supports grassroots sustainability efforts and employee "green" teams around the world, including the Intel Employee Sustainability Network (IESN). Formed in 2004, IESN provides employee networking, volunteering, and educational opportunities that align with our corporate environmental focus areas. The group's activities have included Northwest Earth Institute discussion group courses delivered at several Intel sites. The Green Initiative Troupe (GREENit), another employee sustainability group, focuses on actions that employees can take to be more sustainable at work and at home. Every April, GREENit members and other employees organize numerous volunteer projects, presentations, and educational events across the company in support of Earth Day.

Intel Employee Engagement Strategy on Sustainability	
Learn	• Visibly integrate our commitment to sustainability into our vision, objectives, and compensation • Educate employees on our sustainability actions through internal communications channels and a regular speaker series
Act	• Empower employees to take action by funding their environmental project proposals through the Sustainability in Action Grant Program • Recognize employees for their achievements and inspire others to take action through the Intel Environmental Excellence Awards • Create new tools that facilitate integration of sustainability factors into employee decision-making
Share	• Provide support for "green" teams that help employees collaborate and connect with each other • Connect employees through internal social media channels and our Green Intel portal

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.

Employee Sustainability Actions

We are inspired by the many innovative employee projects that have reduced environmental impact, supported our local communities, and generated bottom-line results. Read about some of the 2013 winning projects in our Sustainability in Action (SIA) Grant and Intel Environmental Excellence Award (EEA) programs.

Reclaiming Tantalum. A team of employees earned an EEA for developing a way to reclaim tantalum used in the manufacture of Intel products. The reclaimed metal can be sent out for recycling and reuse, providing another "conflict-free" source of tantalum for the world's electronics industry.

Protecting Wetlands. The Yun Qiao Wetland Ecosystem provides a large percentage of the drinking water in Chengdu, China. An employee group earned an SIA grant for a vegetation management project designed to help increase water conservation and improve water quality in the ecosystem. Project leaders plan to share their experiences with a wide audience to encourage public protection of wetland ecosystems.

Sharing Bikes. The SIA-winning Open Bike Initiative is a bicycle-sharing system designed to address the need for transportation within a corporate campus. Intel Oregon employees who launched the initiative are developing and testing an open-source software and hardware solution based on GPS/cellular technology to manage the distribution and sharing of bicycles.

Reducing Emissions. A pair of employees won an EEA for reconfiguring the energy flows from an Intel New Mexico central utilities building to eliminate waste and reduce CO_2 emissions by more than 27,000 tons per year. Heat from cooling towers is now used to heat reverse osmosis makeup water and makeup air to the factory, displacing steam heat.

Engaging Employees. Employee volunteers earned EEA recognition for launching a sustainability speaker series in 2012 and significantly expanding it in 2013. Through the ongoing series, environmental leaders at Intel deliver presentations to employees on multiple topics, from office waste management and supply chain sustainability to water policy and green energy.

Sustaining Honey Bees. Employees who got an SIA grant in 2012 to establish beehives at Intel's Folsom, California site earned another grant in 2013 to enhance and sustain the hives. Team members teach beekeeping classes, host honey tastings, and work to educate employees and the community about the critical role that bees play in our food chain.

Composting Food Waste. Intel Malaysia employees got an SIA grant to develop a farm-to-fork project that will divert food waste from the landfill and turn it into compost for a new garden. The compost will be used to grow vegetables that will be served in an Intel cafeteria.

Reducing Energy Use. An Intel Ireland team won an EEA for developing systems that allow the dynamic monitoring and management of energy consumption within factory settings. The project has been recognized by the Irish Government and the Clinton Global Initiative, which led to government sponsorship of an initiative aimed at helping peer industries benefit from Intel's leadership approach.

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Climate Change and Energy Efficiency

We consider climate change an important environmental issue, and many years ago began taking steps to mitigate our impact and publicly report on our carbon footprint.

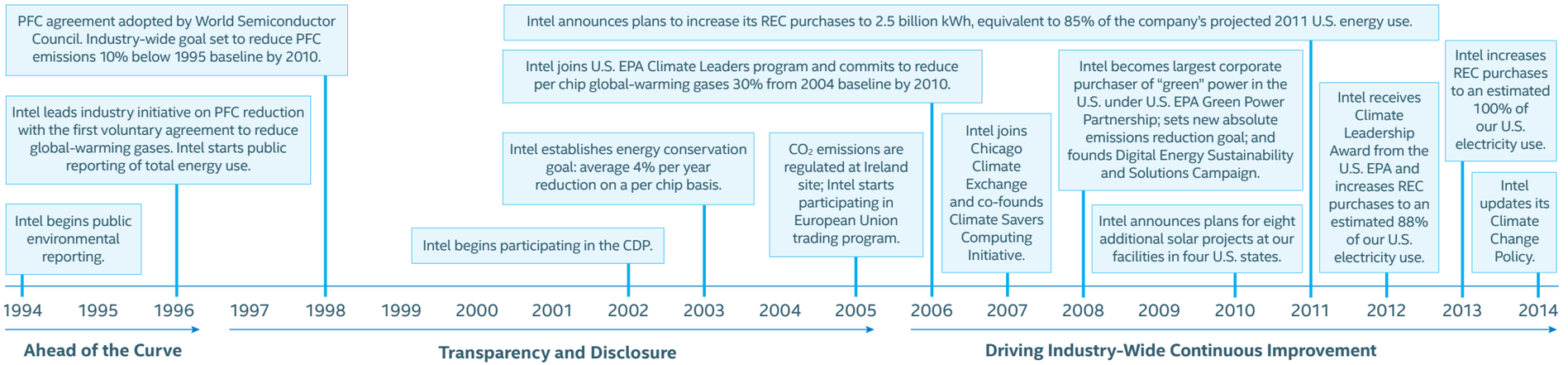
Intel believes in a portfolio approach to reducing our carbon footprint. Through a wide variety of efforts—including but not limited to conservation, energy efficiency, solar installations, green power purchases, and efficient building designs—Intel has built a strong and sustainable approach to buying and using energy in an economical and environmentally conscious manner. Since 2008, we have been the largest voluntary corporate purchaser of green power in the U.S., according to the U.S. Environmental Protection Agency (EPA), and we have earned numerous recognitions for our actions to address climate change.

As part of our commitment to transparency, since 2003 we have disclosed our greenhouse gas emissions and climate change risk through the CDP. In addition, the Intel Annual Report and Form 10-K includes a discussion of climate risk, and our Climate Change Policy, updated in early 2014, outlines our formal position on global climate change.

Reducing Greenhouse Gas Emissions

For close to two decades, Intel has been setting aggressive greenhouse gas (GHG) reduction goals and working with others to drive industry-wide improvements. For example, Intel has reduced emissions of perfluorocompounds (PFCs) 45% in absolute terms and more than 80% on a per chip basis from a 1995 baseline, exceeding a voluntary worldwide semiconductor industry GHG reduction commitment.[1] In 2012, we reduced our absolute GHG emissions more than 60% below 2007 levels, meeting our 2008 GHG emissions reduction goal. Our 2020 environmental goals include a commitment to further reduce our direct GHG emissions 10% on a per chip basis from 2010 levels, while we continue to expand our manufacturing capacity.

Intel's Climate Awareness Timeline



From PFC reductions to annual Renewable Energy Certificate (REC) purchases, since the mid-1990s, we have taken voluntary steps and set aggressive goals to reduce our greenhouse gas emissions.

[1] Emissions of perfluorocompounds (PFCs), materials used in semiconductor manufacturing, are known to have high global-warming potential.

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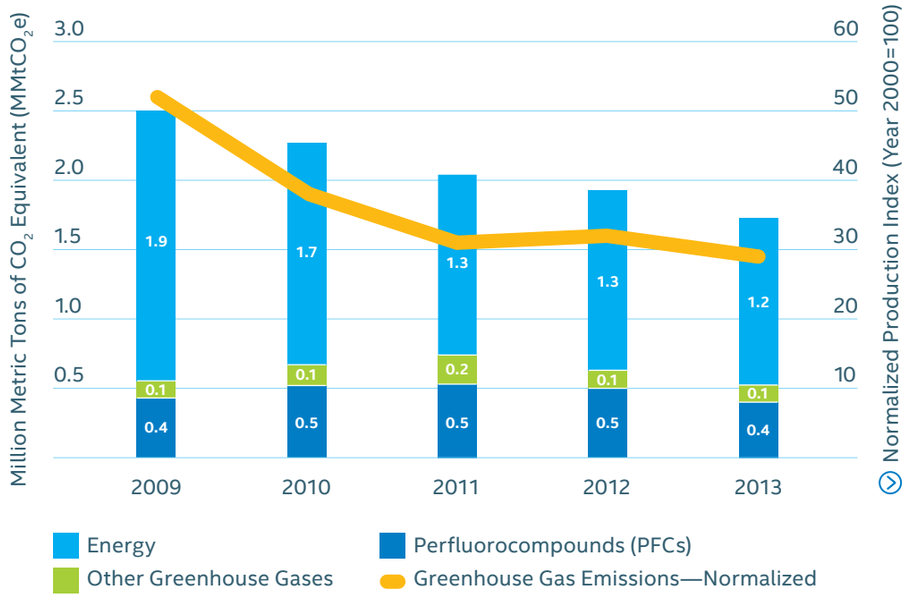
In 2013, our absolute and per chip Scope 1 and Scope 2 emissions were down 9%. Since 2008, our absolute GHG emissions were down 31% on an absolute basis, and 44% on a per chip basis. Our energy conservation initiatives and purchases of Renewable Energy Certificates (RECs) have both contributed to these decreases.

Greenhouse Gas Emissions



Click or tap the ⓘ symbol for additional information.

Intel's absolute Scope 1 and Scope 2 emissions were down 9%, and emissions on a per chip basis were also down 9% in 2013 compared to 2012. Since 2008, our emissions have been down 31% and 44%, respectively, on an absolute and per chip basis. Over the past five years, our annual purchase of Renewable Energy Certificates (RECs) has contributed to decreases in our absolute emissions. The RECs resulted in an annual reduction of approximately 1 $MMtCO_2e$ in Scope 2 emissions from 2008 through 2010, a reduction of approximately 1.8 $MMtCO_2e$ in 2011, and a reduction of 1.3 $MMtCO_2e$ from 2012 to 2013. In 2013, our REC purchases represented approximately 100% of our U.S. electricity use.

2013 Greenhouse Gas Emissions Reported by Type (metric tons of CO_2e)

Scope	Emissions	Notes
Scope 1 Emissions[1]	756,000	
Scope 2 Emissions[2]	930,000	
Total Scope 1 and 2 Emissions (including RECs)	1,686,000	
Scope 3 Emissions (estimated)		
• Direct materials supplier emissions	1,000,000	ⓘ
• Transportation and distribution of inputs and waste generated in operations	274,000	ⓘ
• Business air travel	159,000	ⓘ

Click or tap the ⓘ symbol for additional information.

[1] Included in Scope 1 emissions total are emissions related to: energy (electricity, natural gas, liquified petroleum gas, and diesel fuel consumption), perfluorocompounds (PFCs) used in manufacturing, nitrous oxide, heat transfer fluids and refrigerants, volatile organic compound (VOC) emissions that are oxidized to CO_2 in our abatement systems, on-site vehicles (e.g., security vehicles, but not including vehicles leased to employees), and the Intel air shuttle.
[2] Value reported net of renewable energy certificates (RECs) purchased and calculated by netting the kilowatt-hours of electricity purchased in the United States with the kilowatt-hour value of the REC. For purchased electricity at Intel's international locations, Intel reports only CO_2 using the global average CO_2 emission factor provided by the International Energy Agency.

Related Links: World Resources Institute Global Greenhouse Gas Protocol Mobile Combustion CO_2 Emissions Calculation Tool, GHG Protocol CO_2 Emissions from Business Travel Tool

In addition to the summary data provided above, we have completed an estimate of emissions associated with the consumer use of our products. For more information, see "Product Energy Efficiency and Product Ecology" later in this section. A more detailed breakdown and discussion of our emissions by country and by type are publicly available in our CDP questionnaire response on the CDP web site. Note that slight variations between the data in this report and our final CDP filing may exist due to additional data being received following publication of this report, differences in the treatment of RECs under the CDP methodology, and the timing of certain changes in the GHG Protocol.

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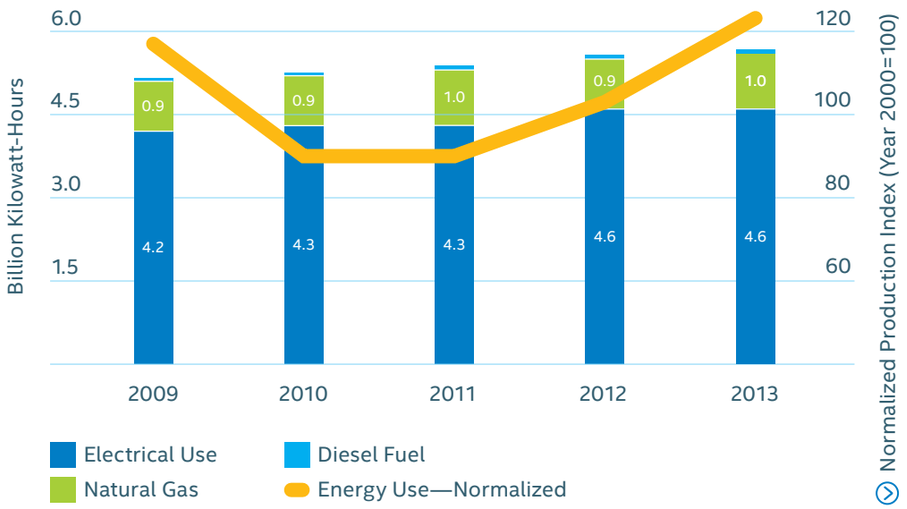
Energy-Efficient Operations

In 2013, Intel allocated approximately $30 million for resource conservation and efficiency projects to reduce energy use in our operations. Projects included chilled water system improvements, a reduction in chilled load through free cooling, the addition of variable speed drives to pumps, the installation of more efficient lighting and system controls, and heat recovery improvements. Since 2008, Intel has invested more than $89 million and completed over 2,000 projects, saving more than 1.75 billion kWh of energy, or the equivalent approximate CO_2 emissions from the electricity use of more than 165,000 average U.S. homes for one year.[1] These investments also generated cumulative energy cost savings for Intel of $168 million through the end of 2013.

Energy Use



Click or tap the ⓘ symbol for additional information.

In 2013, energy use in our operations was flat from 2012 on an absolute basis and increased 18% on a per chip basis. The increase in the 2013 normalized data was due primarily to lower manufacturing levels.

Energy Conservation Project Savings

Year	Energy Savings Per Year Based on Projects Implemented (Million kWh)	Cumulative Energy Savings Since 2009 (Million kWh)	Cumulative Cost Savings[1] Since 2009 (Millions of $)
2009	145	231	21
2010	223	454	40
2011	325	779	68
2012	442	1,221	111
2013	529	1,750	168

[1] Savings are calculated based on the year the project was implemented, and no allowance is made for changes in utility rates in subsequent years. The assumption is that all sustainable savings (excluding one-time projects) carry forward only five years.

Over the past five years, our investments in energy conservation projects in our operations have helped reduce energy consumption and have generated energy cost savings for Intel.

Intel's information technology (IT) sustainability policies and guidelines promote IT to use data center, compute, and office infrastructure, as well as our client offerings, to contribute toward Intel's emissions reduction goal. Intel IT has taken steps to embed sustainability principles into our strategies and business processes.

We also save electricity and cut emissions while maintaining or increasing IT capabilities by reducing the number of data centers we have and implementing cloud, virtualization strategies, and energy conservation projects.

Videoconferencing continues to enable our employees to eliminate millions of travel miles—and the associated emissions—each year. As of year-end 2013, we had more than 250 video collaboration rooms at Intel facilities in 30 countries around the world.

[1] Source: U.S. EPA Greenhouse Gas Equivalencies Calculator.

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Investing in Renewable Power and Clean Energy

In early 2014, Intel was recognized for the sixth consecutive year as the largest voluntary purchaser of green power in the U.S., according to the U.S. EPA's Green Power Partnership rankings. We purchased 3.1 billion kWh of green power in 2013, enough to meet 100% of our U.S. electricity use for the year. Our 2013 purchase had the equivalent environmental impact of eliminating the CO_2 emissions from the annual electricity use of more than 320,000 U.S. homes. Intel's purchase of approximately 12.4 billion kWh of green power from 2008 through 2013 had a greenhouse gas emissions impact equivalent to taking 1.8 million cars off the road for one year.[1] We plan to continue purchasing RECs in 2014.

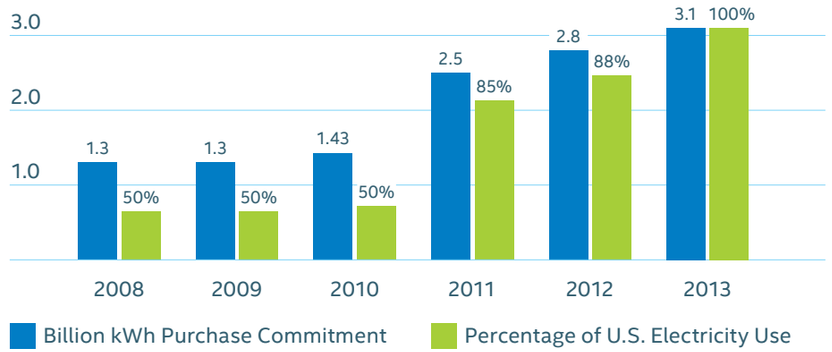
Intel's renewable energy efforts are intended to provide leadership, help spur the market, make renewables less expensive and more accessible over the long term, and reduce the overall carbon emissions from electricity generation. We increased our investment levels over the past six years—even during the economic downturn—because of the projected long-term benefits. All purchases are certified by the nonprofit Center for Resource Solutions' Green-e* program, which certifies and verifies green power products to meet the requirements of the U.S. EPA's Green Power Purchasing Program. We purchase RECs from all five Green-e certified sources of generation, including wind, solar, low-impact hydro power, biogas, and geothermal.

"The EPA applauds Intel Corporation for its continued, distinguished commitment to expanding its use of green power and thereby reducing its climate impacts. The Sustained Excellence in Green Power award is indicative of Intel's environmental stewardship and is a well-deserved honor."

Gina McCarthy, U.S. EPA Administrator

[1] www.epa.gov/cleanenergy/energy-resources/calculator.html#results

Intel's Renewable Power Purchase History



Since 2008, Intel has steadily increased its annual purchase commitment of Renewable Energy Certificates (RECs). Our REC commitments have included a portfolio of wind, solar, small hydroelectric, geothermal, and biomass sources.

Solar and Wind Installations. As of April 2014, we had facilitated the construction of 18 solar electric installations on 10 Intel campuses in Arizona, California, New Mexico, Oregon, Israel, and Vietnam. They collectively generate more than 10 million kWh per year of clean solar energy. We partnered with third parties to complete the installations, which include a 1-megawatt solar field that spans nearly 6 acres of land on Intel's Folsom, California campus; rooftop installations; and solar support structures in Intel parking lots (including four 1-megawatt installations). The installation in Vietnam—the largest solar project in that country—received awards from the Vietnamese government. The RECs generated by these installations are often transferred to local utilities to support their regulatory obligations and programs. We have also installed solar hot water systems in India, Israel, and Costa Rica. The India installation supplies nearly 100% of the hot water used at our two largest campuses in that country, saving approximately 70,000 kWh annually.

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We are also piloting on-site wind micro-turbines and ground-source heat pumps at our site in Guadalajara, Mexico to test the feasibility of their use at additional sites, and plan to install 2 megawatts of fuel cells in California in 2014.

Electric Vehicle Charging Stations. In 2013, we installed approximately 75 electric vehicle charging stations for employees at eight of our U.S. campuses, one of the largest deployments by a private company in the U.S. In 2014, we plan to expand the program to sites outside the U.S.

Climate Leadership Activities and Advocacy

Intel collaborates with multiple stakeholders on initiatives aimed at reducing information and communications technology (ICT) related emissions and identifying ways that the ICT industry can help reduce energy consumption and carbon emissions across other sectors of the global economy.

Code for Good. In early 2014, in support of the President's Climate Data Initiative, Intel announced that it will join with local partners to sponsor three "hackathon" events focused on climate resilience. At the events, teams of engineering and computer science students will be challenged to develop new software applications and tools related to climate change in the event host communities of Chesapeake Bay, New Orleans, and San Jose. Tools that are developed will be made available for use in other locations.

Digital Energy and Sustainability Solutions Campaign (DESSC). Intel founded and co-chairs DESSC, a coalition of ICT companies, non-governmental organizations, and trade associations dedicated to promoting the adoption of public policies that will enable ICT to realize its full potential to improve societal energy efficiency and reduce carbon emissions. The campaign, launched in 2008, is hosted by the Information Technology Industry Council.

DESSC believes that governments can take many actions to encourage ICT-enabled energy efficiency, clean energy innovation, and sustainable growth. While policies will vary depending on national circumstances and cultures, the organization is focused on advancing policies that help drive sustainable economic growth through technology-enabled energy efficiency and clean energy innovation across every sector of the economy.

In conjunction with a 2013 DESSC summit in China, the Chinese Institute of Electronics (CIE) and the Xi'an Economic Development Zone signed a strategic agreement aimed at fostering the integration of energy efficiency-enabling technology. In 2013, DESSC and CIE also announced plans to engage global technology leaders, research institutes, customers, and other stakeholders to take specific actions to promote economic prosperity and job creation while reducing greenhouse gas emissions.

The Green Grid. Intel serves on the board of the Green Grid, a global consortium of companies dedicated to resource efficiency in business computing ecosystems. The Green Grid, founded in 2007, provides industry-wide recommendations on best practices, metrics, and technologies to improve overall data center resource efficiency.

In 2013, the Green Grid expanded its focus beyond data center efficiency by forming a new alliance with Solving the E-waste Problem (StEP). The alliance is aimed at helping organizations responsibly dispose of electronic equipment at the end of its useful life. The Green Grid and StEP have already collaborated on a new metric that will help ICT end users measure their success in the responsible management of outdated equipment.

For more information on our public policy activities, see "Public Policy and Political Accountability" in the Our Business and Integrated Value section of this report.

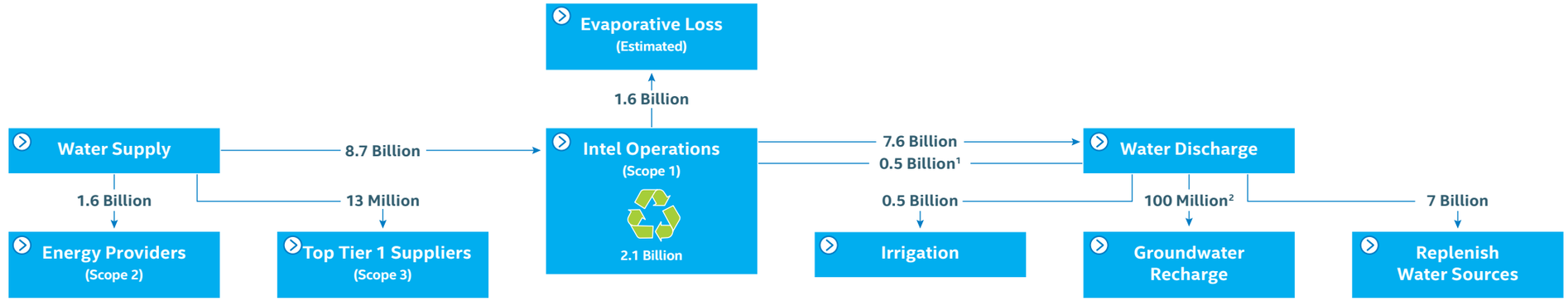
Responsible Water Management

Focusing on responsible water management at our sites worldwide helps us meet our business needs as well as those of our communities.

Our commitment to water conservation and responsible water management is outlined in our Water Policy, and we have drawn on external frameworks and research to complete detailed water footprint assessments for our operations. Our assessments show that our largest operational impact on water use is from our direct operations and factories. This is the area where we have historically focused our water conservation investments and where we have achieved significant savings to date. The water associated with our energy use—referred to as the "energy-water nexus"— represents our second largest use of water. Estimated water use related to direct materials suppliers that provide the raw materials (such as chemicals, wafers, and gases) used in our manufacturing process represented the smallest portion of our operational water use.

Water and energy experts at our locations around the world help us research and manage opportunities to reduce consumption, such as incorporating water conservation elements into the design of our facilities and establishing specific water goals for new process technologies. In 2013, our absolute water use was down 3%. We are investing in research and pilot programs to identify new ways to save water without adversely affecting product output and quality.

Intel's Operational Water Footprint (in gallons)



Click or tap the ⓘ symbol for additional information.

[1] Reclaimed water from the municipal water treatment operations in Chandler, Arizona for use at our site. This amount includes only reclaimed water used in our manufacturing support operations, such as in cooling towers and air scrubbers. It does not include 264 million gallons used by a farmer who we lease land to on our campus in order to help control soil erosion and dust.
[2] Intel worked with the City of Chandler to fund construction of a reverse osmosis facility, which since 1996 has resulted in over 5 billion gallons of water being put back into the aquifer. This strategy supports a key Chandler effort to store water in the underground aquifer to assure that the needs of local citizens and businesses are met for many years to come.

This water footprint illustration provides a high-level view of our operational water use. The estimate for water use from our top Tier 1 suppliers was drawn from our water footprint analysis completed in 2010. The estimate for water use from energy providers was updated using 2013 data and an updated methodology. The estimate incorporates our annual purchase of Renewable Energy Certificates (RECs). Without RECs, our estimated Scope 2 water use would have been 3 billion gallons.

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Conservation in Our Operations

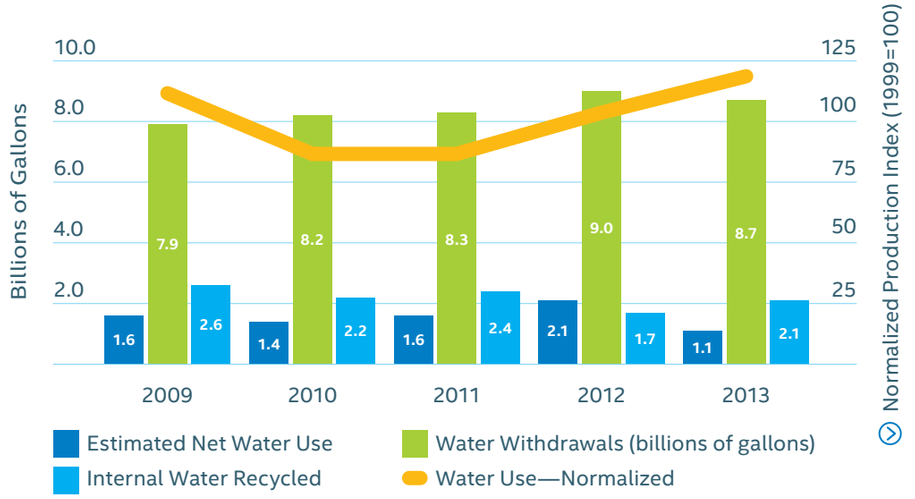
Since 1998, we have invested more than $220 million in water conservation programs at our global facilities. To date, our comprehensive and aggressive efforts have saved over 46 billion gallons of water—enough for roughly 430,000 U.S. homes for an entire year.[1]

Over time, we have been able to decrease the amount of water required to create the ultra-pure water (UPW) used to clean silicon wafers during fabrication. After we use UPW to clean wafers, the water is suitable for industrial purposes, irrigation, and many other needs. Our factories are equipped with complex rinse-water collection systems, with separate drains for collecting lightly contaminated wastewater for reuse. With this reuse strategy, we harvest as much water from our manufacturing processes as possible and direct it to equipment such as cooling towers and scrubbers. In addition, at some of our locations, we have arrangements to take back gray water from local municipal water treatment operations for use at our campuses. In 2013, we internally recycled approximately 2.1 billion gallons of water, equivalent to about 24% of our total water withdrawals for the year.

Water Discharge and Water Quality

Although our ultimate vision is to achieve the continuous reuse of water in semiconductor manufacturing, we currently discharge water from our operations in compliance with local permits. Our water discharge methods vary by site, based on the needs of individual communities. At our facility in Chandler, Arizona, our wastewater is treated using a reverse osmosis process, and is then used to replenish a local aquifer. In 2013, we significantly increased the capacity of this reverse osmosis facility.

Water Use



Click or tap the ⓘ symbol for additional information.

While this graph details our water withdrawals, our estimated net water use is much lower, as approximately 87% of the water that we use in our operations is returned to the local water system. In 2013, water withdrawals at our U.S. operations were 5.8 billion gallons, or 69% of our total water withdrawals. Our global water withdrawals decreased 3% from 2012 levels on an absolute basis, and increased 15% on a per chip basis.

[1] Equivalency estimate based on information from the U.S. Environmental Protection Agency Office of Water.

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While we work with local water management agencies to determine appropriate solutions for each manufacturing location, we establish wastewater goals for each element based on the site with the most stringent standards. We complete comprehensive reviews for wastewater discharge based on a number of aspects, including but not limited to permit limits for our sites and municipal treatment plants, activated sludge inhibition criteria, and receiving-stream water quality. We use a number of key tenets derived from the U.S. Clean Water Act to guide our actions globally, including never causing pass-through or interference at local municipal treatment plants or impacting their ability to reuse their wastewater or sludge.

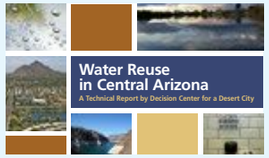
In 2013, we sent an estimated 7.6 billion gallons (or 87% of the water withdrawals at our sites) back to municipal water treatment operations, where it could be treated for reuse for irrigation or other purposes in the community or returned to the water source. The balance (roughly 18% of incoming supply, or 1.6 billion gallons) was lost to evaporation.

Collaboration and Opportunity

To identify and share best practices, we regularly benchmark our performance on water use and reuse with other semiconductor companies. We have participated in environmental performance benchmarking activities with other members of the World Semiconductor Council, the Semiconductor Industry Association, and SEMATECH, which enables us to better understand how Intel compares to others in the semiconductor industry on water use. Over the past several years, we have also partnered with organizations such as the Global Environmental Management Initiative and Project WET on water-related tools and education. For example, in March 2014, in collaboration with Project WET and The Energy Resources Institute, Intel employee volunteers hosted a Sustainability in Action Grant Program project called Community Action for Clean Healthy Water. Hosted in Bangalore, India, the project drove awareness and education around water conservation in the area, and held its first water festival for 100 students at the Bangalore Government School.

We have also partnered with Quantis on studies to analyze our water use, quality, and discharges. One study revealed that water use associated with electricity consumed during the use phase of our products is significant, indicating that Intel's continued focus on driving energy-efficient performance in our products can also help reduce our overall water footprint. We expect that additional studies will help us prioritize future investments in water conservation and management systems.

Encouraging Water Reuse



Intel collaborated with Arizona State University (ASU) and CH2M Hill's WaterMatch on an October 2013 report that summarizes the status of wastewater production and reuse in central Arizona. The report identifies challenges and opportunities related to wastewater—or effluent—reuse in the future. Effluent is being used in Arizona for agricultural and landscape irrigation, industrial cooling, groundwater recharge, and other beneficial purposes. The report discusses costs related to the production of effluent, suggests priorities for additional research, and proposes ideas for further dialogue on water reuse.

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Local Water Use Data

The following table details the fresh-water use and sources for our larger sites around the world. Approximately 80% of the water used at our sites is sent back to municipal water treatment operations, where it is treated so that it can be reused for other purposes. For additional details, see the water footprint diagram earlier in this section.

2013 Water Use[1] by Manufacturing Location

Location		Water Withdrawn	Water Discharged	Water Conserved	Evaporation Loss	Primary Water Source[2]
China	Chengdu	120	90	30	30	Surface: Fuhe River
	Dalian	373	332	94	34	Surface: Biliu and Yingna Rivers
Costa Rica	San Jose	109	79	—	30	Ground: Colima Superior Aquifer
India	Bangalore	18	9	6	9	Surface: Kabini River
Ireland	Leixlip	816	769	172	47	Surface: River Liffey
Israel	Jerusalem	24	18	17	5	Surface and ground: Lake Kinneret, Coastal Aquifer, Mountain Aquifer (Yarkon-Tininim), and local desalinization plant
	Qiryat-Gat	721	546	79	174	Surface and ground: Lake Kinneret, Coastal Aquifer, Mountain Aquifer (Yarkon-Tininim), and local desalinization plant
Malaysia	Kulim	216	124	38	92	Surface: Muda River
	Penang	252	148	5	104	Surface: Muda River
United States	Chandler, Arizona	299	147	73	153	Surface and ground: Salt and Verde Rivers, local aquifer
	Ocotillo, Arizona[3]	2,088	2,265	712	345	Surface and ground: Salt and Verde Rivers, local aquifer
	Folsom, California	161	22	—	136	Surface: American River
	Santa Clara, California	101	79	5	23	Surface: Tuolumne River
	Hudson, Massachusetts	145	110	70	35	Ground: Assabet River Basin Aquifer
	Rio Rancho, New Mexico	1,185	1,013	416	172	Ground: Santa Fe Aquifer
	Aloha, Oregon	227	184	10	44	Surface: Tualatin River
	Ronler Acres, Oregon	1,785	1,643	374	142	Surface: Tualatin River
Vietnam	Ho Chi Minh City	72	41	—	31	Surface: Dong Nai River

[1] In millions of gallons. Figures represent water use/withdrawals by site. [2] For each water source, our 2013 water use did not exceed 5% of that source. All water sources are provided by municipal water providers, with the exception of our New Mexico facility, which uses both municipal and on-site well water. [3] In addition to fresh water used at the site, we used gray water from the local municipal water treatment facility, further reducing our use of fresh water.

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Waste: Reduce, Reuse, Recycle

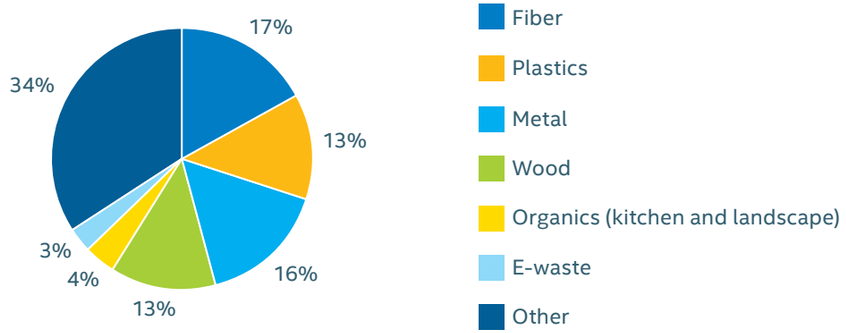
Since 2008, we have recycled more than 75% of the total waste generated in our operations. We are also taking actions to reduce the amount of solid and chemical waste generated and increase the amount recycled, in support of our 2020 environmental goals.

Solid Waste

In 2013, solid waste generated decreased 19% over 2012 levels, due primarily to the completion of the construction of manufacturing facilities. In 2013, our global solid waste recycle rate was 89%, up from 88% in 2012. Our 2020 goal is to recycle 90% of our solid waste worldwide.

We have implemented several programs to reduce, reuse, and recycle the solid waste resulting from construction activities and other Intel operations, including donating materials to schools and nonprofits.

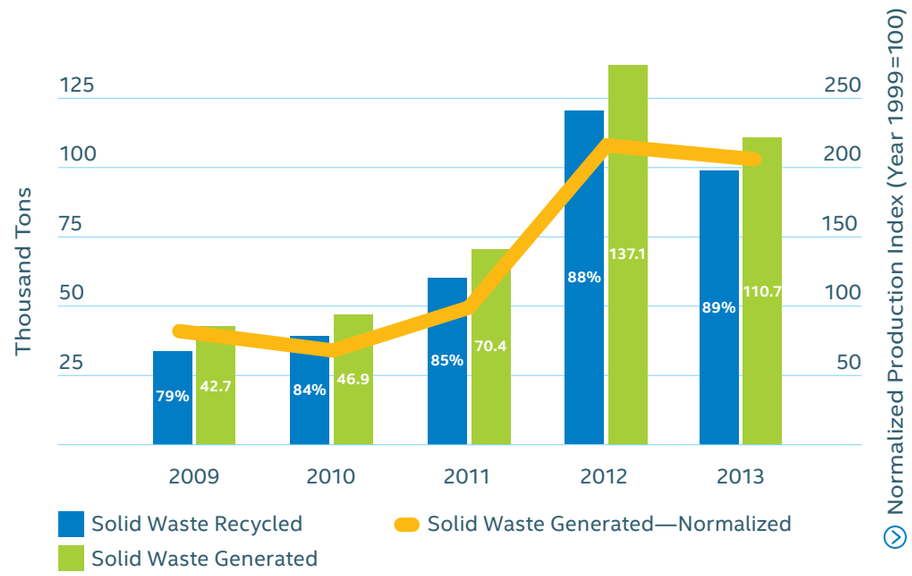
Solid Waste Recycled



The “Other” category primarily includes materials related to our construction activities. Landscape and food waste are turned into mulch and compost, respectively.

In 2013, a portion of our employees’ Annual Performance Bonus (APB) was tied to increasing our solid waste recycling rate to 90% by the end of the year. We rolled out an initiative aimed at significantly increasing the composting of pre-consumer and post-consumer waste from our on-site cafeterias and converting to reusable dishware and utensils. While our total recycling rate for the year was 89%, our recycling rate in the last quarter of 2013 was 92%. As a result, our employees received the incremental bonus tied to our recycling rate.

Solid Waste Generated/Recycled



Click or tap the ⓘ symbol for additional information.

Solid waste generated was down 19% on an absolute basis and down 4% on a per chip basis in 2013 compared to 2012. We estimate that 34% and 47% of the solid waste generated in 2011 and 2012, respectively, was related to construction projects. Beginning in 2012, we included data from a number of our smaller sites that were previously not included.

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Chemical Waste

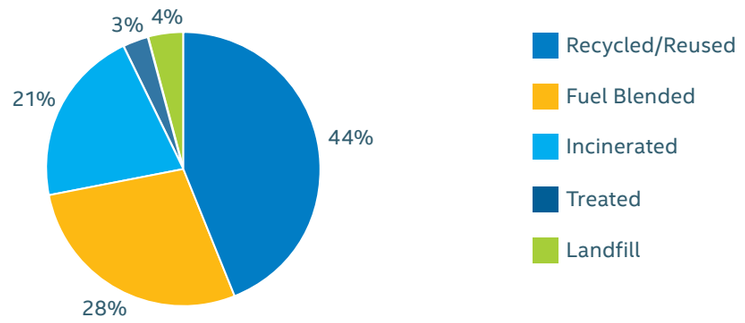
In 2013, we continued to recycle a high percentage of our chemical waste. However, chemical waste generated has risen both on an absolute and per chip basis since 2008, due to the increasing complexity of our manufacturing processes.

One of our goals is to reduce chemical waste generation by 10% on a per chip basis by 2020 from 2010 levels and to achieve zero chemical waste to landfill by 2020. Multiple groups across Intel are working on projects to identify innovative ways to treat or eliminate waste streams. For example, our Israel site recovers select used solvents for reuse as feed stocks in Israel's manufacturing industry. By maintaining the high value and usage potential of our used general solvents, we now have a source of profit instead of a waste management expense.

Despite continuing investment in these types of initiatives, based on our future projections of chemical use, it is unlikely that we will be able to reduce chemical waste generation by 10% on a per chip basis. We are, however, able to ensure that we responsibly manage the waste we do generate, and minimize the amount sent to landfill.

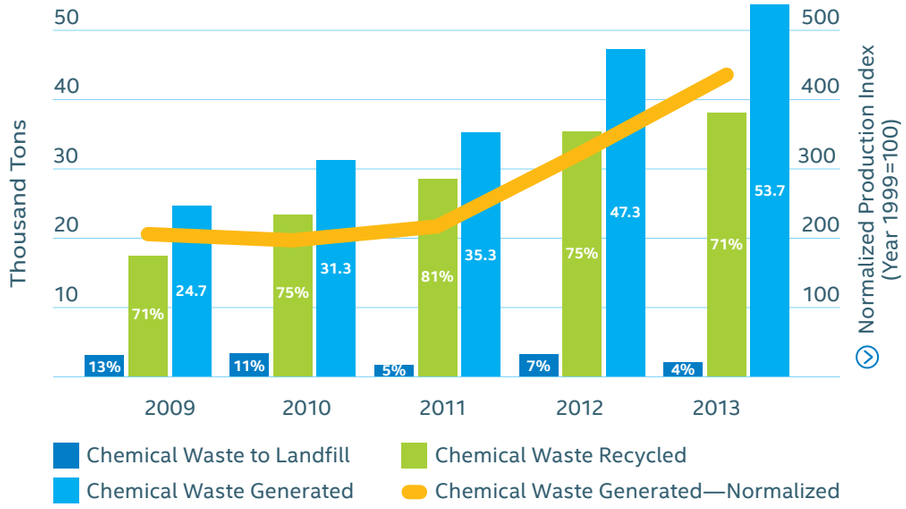
We also have a goal to implement an enhanced "green" chemistry screening and selection process for 100% of new chemicals and gases by 2020. In 2013, we completed a benchmarking exercise with a number of our key suppliers, industry consortia, and other companies to understand the current state of best-in-class green chemistry within our supply base, and to develop a framework for implementing green chemistry expectations in support of our goal. Additionally, we completed an initial evaluation of an alternative assessment tool to begin the process of identifying green chemistry solutions appropriate for our business. In the spirit of collaboration, we took a leading role in working with the International Technology Roadmap for Semiconductors organization to integrate green chemistry concepts into their 2013 long-range roadmap for the semiconductor industry. We are also co-leading a project through the International Electronics Manufacturing Initiative (iNEMI) to evaluate chemical alternative assessment frameworks, methodologies, and tools that are appropriate for the electronics and semiconductor industries.

Chemical Waste Management Methods



The recycled amount includes chemicals directly reused, chemicals recycled, and fuel-blending activities.

Chemical Waste Generated/Recycled/to Landfill



Click or tap the ⓘ symbol for additional information.

Chemical waste generated was up 14% on an absolute basis and up 35% on a per chip basis in 2013 compared to 2012.

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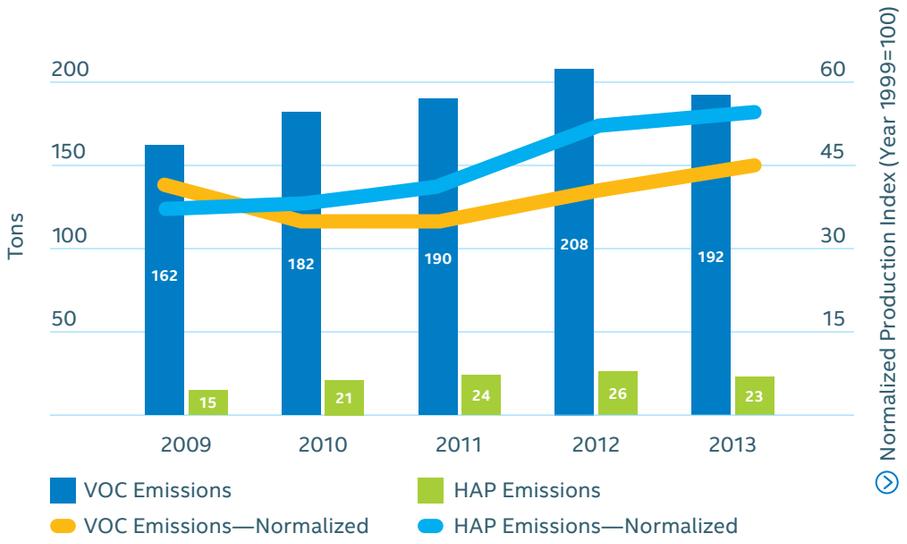
Reducing Air Emissions

Through careful design of our production processes, we have reduced our absolute air emissions since 2000 while expanding our operations more than two-fold.

We work to minimize our emissions of both volatile organic compounds (VOCs) and hazardous air pollutants (HAPs). Where we cannot eliminate VOCs and HAPs entirely, we install thermal oxidizers and wet scrubbers to neutralize and absorb gases and vapors. Thermal oxidizers concentrate VOCs and then oxidize them into carbon dioxide and water vapor. A heat exchanger warms the incoming air for this process to boost the fuel efficiency of the unit. Wet scrubbers recirculate water that contains a neutralizing agent to remove acidic gases and other contaminants.

Intel eliminated the use of ozone-depleting substances (ODSs) from manufacturing in the 1990s. We have also eliminated the use of Class I ODSs from refrigerant systems. Although some of our refrigerant systems still use Class II ODSs, the units are managed in accordance with the U.S. EPA's refrigerant management standards or applicable local requirements to ensure that emissions are minimized.

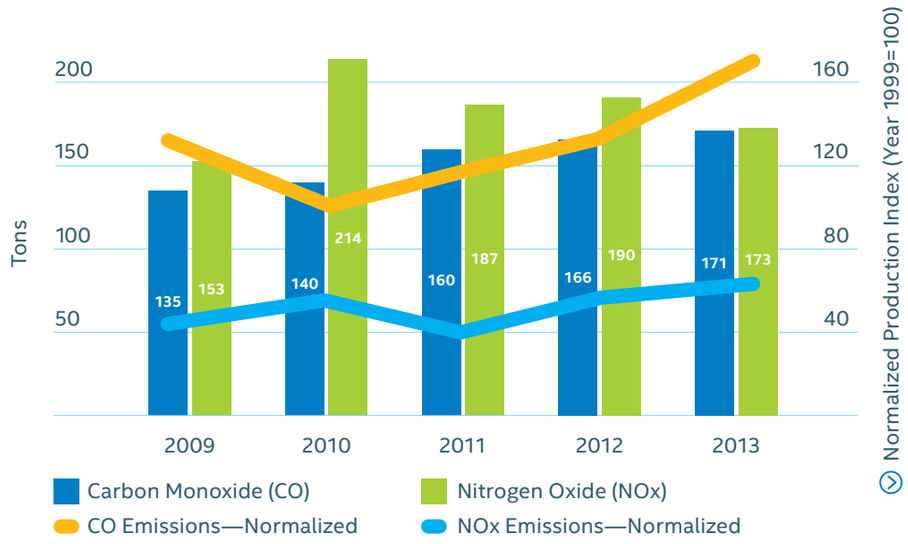
VOC and HAP Emissions



Click or tap the ⓘ symbol for additional information.

Absolute VOC emissions were down 8% and per chip VOC emissions were up 9% in 2013 compared to 2012. Absolute HAP emissions were down 12% and per chip HAP emissions were up 5% in 2013 compared to 2012.

NOx and CO Emissions



Click or tap the ⓘ symbol for additional information.

Absolute CO emissions were up 3% and per chip CO emissions were up 22% in 2013 compared to 2012. Absolute NOx emissions were down 9% and per chip NOx emissions were up 8% in 2013 compared to 2012.

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Product Energy Efficiency and Product Ecology

Energy-efficient performance is a key element of our product design and environmental footprint reduction efforts. Through our Design for the Environment principles, we strive to minimize the environmental impact of our products at all phases in their life cycle: development, production, use, and ultimate disposal.

Improving Product Energy Efficiency

Transistors are the building blocks of the electronics industry, so the creation of more energy-efficient transistors leads to more energy-efficient computers. With each new generation of process technology, we can fit more transistors onto Intel processors, while also reducing the energy required to power them. Moore's Law describes the pace of these trends, which—when combined with Intel architecture and circuit design innovations—have enabled us to reduce the amount of energy consumed per transistor by a factor of approximately 1 million over the past 30 years. Our goal is to drive energy-efficient performance across all of our major product lines—from smartphone, tablet, and embedded processors to those used in laptops, desktops, and servers.

In 2013, we introduced the 4th generation Intel® Core™ processor family, which delivers industry-leading performance as well as the largest generational gain in battery life in Intel's product history. The 22-nanometer (nm) processors are built with Intel's breakthrough 3-D Tri-Gate transistor technology, which enables chips to operate at lower voltage with less leakage, providing significantly improved performance and energy efficiency compared to those with previous generations of transistors. The capabilities give designers the flexibility to choose transistors targeted for low power or high performance, depending on the application. The 22nm 3-D transistor technology enables up to a 37% increase in performance at low voltage compared to Intel's 32nm planar transistors. Alternatively, the new transistors consume less than half the power of 2-D transistors on 32nm chips operating with similar performance. We estimate that we have about a 2-year process technology lead and about a 3.5-year lead in introducing revolutionary transistor technologies such as strained silicon, High-K Metal Gate, and Tri-Gate into high-volume manufacturing, compared to our nearest competitor.

Data Center Efficiency. Intel® Xeon® processor-based servers help IT organizations around the world virtualize their data centers to reduce costs and add automation so they can improve service levels, energy efficiency, and agility. Intel Xeon processors power the majority of servers in today's virtualized data centers and clouds, as well as many of the highest performing workstations. Servers based on the latest Intel Xeon processors include advanced technologies to help solve the storage, networking, and security challenges of today's increasingly dynamic computing environments. In addition, energy-proportional architectural improvements have reduced "typical" server energy consumption by about 15%, as measured by the industry standard benchmark SPECpower. Intel's leadership in SPECpower implies a reduced carbon footprint for customers who use Intel products.

Calculating Scope 3 Emissions: Use of Products and Services Sold

As part of our carbon footprinting efforts, Intel has estimated that the total energy used in a year by average Intel® processors in servers and desktop and notebook computers sold in 2013 was 11,295,000 metric tons of CO_2 equivalent. This figure represents 2013 emissions from products sold in 2013, 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. For detailed information on our Scope 3 emissions, download our most recent CDP disclosure from the CDP web site.

[1] Intel® processor numbers are not a measure of performance. Processor numbers differentiate features within each processor family, not across different processor families. For more information, visit www.intel.com/content/www/us/en/processors/processor-numbers.html.

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Intel has pioneered a diverse set of hardware and software technologies that help measure and optimize energy use in computers and data centers. The Intel® Node Manager and Intel® Datacenter Manager allow IT managers to monitor the energy consumption of their servers, potentially resulting in increased rack density and lower power consumption.

We are committed to helping our customers lower the energy costs associated with their computing and data center needs. For example, Telefônica/Vivo, Brazil's largest telecommunications company, adopted Intel Node Manager technology to enhance energy consumption management in their servers. In partnership with Dell, they implemented a proof of concept using Dell* 12G servers with Intel® Xeon® E5 processors to evaluate energy consumption and performance through workload simulations. After the successful proof of concept was concluded, the technology was rolled out at other Telefônica/Vivo data centers. For more information, read the case study.

Product Ecology

We work to reduce the environmental footprint of our products from design through disposal, which includes evaluating the environmental impact of the materials used in our processes and working with others on responsible management of electronic waste (e-waste).

For more than a decade, Intel has worked with suppliers and customers, and has participated in several industry consortia, in an effort to eliminate lead and halogenated flame retardants from our products. While legislation does not require the elimination of halogenated flame retardants, Intel has played a role in facilitating industry consensus around low-halogen practices and has chaired industry standards committees on materials selection and eco-design. We also have reviewed our products and engaged our suppliers to meet the requirements of the European Union's Registration, Evaluation, Authorisation, and Restriction of Chemical substances (REACH) regulation.

We also have a goal to implement an enhanced "green" chemistry screening and selection process for 100% of new chemicals and gases by 2020. For information on our progress toward our goal, see "Chemical Waste" earlier in this section.

The Electronic Product Environmental Assessment Tool (EPEAT*) is a rating system designed to help purchasers in the public and private sector evaluate, compare, and select laptops, desktops, and monitors based on environmental attributes. We provide information to channel partners and customers about EPEAT through our Intel® Reseller Center web site.

Electronic Waste

Managing e-waste, such as computers, televisions, and mobile phones, is a global concern. While our components are not typically subject to recycling or e-waste laws, we work with original equipment manufacturers (OEMs), retailers, customers, and others to identify shared solutions for used electronics. We also take steps to integrate environmental considerations into the design phase of our products to minimize environmental impacts of electronics at end of life.

Many regulations govern the management of e-waste globally. For example, the EU Waste Electrical and Electronic Equipment (WEEE) Directive requires producers of certain electrical and electronic equipment to develop programs that allow consumers to return products for recycling. Many of our products—including motherboards, microprocessors, and other components—are usually within the scope of e-waste laws only when they are incorporated into a final product, generally by an OEM. In some countries, our distributors provide recycling options for products covered by these e-waste laws.

Through the Intel equipment surplus program, we reuse, donate, sell, or responsibly recycle electronic equipment from our operations. We have also hosted e-waste collection events in our communities for close to a decade, helping individuals and organizations to recycle their used electronics responsibly. Since many U.S. states now provide opportunities for e-waste recycling, we have reduced the number of events, but we continue to host events periodically.

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Applying Technology to Environmental Challenges

Through technology, individuals, families, companies, and governments gain information that can empower them to drive more sustainable practices in homes and across industries—helping to reduce the environmental footprint of cities and countries.

Today, nearly all segments of industry are either in the process of (or beginning to explore) transforming their energy management and IT practices to achieve new levels of energy and environmental efficiency. Intel continues to explore opportunities to design and deliver new technologies to address sustainability challenges, including developing more energy-efficient production and transportation systems, and applying IT to help measure (sense), model (analyze), and manage (control) energy and natural resources more efficiently.

Intel Labs has a number of programs underway that are focused on improving energy efficiency and reducing climate emissions, including researching and developing future Intel products that are even more energy efficient. For example, a focus on sustainable cities has led to the development of two "living labs": one in London and the other in Dublin.

Our researchers are developing whole-system energy management solutions for commercial buildings, homes, data centers, and utility distribution networks. We are also working with leading scientific institutions to develop high-performance computational models to enable more accurate climate and weather predictions. In addition, we are conducting research into the use of sensors, analytics, modeling, and decision support systems for sustainable cities.

Intel Energy and Sustainability Lab (Intel ESL). Based at our Ireland site, Intel ESL drives our research agenda in the application of IT to enable a high-tech, low-carbon economy with strong alignment to the European Union's 2020 sustainability goals.

Sustainable Connected Cities. The Intel ESL launched the Intel Collaborative Research Institute for Sustainable Connected Cities in 2012 in partnership with researchers from Imperial College London and University College London to drive the application of computing technologies to advance the social, economic, and environmental well-being of cities. In early 2014, Intel announced a collaboration with the City of Dublin, Ireland to test 200 smart-sensored "gateways" around the city. The sensors, which are based on the Intel® Quark system, will gather and monitor data on the environment, including air quality and noise. The data that is collected will be openly available.

Pecan Street. Intel has also been working with Pecan Street Inc., a nonprofit consortium of universities, technology companies, and utility providers collaborating on testing, piloting, and commercializing smart grid technologies. One of the primary goals of Pecan Street is to drive new products, services, and economic opportunities in the area of consumer energy management. In 2013, the consortium expanded to communities in California, Colorado, and Texas, and in early 2014 launched the world's largest research database of customer energy and water use. Intel® Galileo Maker kits are being used to develop advanced sensors and data collection devices, and a proof of concept to deploy Intel® Distribution for Apache Hadoop* software is helping speed the data analytics, processing, and visualization capabilities for the Pecan Street researchers. For more information, visit the Pecan Street web site, or watch this video.

Personal Office Energy Manager (POEM). Intel has developed a proof-of-concept device that reads sensors in a modern office PC network and displays the energy "footprint" of an individual, as well as the aggregate energy of an office floor or entire building. POEM helps reduce overall energy consumption by informing individual office workers of their electricity consumption and providing tips about how to reduce it.

Performance Summary and Goals

In 2013, we took additional steps toward meeting our 2020 goals. We remained the largest voluntary purchaser of green power in the U.S., according to the U.S. EPA, made new investments in energy-saving projects in our operations, and continued to encourage our employees to take action around sustainability. We made progress on product energy efficiency and collaborated with others in our industry to drive more efficient computing and applications of technology to address the world's energy and sustainability challenges.

Goals and Performance

2020 Environmental Goals	Progress Against Goals	
Greenhouse Gas Emissions. Reduce direct greenhouse gas (GHG) emissions by 10% on a per chip[1] basis by 2020 from 2010 levels.	Per chip and absolute GHG emissions were down 9% in 2013. We remain on track to meet our goal.	●
Water. Reduce water use on a per chip[1] basis below 2010 levels by 2020.	Water use decreased 3% in 2013 but increased on a per chip basis. We completed water conservation pilots and have initiated design projects that will help us meet our goal by 2020.	◒
Energy. Achieve cumulative energy savings of 4 billion kWh from 2012 to 2020.	We continued to invest in energy conservation projects during 2013, investing $30 million and achieving energy savings of 175 million kWh. Taking into account other planned investments, we are on track to reach our goal.	●
Waste Reduction and Recycling. Achieve zero chemical waste to landfill by 2020. Achieve 90% solid waste recycle rate by 2020. Reduce chemical waste generation by 10% on a per chip[1] basis by 2020 from 2010 levels.	We made good progress toward zero chemical waste to landfill and solid waste recycling but saw steep increases in chemical waste generation. This trend is projected to continue, so we are evaluating new treatment technologies to help us meet our goal by 2020.	◒
Green Chemistry. Implement an enhanced green chemistry screening and selection process for 100% of new chemicals and gases by 2020.	We completed benchmarking and conducted a pilot of a green chemistry assessment tool, and are on track to meet our 2020 goal.	●
Green Buildings. Design all new buildings to a minimum LEED* Silver certification between 2010 and 2020.	We continued to complete LEED certification for existing buildings and incorporated LEED design practices into new facilities under construction.	●
Product Energy Efficiency. Increase the energy efficiency of notebook computers and data center products 25x by 2020 from 2010 levels.[2]	We achieved our product-related energy efficiency targets and are on track to meet our 2020 goal.	●

[1] Assuming a typical chip size of approximately 1 cm^2 (chips vary in size depending on the specific product).
[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, and number of recharge cycles of volume notebook computers in that model year.

● Achieved ◒ Partially Achieved or on Track ○ Not Met

Looking Ahead

In 2014, we will continue to work toward attaining our 2020 goals, placing a strong emphasis on reducing chemical waste and driving higher levels of energy-efficient performance in our products. We will continue our collaborations with external organizations on sustainability issues, particularly in identifying the role that ICT can play in addressing global environmental challenges.

Compliance Information and Reporting

In 2013, we continued to maximize our environmental, health, and safety (EHS) performance through our comprehensive, corporate-wide EHS compliance assurance program. In addition to third-party audits completed to maintain our ISO 14001 and OHSAS 18001 multi-site certifications, our site operations conducted EHS program self-assessments to validate site-level EHS compliance. The self-assessments form the backbone of our site-driven compliance checks and improvements. They cover compliance points in all EHS functions across a broad range of regulations and standards. Self-assessments include reviews of environmental performance, site health and safety performance, ergonomics, and health and well-being programs.

Another key aspect of our EHS compliance assurance program is the ongoing completion of internal EHS audits at various Intel sites, led by senior corporate EHS professionals in partnership with EHS Legal Counsel. These formal internal audits include evaluation of areas related to EHS business risk and management systems, such as in-depth documentation and records reviews, interviews with site leadership, and physical inspections related to EHS compliance programs.

As new greenhouse gas regulations took effect in the U.S. requiring us to re-permit our manufacturing site in Oregon, we identified that we had inadvertently made permitting mistakes in our emissions reporting. We promptly self-reported the information to the local regulatory agency, the Oregon Department of Environmental Quality (ODEQ). We have taken a number of steps to address the issue, and are cooperating fully with the ODEQ to correct the matter. We are also working with community members to share updates in a timely and transparent manner.

On an annual basis, we report Intel's emissions releases, waste transfers off-site, and treatment of reportable chemicals in the U.S., in accordance with state and U.S. EPA regulations. For our most recent SARA Title III Reportable Chemicals by Site report, access the Report Builder web site.

As with many companies that have manufactured for more than 40 years, Intel is actively engaged in some legacy sites where soil and groundwater clean-up activities are ongoing. The goal of these initiatives is to minimize public exposure and return the sites to their original state in a quick and efficient manner. For more information, visit the Intel Superfund web site.

EHS officials from various regulatory agencies regularly visit our sites. In 2013, officials made 90 visits (including audits and inspections) to Intel sites across the globe. Intel received six environmental-related Notices of Violation (NOVs) and one health and safety-related NOV in 2013. Details on these NOVs are provided on the next page.

Five-Year Compliance Summary (EHS-Related Notices of Violation)

	2009	2010	2011	2012	2013
Number of NOVs	5	2	5	5	7
Fines or Fees	$1,620	$27,400	$675	$500	$2,500

Many of the Notices of Violation (NOVs) that were recorded did not have any fines or penalties associated with them. Corrective actions were put in place and tracked to completion for all identified concerns. Details on these NOVs are available in our previous Corporate Responsibility Reports, which are posted on our Corporate Responsibility Report web site.

2013 Environmental Inspections and Compliance

Location	Violation	Fine	Intel's Corrective Action
Chandler, Arizona	The Arizona Department of Environmental Quality (ADEQ) issued an NOV for administrative findings related to our Emergency Response and Contingency Plan.	None	All findings were corrected, and the ADEQ closed the NOV.
Chandler, Arizona	The City of Chandler issued an NOV for levels of manganese above the compliance limit.	None	All findings were corrected, and the City of Chandler closed the NOV.
Chandler, Arizona	The Maricopa County Air Quality Department issued an NOV for administrative findings related to our operations and management plan.	None	Corrective actions were taken to improve documentation following the audit, and the County closed the NOV.
Folsom, California	The California Department of Public Health, Radiologic Health Branch issued an NOV related to the qualifications of the Radiation Safety Officer for a field radiography unit, lack of written and practical examinations of a specific number of questions for cabinet X-ray machine users, and inconsistent annual interlock testing of cabinet X-ray machines.	None	All findings were corrected, and the California Department of Public Health, Radiologic Health Branch closed the NOV.
Hillsboro, Oregon	Oregon Clean Water Services (CWS) issued an NOV for a missed stormwater sampling.	None	The missed sampling had been reported to CWS prior to the NOV being issued, and no further action was required.
Penang, Malaysia	The Department of Environmental Waste Inspection issued an NOV for four improperly labeled waste drums.	$2,500 (8000 MYR)	The waste drum labels were corrected immediately during the inspection, and no further action was required.
Santa Clara, California	The Santa Clara Fire Department issued an NOV for findings related to our fuel containment procedures and infrastructure.	None	We are in the process of addressing all findings and expect to close the NOV within the appropriate time frame.

Intel received six environmental-related Notices of Violation (NOVs) and one health and safety-related NOV in 2013. Most of the notices were administrative in nature, with no impact on employee health and safety or the environment.

Inspiring the Next Generation

Technology plays a pivotal role in addressing the major social challenges that we face today—around the world and in our own backyards. From advancing global education and promoting broad economic development to working hand in hand with neighbors in our communities, Intel is committed to applying technology and the talents of its employees to improve lives and inspire the next generation of innovators.

Intel announced that it will donate 50,000 Intel® Galileo development boards—specifically designed for the "maker" and education communities—to 1,000 universities worldwide.

>200 Programs

Intel has over 200 programs in more than 70 countries that are transforming education for millions of students.

Intel and Fuhu Inc. collaborated to create the powerful DreamTab educational and entertainment tablet, designed to transform the way kids learn, play, and grow through technology.

1.2M

In 2013, close to half of our employees volunteered 1.2 million hours in their communities, at an estimated value of $28 million.

The Intel® She Will Connect program aims to close the Internet gender gap, working with groups of local and global partners to connect 5 million women to new opportunities through technology.

Key Section Links

Performance Summary and Goals
Intel® Education
Intel Foundation
Intel in Your Community
Intel Programs for Girls and Women
Intel Across Healthcare

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Management Approach

Harnessing technology expertise and the talents of our employees, we partner with like-minded organizations on social initiatives that improve lives around the world.

Social Impact and Business Value

Our long history of investment and engagement around social issues has generated significant value both for Intel[1] and for our stakeholders. The trust, credibility, and goodwill that we have built with governments, neighbors, schools, and others in our communities have helped create a positive business environment for Intel. When we want to expand an existing Intel campus or build in a new location, we are generally welcomed and supported. Constructive relationships that we have cultivated with community members also yield valuable feedback that helps us improve our performance. In addition, engaging our employees in meaningful volunteer experiences positively impacts their satisfaction and pride, and helps us attract and retain talented people.

Intel's investments in education expand opportunities for young people while also benefitting the company. Education is the foundation of innovation, and as a technology company, Intel's success rests on the availability of skilled workers, a healthy technology ecosystem, and knowledgeable customers. In turn, the health of local economies—including those where our employees live and work—depends on access to technology and quality education. Our education programs support our long-term corporate diversity objectives by encouraging girls, women, and students in underserved communities to pursue careers in science, technology, engineering, and math. Applications of technology in education also create market opportunities for Intel.

[1] References to "Intel" throughout this section refer to Intel Corporation, not the Intel Foundation.
[2] Through local and national grants, the Intel Foundation—funded solely with Intel Corporation donations—works to fuel classroom innovation and student interest in math, science, engineering, and entrepreneurship; empower women and underserved youth; and enable university education and research. The Foundation also supports Intel employees' generosity and passion for volunteerism by matching grants for service, community giving, and disaster relief programs. For more information, visit the Intel Foundation web site.

2013 Total Contributions (in millions)				
	Corporate Cash	Foundation Cash	In-Kind Giving	Total
United States	$37.9	$32.7	$0.2	**$70.8**
International	$26.1	$12.3	$0.3	**$38.7**
Total	**$64.0**	**$45.0**	**$0.5**	**$109.5**
Total Giving as a Percentage of Pre-tax Net Income				**0.9%**

Over the past five years, charitable giving by Intel and the Intel Foundation totaled $537 million, representing on average 0.8% of annual pre-tax net impact.

Intel's financial and in-kind support—as well as volunteerism by our employees—enables governments, non-governmental organizations (NGOs), and educators to reach their goals more effectively. The net result is shared social value that ranges from expanding technology access for students in emerging markets to helping local nonprofit organizations serve more people through better use of technology and more efficient processes.

Social Impact and Strategic Giving Snapshot

Funding for our social impact activities comes from both Intel and the Intel Foundation[2] and is aligned with our strategic focus areas of education and supporting local community needs. Strategic giving includes charitable giving (cash and in-kind) as well as other investments, such as programs that empower employee giving and service, and applications of technology to create positive impact. We collaborate with external organizations, leveraging additional giving and resources to further scale our initiatives.

Intel also invests in processes to engage with our local communities and measure our impact. For more information, see "Stakeholder Engagement" and "Financial Results and Economic Impact" in the Our Business and Integrated Value Approach section of this report.

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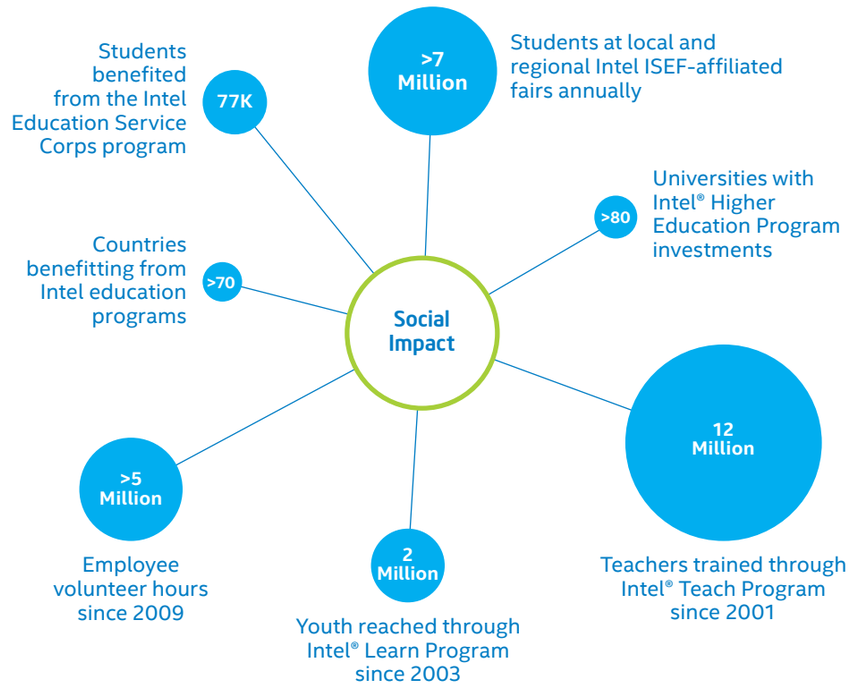
2013 Social Impact by the Numbers (as of December 31, 2013)

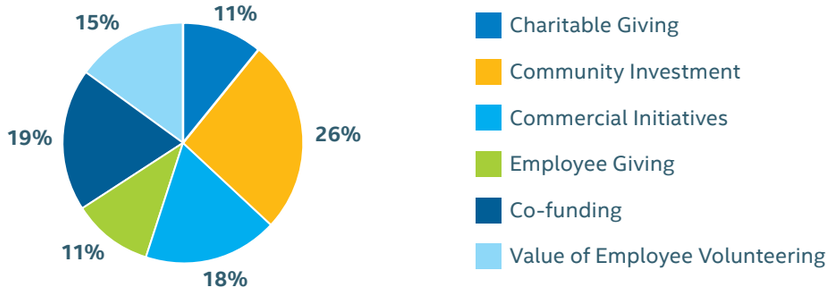


The contributions that we make to our communities impact the lives of millions of people around the world.

"Our investments in education, social innovation, and entrepreneurship create shared value for Intel and society. Our focus on long-term sustainable partnerships ensures lasting value."

Shelly Esque, Intel's Vice President of Corporate Affairs

2013 Strategic Giving and Social Investments by Category



We evaluate our strategic giving using guidelines from the London Benchmarking Group and the Committee Encouraging Corporate Philanthropy to ensure maximum impact and alignment with strategic focus areas. In addition to these investments, a number of groups across Intel are developing products, solutions, and commercial initiatives that address social challenges in education, healthcare, and the environment.

Charitable Giving. Our charitable giving addresses a community's immediate, often short-term, needs. It may not be directly aligned with our strategic giving focus areas. Examples include giving to arts and culture programs and disaster relief.

Community Investment. Programs in this category address a community's longer term needs and are aligned with our strategic giving focus areas. Examples include science, technology, engineering, and math (STEM) programs; entrepreneurship programs; and environmental conservation programs.

Commercial Initiatives. Programs in this category benefit society and are closely aligned with Intel's business goals. Examples include teacher professional development and research.

Employee Giving. Our employees give generously to nonprofit organizations in our communities. This amount reflects employee donations through our Matching Gifts to Education program, the Intel Community Giving Campaign, and disaster relief programs.

Co-funding. Contributions from our external partners help extend the reach and impact of our programs, including our science competitions, the Intel® Teach Program, and higher education research. This amount reflects the amount of co-funding contributions reported to us in 2013 by our external partners.

Value of Employee Volunteering. Our employees also give generously of their time. We have estimated the in-kind value of their volunteer hours based on the 2013 Value of Volunteer Time rate of $22.55 per hour, published by Independent Sector.

In addition to our own contributions, many of our programs leverage the power of our employees and co-funding. We estimate that the total value of our strategic giving and leverage in 2013 was $197 million.

Stories of Impact From Across the Globe

In line with our vision to "Create and extend computing technology to connect and enrich the life of every person on Earth," Intel technologies, products, and social impact programs are helping to empower people to create positive change. Explore the map to read about a few examples.

Inspiring a Better Future

Click or tap the ⓘ symbol for additional information.

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Education Transformation

Technology enables an unprecedented opportunity to advance student achievement and increase access to quality education. Intel brings the expertise, technology, and robust ecosystem that can provide the foundation for educators and governments to transform education.

We apply a model of education transformation that combines advocacy for policy reform, curriculum standards and assessment, sustained professional development, information and communications technology (ICT), and research and evaluation. Through scalable programs, technology solutions, and ecosystem support, Intel is helping countries improve the quality of their education systems and compete in the global marketplace. Over the past decade, Intel and the Intel Foundation have invested more than $1 billion in programs to improve education around the world.

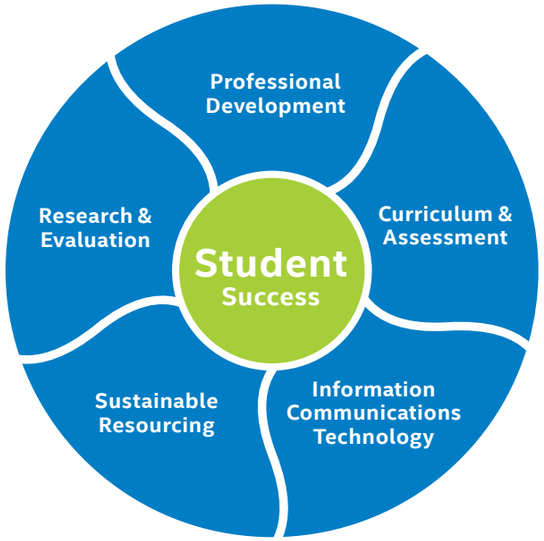
Technology Solutions for Education

Rugged, powerful, and energy-efficient Intel®-based PCs and servers, combined with software and fast Internet access, help students acquire 21st century skills, and help educators teach more effectively. Intel also equips these products with the manageability and security capabilities required to keep students safe online while simultaneously maximizing learning time by minimizing down time. For example, in early 2014, Fuhu, DreamWorks Animation SKG Inc., and Intel Corporation announced DreamTab, a powerful new educational and entertainment tablet for kids that is designed to transform the way they learn, play, and grow through technology.

Through the Intel® Education and Intel World Ahead programs, Intel has worked with more than 70 countries on programs aimed at making technology more available, affordable, and understandable to first-time users. PC purchase programs enable governments to provide PCs at a more affordable price, allowing thousands of teachers and students to gain technology access for the first time. Intel also works with telecommunications providers to connect millions of people to the Internet with high-speed wireless technologies.

Intel® Education Software offers a comprehensive suite of applications that help students develop key skills through exploration and interpretation, including critical thinking and problem-solving, creativity and innovation, communication, and collaboration. It helps teachers facilitate learning and efficiently manage their classrooms at the same time that it assists Information Technology (IT) departments in protecting students and managing infrastructure.

Education Transformation Model



Intel's cohesive approach to helping governments improve country competitiveness and the quality of their education systems has led to successful engagement in multiple parts of the world.

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The Intel® Education Alliance brings together hardware, software, content, infrastructure, and service providers to deliver locally relevant, integrated solutions to students worldwide, starting with the required connectivity. This rich ecosystem enables a comprehensive, sustainable solution, while increasing local technology capacity and creating new economic development opportunities in the communities that Intel serves.

Programs to Advance Teaching and Learning

Intel has over 200 programs in more than 70 countries that provide professional development for teachers; support student achievements in science, technology, engineering, and math (STEM); enable access to relevant, local digitized content; and more. Below is information about a few Intel programs that are helping to transform education worldwide. Visit the Intel Education web site to learn more about these and other programs.

Intel® Teach Program. Since 1999, the Intel® Teach Program has helped more than 12 million teachers in over 70 countries integrate technology and create active learning environments in their classrooms. Through face-to-face instruction and Intel® Teach Elements online lessons, K–12 educators learn to develop materials and activities designed to engage their students with self-directed, project-based learning. The program's free online resources, tools, and course offerings on topics such as critical thinking and collaboration in the digital classroom are available in 24 languages. In addition, the Intel Teachers Engage online global community enables educators to connect and share ideas and strategies to transform K–12 classrooms through the effective use of technology. To view survey results, evaluations, reports, and case studies about Intel Teach, visit the Intel Education-Evaluations web site.

Watch Video Intel takes a comprehensive approach to transforming education around the world, including development of technology to support improvements in teaching and learning.

Intel Education Welcomes Kno

In 2013, Intel acquired Kno, a leading education software company on a mission to change the way students learn. Like Intel, Kno believes that engaged students are better students. Kno has partnered with leading publishers to create interactive textbooks that make learning more engaging, efficient, and social for students. The Kno acquisition boosts Intel's global digital content library to more than 225,000 higher education and K–12 titles. Even more, the Kno platform gives educators the tools they need to easily assign, manage, and monitor digital learning content and assessments.

Intel® Learn Program. Since its launch in 2003, Intel Learn has been providing opportunities for children in underserved communities to acquire technology literacy, problem-solving, critical thinking, collaboration, and entrepreneurship skills. The program extends learning beyond classrooms to informal environments in community centers. Intel Learn includes over 90 hours of project-based curricula designed to tap into children's interest in their communities. The program has reached more than 2 million learners in 20 countries. For more information, visit the Intel Learn web site.

Intel Computer Clubhouse Network. The Intel Computer Clubhouse Network is a community-based, after-school education program operated by the Boston Museum of Science in collaboration with the MIT Media Lab. Computer Clubhouses offer an environment of trust and respect where young people can develop technological fluency and collaborative work skills. See an example of how the Computer Clubhouse Network is changing lives. In 2013, five Computer Clubhouses piloted programs based on Intel's Start Making! initiative, which introduces hands-on learning activities using electronics kits, software tools, and everyday household materials. The initiative will be expanded to 25 Computer Clubhouses around the world in 2014.

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Competitions to Inspire Young Innovators

The Intel Foundation is the lead sponsor of two premier science competitions, the Intel International Science and Engineering Fair (Intel ISEF) and the Intel Science Talent Search (Intel STS), which are both programs of Society for Science & the Public. In addition, Intel and the Intel Foundation support local and regional science competitions. For more information on our education competitions, visit the Intel® Education Competitions web site.

Intel International Science and Engineering Fair (Intel ISEF). The world's largest pre-college science competition brought together more than 1,600 young scientists from 70 countries, regions, and territories in May 2013. Each year, millions of students who take part in local and regional science fairs within an Intel ISEF-affiliated network vie for the opportunity to attend Intel ISEF and compete for $4 million in prizes and scholarships. Intel employees often serve as mentors for the young scientists and also volunteer at the events. In 2013, Ionut Budisteanu of Romania won the Gordon E. Moore Award for using artificial intelligence to create a viable model for a low-cost, self-driving car. The award, named in honor of the Intel co-founder, includes $75,000 in scholarship funds. For more information, visit the Intel ISEF web site.

Intel Science Talent Search (Intel STS). The oldest and most prestigious pre-college science competition in the U.S. provides an opportunity for high school seniors to complete an original research project and have it judged by highly regarded scientists. The Intel Foundation awards more than $1.25 million to Intel STS winners and their schools during the annual competition. In 2013, Sara Volz from Colorado won the top award of $100,000 for her work on increasing the oil content of algae to create an economically viable source of biofuel. For more information about the competition and 2013 winners, visit the Intel STS web site.

Enabling the Ecosystem

As a technology innovator and manufacturer of some of the most complex products in the world, Intel has developed decision-making practices and problem-solving capabilities that can help transform global education. To maximize impact, we leverage our core competencies with others who share our

Watch Video Ionut Budisteanu of Romania won the $75,000 Gordon E. Moore Award at the 2013 Intel ISEF competition. See this and other highlights from the event on the Intel ISEF web site.

Disaster Relief Efforts: An Education Focus

Intel's multifold approach to disaster relief has evolved over time, as we have learned from experience what types of assistance are most beneficial in the hours and days after a catastrophic event, and in the months—and even years—that follow. After Intel has extended initial relief support, we begin collaborating with local leaders to address rebuilding in disaster-hit regions. In keeping with our philanthropic emphasis on improving education around the world, much of our rebuilding assistance focuses on getting children back to school.

In April 2013, a powerful earthquake hit Ya'an, Sichuan. Immediately following the quake, the Intel Foundation pledged $1.6 million to relief and rebuilding efforts, and agreed to match employee donations up to $2,000 per employee. In partnership with the China Poverty Alleviation Fund, the Intel Foundation created the Community Innovation Fund, with the goal of funding holistic and innovative rebuilding efforts focused on vulnerable populations and capacity-building for nonprofit organizations. The fund has already generated $2 million in pledges from other entities.

Similarly, after a devastating tornado flattened the community of Moore, Oklahoma in May 2013, Intel collaborated with the local school district to catalyze STEM programs during school reconstruction. A grant from the Intel Foundation helped to establish a formal STEM initiative for Moore Public Schools and to fund teacher professional development in student science research and experiential learning.

When June 2013 floods caused widespread damage in southern Germany, volunteers from Intel's Germany office discovered that there was no easy way to link volunteers with needs. With the Intel Foundation's support, the Bavarian Red Cross launched a computing solution that enabled volunteers to sign up to offer potential support in advance of a disaster. The platform enables faster responses to community needs by efficiently allocating volunteer resources in times of emergency.

For more information, visit the Intel Foundation web site.

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vision, including universities, other companies, development agencies, multilateral organizations, governments, and nonprofits. Some of our activities in this area are described below. For more information on our public-private partnerships and strategic alliances in education, visit the Intel Education web site.

Government Partnerships and Multi-stakeholder Collaborations. In collaboration with engineering schools, Facebook, MTV, and Google, we launched the Stay With It™ campaign in 2012. Stay With It is an online community of over 30,000 participants that shares resources to support and motivate first- and second-year engineering students to stay with engineering and graduate.

Intel, other companies, academia, USAID, and the government of Vietnam are collaborating to transform higher technical education in Vietnam. Through the Higher Engineering Education Alliance Program (HEEAP) initiative, faculty members from Vietnam's top technical universities and vocational colleges attend a summer institute at Arizona State University, where they work on curriculum design and prioritize education reforms. Upon returning home, attendees train their peers on new methodologies. As of December 2013, more than 175 lecturers from Vietnamese university partners had been trained under HEEAP.

Intel and some of the other largest multinational companies in the world are leading Millennium@EDU, a broad initiative aimed at advancing the United Nations Millennium Development Goals through the use of information, communication, and scientific technologies in learning and education. The initiative aligns with Intel's long-standing commitment to education and our work across the ecosystem to bring a holistic approach to education, including technology solutions, teacher training, and education programs. The program is committed to providing 15 million Millennium@EDU Solution Packs globally through 2015. For more information on this and other education collaborations, visit the Education Transformation: Research and Evaluation web site.

In 2013, the Intel Foundation joined the Partnership to Strengthen Innovation and Practice in Secondary Education (PSIPSE). The PSIPSE addresses secondary education for marginalized populations (especially girls) in targeted geographies, funding country-level work and accelerating field knowledge-building.

Supporting the Maker Movement

In 2013, Intel announced that it would provide 50,000 Intel® Galileo development boards to 1,000 universities worldwide. The boards are based on Arduino*, an open-source prototyping platform designed for "makers" who are interested in creating interactive objects or environments. We hope that the boards will spur a new wave of innovation across the computing spectrum and encourage more students to pursue technology careers.

Intel Educator Academies. In support of Intel ISEF, Intel hosts educator academies that bring together select groups of educators and government officials to share resources and explore proven methods of engaging students in math and science. At the academies, participants create action plans to address strategic education challenges, combining desired outcomes with timelines, measurable goals, and success criteria. At an Intel ISEF Educator Academy in Uganda in 2013, attendees focused on strengthening networks in support of the Ministry of Education's country-wide science program.

Higher Education. Intel and the Intel Foundation support university programs that advance research and education in microprocessor technology, high-volume manufacturing, computer science, and other disciplines critical to our industry. Intel® Higher Education Programs, funded by Intel, interact with universities around the world through curricula, student support programs, and research projects.

Our support of universities includes grants, curriculum gifts, equipment donations, fellowships, scholarships, and internships. Intel's support also includes funding for larger scale university research labs such as Intel Science and Technology Centers (ISTCs) at several universities in the U.S., as well as Intel Collaborative Research Institutes (ICRIs) in the U.K., Germany, and Israel.

To accelerate the adoption of cutting-edge technology in engineering education and prepare students for careers in critical technology areas, Intel works with universities to develop and disseminate curricula on advanced topics. For more information, visit the Complementing University Curricula Efforts web site.

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Empowering Girls and Women

We believe that education is a fundamental right for everyone, as it provides the foundation for a successful future and breaks the cycle of generational poverty. Expanding technology access for girls and women connects them to a broad range of financial, health, and education resources and economic opportunities.

Through the Intel Global Girls and Women Initiative, we are working to empower girls and women in three main areas: educating to create opportunity; inspiring more girls and women to become creators of technology; and connecting girls and women to new opportunities through technology access, digital literacy, and entrepreneurship skills. Closing the gender gaps in education and technology has important impacts for our business, as it expands our talent pipeline and creates educated consumers in new markets.

We are also committed to increasing the representation of women in technical and leadership roles in our own workforce and supply chain. For more information about our programs in these areas, see the Caring for Our People section of this report and "Supplier Diversity" in the Building the Supply Chain of the Future section of this report.

Educating to Create Opportunity

For many years, Intel's education programs have been helping to improve the social and economic standing of females around the world. More than 5 million female teachers have participated in the Intel Teach Program, which helps educators integrate technology and project-based learning into their classrooms. In 2013, the International Center for Research on Women (ICRW) published a report that revealed that the program's instructional approach elevates girls' voices and confidence both in school and at home. ICRW described similar benefits in a report about the Intel Learn Program, which has reached approximately 900,000 girls and women in 18 countries since 2004.

Girl Rising: An Innovative Partnership

According to UNESCO, 66 million girls around the world are not in school. To help drive awareness and action on this issue, Intel became a founding strategic partner of Girl Rising, a film and global social action campaign. Released in March 2013, the film has been seen by millions of people through more than 9,000 screenings as well as television broadcasts on CNN.

Intel has also been instrumental in bringing the film to leading policy forums, such as the World Bank, UNESCO, and the U.S. State Department, and has shared it with students, local community groups, and customers in over 30 countries. Intel employees have participated in more than 100 screenings and volunteer events.

In March 2014, the film was released commercially to further expand the impact of the campaign. Intel has also joined Girl Rising Country Partnerships, a collaboration between Girl Rising, USAID, and other organizations working to deepen the impact of the campaign over the next three years. To learn more, visit the Girl Rising web site.

In addition to the Girl Rising campaign described in the box above, Intel is engaged with the Half the Sky Movement, which leverages film, social media, and gaming to drive social change on gender equality and the importance of educating girls. In 2013, Intel supported the development and Facebook launch of Half the Sky Movement: The Game, through which more than 1 million players have learned about the barriers that girls and women face. In 2013, Intel also launched Intel for Change to involve college students in a year-long campaign to support the education of girls through travel, an online community, and connections with other Intel-supported projects such as Girl Rising.

In 2013, Intel piloted a policy workshop with UNESCO at a South Asia education forum with 130 educators and policymakers. The learnings from the event were used to create a policy brief and an action toolbox with materials that guide policymakers in workshops on gender equality in education and ICT. The tool was launched in early 2014 in collaboration with UN Women and UNESCO, and will be leveraged for new policy workshops to be hosted in other regions.

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Inspiring New Creators of Technology

Intel and the Intel Foundation are focused on an issue critical to our business and talent pipeline: increasing the number girls and women pursuing STEM degrees and careers. Intel works with leading organizations to support research to understand which interventions and programs will be most successful in attracting and retaining women in these fields, and we work with educators and communities to expand existing effective efforts. For example, in 2013 Intel sponsored a U.K. study, "Women in Science, Technology, Engineering and Mathematics: from Classroom to Boardroom," to promote a deeper understanding of gaps and opportunities.

In addition to providing scholarships and research fellowships, Intel and the Intel Foundation invest in many other programs and partnerships to inspire, engage, and retain more girls and women in technology and engineering fields. Based on available research on the attributes of effective initiatives, we are particularly focused on programs that emphasize the use of hands-on activities, peer mentors, and role models, and connect computer science and engineering to real-world applications.

Such programs include competitions such as the Intel International Science and Engineering Fair and the Intel Science Talent Search, which attract significant numbers of female competitors, as well as programs specifically for girls, such as Girls Who Code, the National Center for Women and Information Technology Aspire IT program, and all-girl robotics teams for FIRST* LEGO* League competitions. In 2013, as part of the Maker Education Initiative, Intel piloted the Intel Start Making! program in conjunction with the Intel Computer Clubhouse Network to introduce middle-school girls to the basics of circuits, coding, and "making." Based on the pilot's success, the program will be expanded to additional locations in 2014.

Connecting Through Technology

In most developing countries, women lag behind men in using the Internet, mobile phones, and radios. In early 2013, in collaboration with the U.S. State Department's Office of Global Women's Issues, UN Women, and the World Pulse global media network for women, Intel released "Women and the Web," a report that gives concrete data on the Internet gender gap and the social and economic benefits of securing Internet access for women. The report revealed that the gap was nearly 25% in the developing countries that were studied, and close to 45% in sub-Saharan Africa. The report also found that bringing another 600 million women online could deliver important social benefits as well as an estimated $13 billion to $18 billion increase in the annual gross domestic product across 144 developing countries.[1]

Watch Video The Intel® She Will Connect program aims to close the Internet gender gap, working with groups of local and global partners to connect 5 million women to new opportunities through technology.

At the 2013 Clinton Global Initiative, we launched the Intel® She Will Connect program, which directly responds to the challenge laid out in the "Women and the Web" report. The program will combine digital literacy training (leveraging the Intel® Learn Easy Steps curriculum and a new mobile game), an online peer network through World Pulse, and gender-relevant content to bring millions of women online, beginning in sub-Saharan Africa. The goal is to reduce the gap in the region 50% by 2016, connecting 5 million women to new opportunities through technology.

Intel also supported a number of other technology and entrepreneurship programs in 2013. In India, we launched a partnership with the Kudumbashree Mission to provide the Easy Steps curriculum for 3 million women over the next three years. In Thailand, we used the same program to help women working in the Thai Silk Village gain the technology skills they need to better manage their businesses. In Turkey, Intel launched the Young Ideas, Strong Women project, which used ideation camps to develop technology solutions for challenges faced by women in the country. The Intel Foundation is also sponsoring eight Ashoka Fellows, who are using technology to solve social challenges.

[1] "Women and the Web: Bridging the Internet gap and creating new global opportunities in low- and middle-income countries." Intel Corporation, Dalberg Global Development Advisors, GlobeScan (2013).

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Social Innovation and Entrepreneurship

Intel was founded by inventors, and the company's continued existence depends on innovation and entrepreneurship. Our own history reinforces our belief that innovation is key to driving economic growth and improving social conditions.

We are passionate about fostering entrepreneurship in communities around the world and advancing innovation to address global challenges. For many years, we have invested in programs designed to give social entrepreneurs and innovators the education, skills, and resources they need to improve communities and create sustainable enterprises. These programs include business plan competitions, curricula, and university seminars designed to help engineering, science, and business faculty build entrepreneurship programs.

Empowering Social Entrepreneurs

At the annual Intel Global Challenge at UC Berkeley in California, winners of regional entrepreneurship competitions come together to share their plans for turning their technology ideas into business opportunities, and to showcase those plans to potential investors. Competitors benefit from the education that the contest provides, along with introductions to potential investors, publicity, and feedback from industry experts. Employees from Intel Capital volunteer as mentors and judges for the competition, and the Intel Foundation provides cash prizes for teams with ideas that have the potential to positively impact lives. For a full list of Intel-supported entrepreneurship competitions, visit the Intel Global Challenge at UC Berkeley web site.

Opening Doors with Digital Literacy

An Intel® Learn Easy Steps course helped Shaista Hamid master using the Internet, e-mail, and basic computer programs. As a result, she secured her first job, as a customer care executive at a Nokia care center in Baramulla, Kashmir. Her success is changing the perceptions of extended family members, who previously believed that women should be married off, not educated. Read the case study.

Intel also partners with educators and governments to develop curricula, training, workshops, and leadership seminars that encourage entrepreneurship teaching, culture, and learning. Since 2010, the Intel Learn Program has included curricula that introduces young learners worldwide to the basic concepts of entrepreneurship and teaches them how to use Internet tools and computing applications to develop business plans.

The Intel Learn Easy Steps digital literacy course is designed for youth and adults in developing countries who have little or no computer experience. Participants learn basic skills that can be used to increase economic opportunities and prepare learners to participate in the digital world. The course is deployed through partnerships with NGOs and governments, and has reached more than 3.4 million learners in 35 countries over the past three years. In 2013, Colombia provided a modified version of the course to meet the needs of the visually impaired.

The Intel® Youth Enterprise Program helps high school and undergraduate students develop ideation and innovation skills by giving them opportunities to work on solving social problems. For more information, visit the Intel Youth Enterprise Program web site.

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Global Initiatives and Collaborations

Because we believe that public-private partnerships are crucial to achieving scalable impact, Intel develops alliances with governments, leading NGOs, and other companies to develop technology solutions to support entrepreneurship and social innovation. Such alliances help us enhance our understanding of critical needs, share our expertise in applying technology solutions, and leverage other Intel programs and resources.

Intel also works to transform innovative ideas into action by architecting solutions, providing training and consultation, and working with innovators to develop products and technologies that tackle social challenges. Our goal is to support sustainable social businesses and partnerships that address local community needs and to help scale replicable technology solutions globally. A few examples of our social innovation initiatives and collaborations follow.

Maker Initiatives. Intel is a founding sponsor of the Maker Education Initiative along with Maker Media, Pixar, and Cognizant. Intel also drives its Start Making! initiative, a program for STEM education that aims to build creative confidence and excitement in children. Through the program, Intel introduces hands-on learning activities that can be replicated at home or in the classroom using readily available electronics kits, software tools, and everyday household materials.

Intel Code for Good. This program aims to tackle society's most pressing problems by connecting nonprofit organizations with software expertise. Code for Good volunteers—including students, Intel employees, and other software developers—work with nonprofit organizations to define and develop applications or web tools that otherwise may be challenging for a nonprofit to afford. Volunteers at Intel Code for Good events have worked on projects related to bringing learning resources to rural areas in emerging nations, giving underserved women a voice on the Internet, helping middle school students learn algebra, and more. For more information, visit the Code for Good web site.

Watch Video Agatha Bacelar, an Intel for Change student ambassador, hosted the UNICEF Code for Good Hackathon, which brought students together at Stanford University to tackle the gender gap in school enrollment in South Sudan.

Make It Wearable

Intel launched the global Make It Wearable challenge in early 2014 to fuel innovation in wearable technology. Featuring expert mentorship, business development, and $1.3 million in cash prizes, the year-long challenge aims to inspire, identify, and incubate wearable technology ideas with the potential to shift universal perspective and improve the world in meaningful ways. Challenges such as Make It Wearable help spur young people to become entrepreneurs and inventors. Watch the video.

Social Innovation Week. Intel joined the Narada Foundation and China Foundation for Poverty Alleviation to co-host the 2013 Social Innovation Week in Beijing, China. With the theme "Action for Change," the gathering aimed to rally social innovators and promote leading social innovation practices among businesses and young professionals in the areas of education, aging, and community-building. More than 2,500 thought leaders, government officials, NGO partners, academia, members of the media, and social entrepreneurs gathered at the summit for presentations, interactive workshops, film screenings, and other events.

United Nations Youth Summit. Intel supported the BYND 2015 Global Youth Summit convened by the United Nations International Telecommunication Union in Costa Rica in September 2013. Some 700 young people gathered at the summit to discuss and prioritize their recommendations for world leaders who are developing Millennium Development Goals beyond 2015. Using social media channels, more than 3,000 additional youths followed the conference online and contributed their ideas from 43 hubs or workshops.

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Health and Life Sciences

With innovative thinking and people-centered research, Intel leads the industry to deliver better experiences for patients and those who care for them—across the spectrum of care and the computing experience.

Intel believes in the power of technology to help healthcare providers be more collaborative and efficient, and to lay the foundation for customized care tailored to lifestyle, health status, and genetic makeup. We're delivering what we do best—computing innovation—to help move health and life sciences into a new era of improved quality, affordability, and access for billions of people worldwide.

Healthcare Technology Solutions

Intel® architecture delivers performance, security, and seamless experiences that allow people to collaborate for better health. Our range of hardware-assisted security technologies helps protect personal health information and enables healthcare organizations to maximize data sharing via public, private, and hybrid clouds. With each generation of smaller and faster processors, we enable manufacturers to build lighter tools with longer battery lives so that health workers can reach people in remote areas.

We also work with leading industry groups—including serving as the technical advisor to the Open Data Center Alliance—to accelerate the development of broadly adopted standards that enable interoperable solutions.

Life Science Collaborations

Intel is working with leading research centers, including the Broad Institute, the Francis Crick Institute, and Oregon Health & Science University, to innovate next-generation technologies that streamline the process of sorting through large amounts of biomedical data for genomic analysis. Improved speed for genomic variant analysis in large association studies may help enable treatments for conditions such as cancer, neurodegenerative disorders, and cardiovascular disease.

Watch Video Intel believes that computing technologies and solutions will bring healthcare anywhere and everywhere, to help billions of people.

As computing technology increasingly enables treatments individualized for patients, it becomes more essential to rethink some of the laws and regulations governing genetic information. Intel has partnered with the Biotechnology Industry Organization, the European Alliance for Personalised Medicine, and the Bipartisan Policy Center to identify and address issues of data sharing, privacy, consent, reimbursement, and technology standards that will be needed to accelerate the use of genomics for diagnosis and treatment.

Global Initiatives and Alliances

The Intel® 1Mx15 Health Program aims to bring technology skills to 1 million healthcare workers in developing countries by the end of 2015. The program will provide technology, education tools, and 21st century ICT skills to help accelerate progress toward better health, with an emphasis on women and children. In collaboration with governments, private industry, development communities, and academia, the program will establish various country initiatives to increase the availability, affordability, and use of computers and broadband.

As part of the 1Mx15 Health Program, we created the Intel® skoool™ Healthcare Education Platform, an anytime, anywhere multimedia content delivery and assessment platform. This no-charge, open-access-license health education platform is designed to help address the shortage of healthcare workers in developing countries.

Intel has also researched and invested in consumer wellness ecosystem development, including the Continua Health Alliance for health device interoperability and the Dossia Health Management System, a holistic wellness solution for health records management. For more information, visit the Intel Across Healthcare and Life Science Solutions web site.

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Employee Contributions to Society

One of Intel's strategic focuses is to cultivate a workplace where employees can thrive on the job and in their communities.

Our employees give generously of their time, skills, and technology expertise, donating more than 5 million hours of service over the past five years. Read about some of our employees' 2013 volunteer efforts in the Stories of Impact From Across the Globe map earlier in this section.

Employee Giving

Every year, we are inspired by the generosity of our employees, who, in addition to volunteering their time, contribute to food, clothing, school supply, and holiday gift drives, and donate millions of dollars to their communities. Through the annual Intel Community Giving Campaign in the U.S., employees and retirees make contributions to nonprofit organizations that are matched (up to $7.5 million) with Intel Foundation funds to the United Way. The 2013 campaign generated close to $17 million in employee and retiree donations. With the Intel Foundation match, the total contribution was more than $24 million. Intel's is one of the largest United Way corporate campaigns in the U.S., and we have received numerous recognitions from local United Way organizations for our commitment.

The Intel Foundation also has a Matching Gifts to Education program through which 50% of each donation that a U.S. employee makes to an accredited school can be matched by a grant of up to $5,000 per institution.

Intel Involved and Skills-Based Volunteering

Our global corporate volunteer program, Intel Involved, identifies opportunities for individual volunteers and organizes team projects. Our employees generously donate their energy and professional skills to tackle environmental challenges, improve education, and help meet other community needs. In recent years, our employees have increasingly found opportunities to donate the skills that they have honed at Intel—providing legal, human resources, marketing, finance, and IT expertise to schools, nonprofits, and NGOs. During 2013, employees logged an estimated 257,000 hours of skills-based volunteerism. We believe that the impact of these hours is particularly significant, in part because the services provided are those for which schools and nonprofits would have to pay higher rates in the marketplace. Our Legal team, for example, donated over 6,000 hours in 2013, estimated to be valued at more than $1.5 million.[1]

Through the Intel Involved Matching Grant Program (IIMGP), the Intel Foundation extends the impact of those services by donating cash to qualified nonprofits and schools where Intel employees and retirees volunteer at least 20 hours in a year. In 2013, the Intel Foundation paid out more than $8 million in matching grants for schools and nonprofits, bringing total contributions to more than $91 million since the program launched in 1995.

2013 Volunteerism by the Numbers	
Number of hours	1.2 million
Number of countries	46
Percentage of employees who volunteered	43%
Schools or nonprofits benefitting from the program	>5,400
Total dollar match under Intel Involved Matching Grant Program	$8 million
Estimated in-kind value of volunteer hours[1]	$28 million

[1] Based on the 2012 Value of Volunteer Time rate of $22.14 per hour, published by Independent Sector.

We estimate that approximately 36% of Intel employee volunteer hours in 2013 were related to education activities; 51% to community and civic activities; and 13% to environmental, health, and safety activities. In 2013, we exceeded our volunteer goal of 40% participation. For historical volunteer data and goals, download the Report Data File on the Report Builder web site.

[1] Based on a $250 per-hour rate from CECP and the Taproot Foundation.

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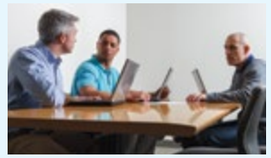
Intel also offers a variety of targeted programs designed to help engage employees and retirees in service to communities around the world. Descriptions of a few of these programs follow.

Intel Education Service Corps (IESC). The IESC program harnesses our employees' enthusiasm for volunteerism while advancing Intel's commitment to improving the quality of education through technology. IESC volunteers train for at least a month, and then travel to developing countries to help deploy Intel-based technology solutions and teach students, educators, and other community members how to use them. Since 2009, IESC volunteers have donated skilled labor worth $5.8 million[1] to 60 projects in 20 countries. They have helped set up more than 1,500 classmate PCs at close to 200 schools, orphanages, community centers, and mobile labs, and have directly trained over 1,000 teachers and 10,000 students. We estimate that another 1,500 teachers and 67,000 students have benefited indirectly from their support.

Intel Involved Matching Seed Grants Program. Employees can apply for funding from the Intel Foundation to get their creative volunteer initiatives off the ground. The Intel Foundation awards grants of up to $5,000 to underwrite selected employee-initiated community service projects. Projects are selected based on their originality, potential impact, and expected outcomes. In 2013, 18 grants were awarded to projects in seven countries. Employees used their skills to develop a hygiene education program for rural schoolchildren in the Mekong Delta area in Vietnam; an Internet literacy program for elderly people in Beijing, China; a community "maker" project to design prosthetic hands for young children in Arizona; and more.

Watch Video See how Patrick Grogg, winner of the 2013 Intel Involved Hero Award, streamlined operations at the fire department in Gilbert, Arizona.

Intel Encore Career Fellowships



To ease the transition to retirement, Intel, in partnership with Civic Ventures, offers retiring U.S. employees a unique way to give back to their community, using their skills and experience to help nonprofits build capacity and increase impact. Visit the Encore web site to learn more.

Intel Involved Hero Award Program. We extend the impact of Intel volunteers' efforts and recognize their extraordinary achievements and impact through this special award. The annual overall winner of this honor earns a $10,000 Intel Foundation grant for his or her favorite school or nonprofit and is recognized at Intel's highest level recognition event, the Intel Achievement Award banquet. The 2013 winner was Patrick Grogg of Arizona for his extensive service in developing Firedox, a computer application that streamlines all aspects of information flow in his town's fire department.

Intel Mentoring and Planning Services (MAPS). Employees leverage their fine-tuned professional skills in process improvement, strategic planning, marketing, LEAN* principles, and risk management to help nonprofit and government agencies achieve operational excellence. For example, in Costa Rica, Intel employees assisted the country's Ministry of Economy, Industry, and Commerce to enhance the response time and effectiveness of their organization's processes. The 2013 Intel Involved Hero Award winner also completed his project through the MAPS program.

Sustainability in Action Grant Program. This program provides funding and support for multidisciplinary teams of employees who initiate and carry out environmentally focused service projects. In 2013, grants were awarded for employee projects related to water quality and conservation, responsible e-waste disposal, and more. For more information, see the Caring for the Planet section of this report.

[1] Based on a senior IT professional per-hour rate from the Taproot Foundation.

Performance Summary and Goals

In 2013, we extended our role as an advocate for science, technology, engineering, and math education—with a focus on girls, women, and under-represented minorities. We also combined our passion for innovation with our technology to support social innovation and entrepreneurship programs, competitions, and partnerships that lead to the creation of shared value.

Goals and Performance

2013 Goals	2013 Performance	
Maintain at least a 40% employee volunteerism rate globally and continue to engage employees in skills-based volunteering activities.	Achieved a 43% volunteer rate globally and 1.2 million volunteer hours, including skills-based activities.	●
Support a successful launch of the Girl Rising film and accompanying 10x10 social action campaign.	Enabled more than 9,000 screenings and reached millions of people through CNN television broadcasts and a global social media campaign, including events at leading policy forums.	●
Establish Intel education programs in 100 countries and grow the education market segment (including PCs, tablets, and smartphones) to 100 million units by 2014.	We have established Intel education programs in more than 100 countries and have grown the education market segment to more than 100 million units.	●
Provide ICT training to 1 million healthcare workers in developing countries by the end of 2015 through the Intel World Ahead 1Mx15 Health Program.	We have launched programs in Bangladesh, the Czech Republic, Ghana, India, Kenya, Nigeria, Sri Lanka, and Tanzania; and we are on track to achieve our goal of providing training to 1 million healthcare workers in developing countries by 2015.	◒

● Achieved ◒ Partially Achieved or on Track ○ Not Met

In 2014, Intel and the Intel Foundation will continue to support the development of our education programs, especially those that reach girls, women, and under-represented minorities. We will also continue to place a high priority on collaboration with governments and other stakeholders to support systemic change in education, entrepreneurship, and social innovation.

Goals for 2014 and Beyond

Through the Intel® She Will Connect program, reduce the Internet gender gap by 50% in sub-Saharan Africa by 2016.
Provide ICT training to 1 million healthcare workers in developing countries by the end of 2015 through the Intel World Ahead 1Mx15 Health Program.

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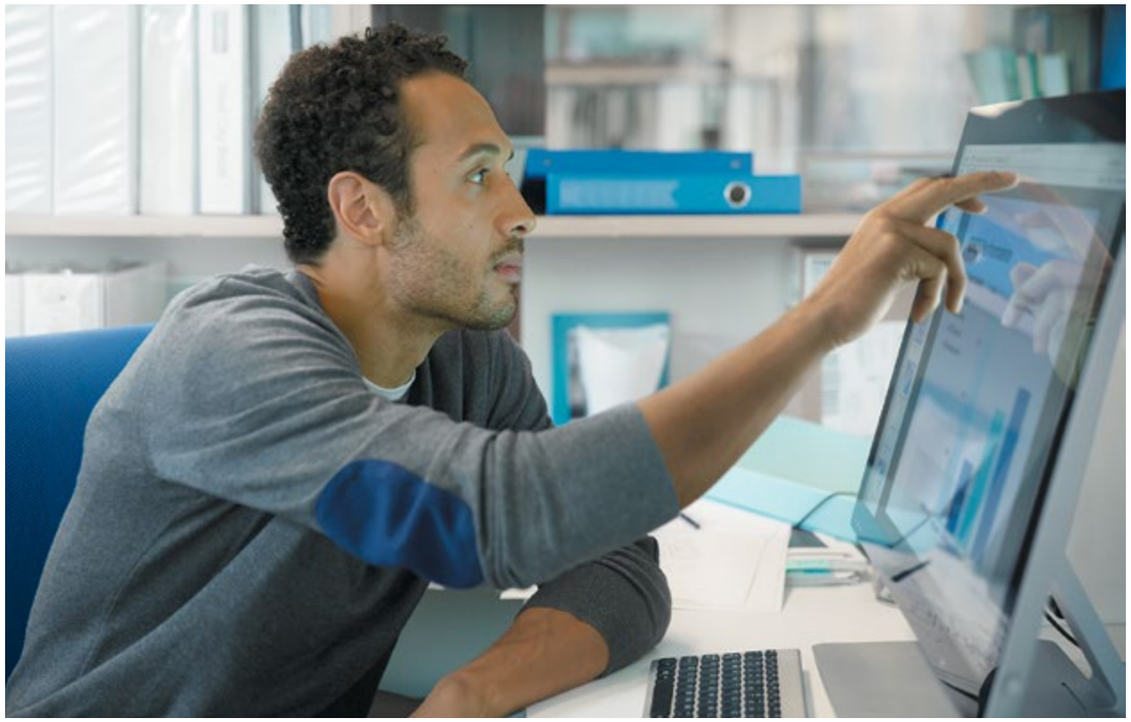

Building the Supply Chain of the Future

Intel has one of the world's most complex, technologically advanced supply chains. We hold the many suppliers with whom we do business accountable for operating with the same high standards that we expect of ourselves. We communicate our expectations clearly, work to identify and address issues at the system level, and share our findings and best practices across the industry. Through accountability and transparency, we are raising the social and environmental performance bar for companies around the globe.

We achieved our goal to manufacture a "conflict-free" microprocessor. Intel was one of the first companies to set public goals related to "conflict minerals."

We launched Program to Accelerate Supplier Sustainability, which is designed to improve supplier systems through more stringent requirements related to compliance, performance, and transparency.

50% GRI Reporting

Half of our 2012 top 75 suppliers published GRI-based sustainability reports by the end of 2013.

5 Gartner Supply Chain Top 25

Intel ranked number 5 on the Gartner Supply Chain Top 25 list for excellence in supply chain management, up from number 7 in 2012.

MEMBER OF Dow Jones Sustainability Indices In Collaboration with RobecoSAM

According to the Dow Jones Sustainability Indices, Intel is leading the semiconductor industry in supply chain management.

Key Section Links

Performance Summary and Goals
Intel Supplier Site
Intel Supply Chain Responsibility
Intel Code of Conduct
Intel Human Rights Principles
Electronic Industry Citizenship Coalition
Intel Statement on Human Trafficking and Slavery
Intel and Conflict-Free Products

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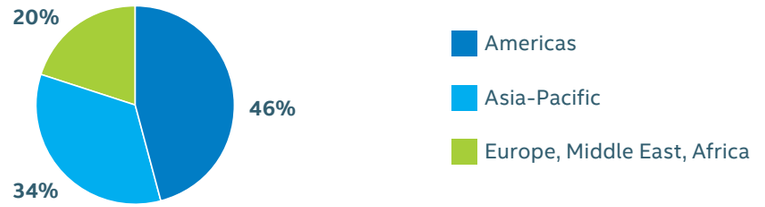
Management Approach

We strive to reduce Intel's supplier-related environmental and social footprint while maintaining a technologically advanced, cost-effective, resilient, and reliable supply chain.

Our Global Supply Chain

Our multi-tiered supply chain comprises more than 16,000 suppliers in over 100 countries. Suppliers provide direct materials for our production processes, tools and machines for our factories, logistics and packaging services, and non-production office materials and travel services. We focus most of our supplier management efforts on a broader group of "top Tier 1" suppliers[1] to drive maximum impact, while continuing to advance accountability and improve performance across our entire supply chain.

2013 Supplier Spends by Region



The geographic breakdown of our supplier spends in 2013 was similar to that of 2012; in 2012, 43% were in the Americas, 38% in the Asia-Pacific region, and 19% in Europe, Middle East, and Africa.

Top 75 Production Materials, Capital, and Logistics Suppliers[1]

- Advanced Semiconductor Engineering Inc. (ASE)
- Advantest Corp.
- AEM Holdings Ltd.
- AGC Electronics America
- Agilent Technologies, Inc.
- Air Products and Chemicals, Inc.
- Altis Semiconductor
- Amkor Technology, Inc.**
- Applied Materials**
- Aquantia Corp.
- ASM International N.V.
- ASML**
- Carl Zeiss
- Daifuku Co., Ltd.**
- DAINIPPON SCREEN MFG CO., LTD.**
- Delta Design
- Delta Electronics, Inc.
- DHL Global Forwarding
- Ebara Corp.
- Edwards Ltd.
- Entegris, Inc.
- Essai Inc.
- Federal Express
- FEI
- Flextronics
- FormFactor, Inc.
- FUJIFILM Electronic Materials**
- GlobalFoundries Inc.
- Grohmann Engineering GMBH
- Hermes Microvision, Inc.
- Hitachi High-Technologies Corporation*
- Hitachi Kokusai Electric Inc.**
- Hon Hai Precision Industry Co., Ltd. (Foxconn)
- Honeywell Electronic Materials
- Hoya Corp. USA
- Ibiden Co. Ltd.
- JSR Corporation*
- JX Nippon Mining & Metals Corp.
- Kintetsu World Express
- KLA-Tencor Corporation**
- KMG Chemicals, Inc.
- Lam Research Corporation
- Linde
- LSI Corporation
- Micron
- Mitsubishi Gas Chemical Company Inc.**
- Multitest, Inc.
- Muratec Automation Co. LTD
- Nan Ya PCB Corp
- Nanium
- Nanometrics Inc.
- Nikon Corporation**
- Nuflare Technology Inc.
- Pegatron Corporation
- Powertech Technology Inc.
- Praxair Electronics
- Quanta Computer Inc.
- Quantum Global Technologies, LLC dba Quantum Clean
- Rohde & Schwarz GmbH & Co KG
- Samsung Electro-Mechanics
- Schenker Logistics, Inc.
- Semiconductor Manufacturing International Corporation
- Shin Etsu Handotai Co., Ltd.**
- Shinko Electric Industries Co., Ltd.
- Siltronic AG**
- StatsChipPAC
- SUMCO Corporation*
- Tokyo Electron Limited**
- Tokyo Ohka Kogyo America, Inc.
- TSMC
- Ultratech, Inc.
- United Microelectronics Corp.
- Universal Scientific Industrial Co., Ltd
- UTI IMS Inc.
- VWR International

[1] As of December 31, 2013. *Suppliers that received a 2013 Supplier Continuous Quality Improvement (SCQI) award (criteria include CSR metrics). **Suppliers that received a 2013 Preferred Quality Supplier (PQS) award (criteria include CSR metrics).

To promote transparency, we have published this list of our top suppliers since 2009. These suppliers represented 87% of Intel's 2013 purchasing spends in production materials, capital, and logistics. All SCQI and PQS winners in 2013 met or exceeded our Program to Accelerate Supplier Sustainability (PASS) requirements. ModusLink Global Solutions Inc. was also recognized with a Supplier Achievement Award for delivering on challenging volume expectations and for demonstrating robust working hours management and extensive monitoring of its own global supply base.

[1] "Top Tier 1" suppliers refers to our top ~250 suppliers that are actively managed based on our spends and/or their strategic importance to Intel.

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Our Philosophy and Management Practices

We believe that integrating corporate responsibility factors into our supply chain management systems creates business value for Intel and our customers by helping us to: improve the quality and reduce the environmental impact of our products; achieve our operational 2020 environmental goals by working with suppliers on factory tool selection and "green" chemistry; and improve the overall quality, ethics, transparency, and accountability of companies in our global supply chain.

Resiliency and Reliability. With sites and suppliers all over the world, Intel must be prepared to respond quickly to a wide range of disasters, while also working proactively with suppliers to optimize risk. A combination of assessments, audits, and capability-building programs help to ensure that our supply chain is both resilient and responsible. Where appropriate, we also enlist the help of others to effect broader change throughout the industry.

Intel Crisis Management (ICM) handles our end-to-end response to crises and major business disruptions. ICM sets the standards and provides oversight for our emergency management and business continuity programs across Intel, and requires all Intel organizations to embed business continuity into their core business practices. This requirement extends to our supply chain, with the expectation that our suppliers develop, manage, and regularly test their own business continuity plans. For more information, see the Our Business and Integrated Value Approach section of this report.

Industry Collaboration. We actively participate in a number of external supply chain-related organizations, including the Electronic Industry Citizenship Coalition (EICC). Intel representatives serve on the EICC board and various committees that work to advance improvements throughout the industry, including the development of audit processes, third-party anti-corruption due diligence questions, membership compliance, and tools to track assessment data and emissions information.

Intel's Supply Chain Responsibility Oversight Structure

Click or tap the ⓘ symbol for additional information.

We maintain an integrated and horizontal approach to managing environmental, social, and governance (ESG) issues in our supply chain. Our crisis management function is embedded across all levels of our supply chain management structure.

In recent years, we have also worked with SEMATECH, Semiconductor Equipment and Materials International (SEMI), and other industry organizations to help set environmental, health, and safety standards and drive improvements across the sector.

Setting Clear Expectations

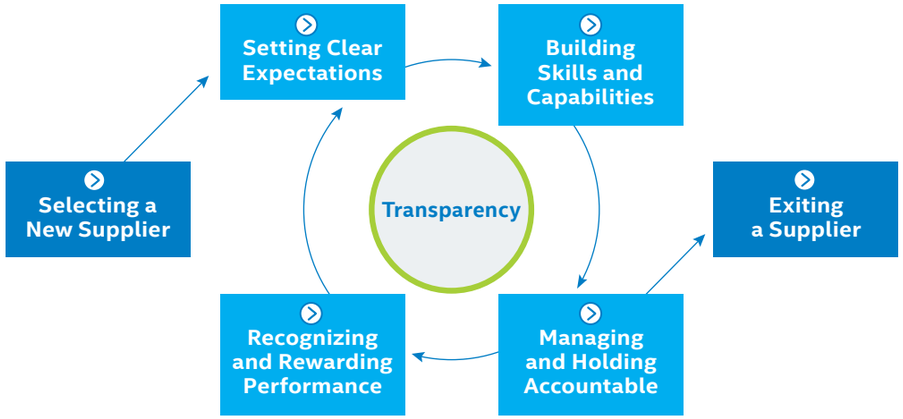
We expect our suppliers to develop their own corporate responsibility strategies and policies, establish robust legal compliance and business ethics policies and processes, set aggressive goals, engage with and audit their own suppliers, and report on their performance. Setting these expectations is critical to increasing the overall maturity of the entire supply chain, as some of our suppliers have thousands of their own suppliers.

In 1998, Intel first codified its expectations of suppliers regarding human resources, environmental management, worker safety, and business ethics. In 2004, we helped form the EICC and adopted the Electronic Industry Code of Conduct (EICC Code), which is consistent with Intel's own Code of Conduct and Human Rights Principles.

We expect our employees and suppliers to comply with the EICC Code, which describes best practices adopted and implemented by major electronics companies, our customers, and their supply chains. We also expect our suppliers to ensure that their suppliers abide by the EICC Code. The EICC Code sets forth performance, compliance, management system, and reporting guidelines, as well as assessment and audit procedures, across key areas of social responsibility and environmental stewardship. Our EICC Commitment Letter, Code of Conduct, Human Rights Principles, Conflict Minerals Sourcing Policy, and other corporate governance and business ethics documents are available on our Governance and Ethics web site. For more information, see the Respecting Human Rights section of this report.

In early 2012, we requested that our top 75 suppliers publish by the end of 2013 sustainability reports using the Global Reporting Initiative* (GRI) Guidelines. To support this request, we offered training in partnership with the GRI to help suppliers get started or make improvements to their reporting practices. The free training was made available in person and online to all Intel suppliers. By the end of 2013, 51% of our 2012 top 75 suppliers had published GRI-based sustainability reports.

Intel's Supply Chain Responsibility Approach



Click or tap the ⓘ symbol for additional information.

We have integrated CSR considerations and criteria across all stages of supplier management—from design and tool selection to addressing issues and taking corrective action. The foundation of our approach is our commitment to promote higher levels of transparency in our reporting and our supply chain.

Communication and Reporting. We communicate our supplier legal compliance and business ethics expectations throughout the year in meetings and training events, as well as on our Supplier Site. Each year, our senior executives send letters to our suppliers to reinforce our expectations. We provide ethics training materials in multiple languages, including Chinese, English, Japanese, Russian, Spanish, and Vietnamese.

Suppliers are expected to conduct their business in compliance with anti-corruption legal requirements, including written acknowledgment of anti-corruption due diligence requirements and training, as required. Suppliers are also expected to maintain robust internal reporting channels and to report any legal compliance or business ethics concerns to Intel, so that we can investigate and take appropriate action. Reporting can be done through several channels, in English or a local language.

Our Supplier Site contains detailed information about our human rights, ethics, and environmental, health, and safety policies for suppliers; supplier diversity initiatives; supplier quality and recognition programs; business continuity; and key contacts. Our request-for-proposal documents and other supplier selection processes include corporate responsibility metrics and questions. We also include language in our contracts about our expectations for suppliers on corporate responsibility issues.

Holding Suppliers Accountable

We use a variety of tools and processes to manage supplier performance, including the Supplier Report Card (SRC). The SRC includes metrics for sustainability, as well as for cost, quality, technology, and customer satisfaction. Within the sustainability category, suppliers are evaluated according to the Intel Code of Conduct risk assessment, the presence of an environmental management program with set goals and performance improvements over time, and financial sustainability. In 2013, 55% of our top 75 suppliers that were evaluated received a perfect score on the CSR criteria in the SRC.

Assessments and audits are also an integral part of our overall supplier management process. They help us identify compliance gaps where immediate action is needed, and root causes that enable development of systemic solutions and improvements. Environmental, social, and governance (ESG) criteria are incorporated in Intel's Quality Assessment audits to drive closer integration with other supplier management processes and achieve broader reach. For more information, see "Assessment and Audit Summary" later in this section.

In 2013, we introduced the Program to Accelerate Supplier Sustainability (PASS) to approximately 100 of our top Tier 1 suppliers. This program focuses on raising the bar on improving supplier systems through more stringent requirements related to compliance, transparency, and capability-building. It builds on our existing accountability tools and processes, as well as industry standards. In the spirit of transparency, we have begun integrating several GRI indicators into our PASS program requirements for our top Tier 1 suppliers. To date, more than half of the program participants are meeting all of the PASS requirements. The program will be rolled out to the remainder of our top Tier 1 suppliers over the next three years.

Accelerating Supplier Sustainability

Our supply chain ESG program aims to demonstrate the business value of proactively managing ESG issues. Over time, we have moved our suppliers from an audit-centric compliance model to one of capability-building and collaboration, encouraging the integration of sustainability into company culture. In early 2014, we co-authored with Business for Social Responsibility a report on supply chain sustainability, which describes our journey. Read the report.

We believe that the PASS program will continue to transform our supplier engagement strategy from one that is primarily compliance-oriented to one that includes more collaborative two-way discussion on the proactive steps suppliers can take to build internal capacity and significantly improve their performance over time.

Building Skills and Capabilities

We recognize that many supplier issues are symptoms of larger systemic problems and may require significant upgrades to management systems, improved role modeling by senior management, and changes in business and company culture.

For many years, Intel has owned and operated its own factories in the Asia-Pacific region. This position gives us a unique opportunity to share our own best practices with our suppliers in the region, similar to how we have shared quality and engineering initiatives over the years.

We provide infrastructure, direction, and tools to measure results and help suppliers improve their performance and reduce our environmental impact. We also provide training, manpower, and other opportunities for our suppliers. For

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example, in 2013 we loaned two of our Environmental Health and Safety experts from our Chengdu facility to one of our suppliers, Foxconn, to assist with analysis and improvement plans for its environmental and safety systems. We also brought managers from Foxconn to Intel's Chengdu facility in early 2013, so they could learn firsthand about our management systems.

In September 2013, we held our second management conference dedicated to sustainability topics. The two-day 2013 Supplier Sustainability Leadership Summit, held in Shanghai, China, brought together over 200 senior executives from more than 75 of our strategic suppliers, as well as government officials, academia, leading non-governmental organizations (NGOs), press, and representatives from other industries.

The 2013 summit served to reinforce and clarify Intel's expectations of suppliers, and gave them an opportunity to share their own best practices and challenges. Interactive small-group breakout sessions and panels enabled suppliers to share, present, and take an active role in collaborating on issues such as working hours, employee engagement, environmental management, and health and safety.

In late 2013, we also developed a tool that quantifies the total costs and benefits associated with working hours management and stabilizing employee turnover, including hiring and on-boarding new employees. This tool is available to our suppliers free of charge to help them understand the full business value of employee retention, reduced turnover, and employee development initiatives.

Collectively, these actions have enabled our supply chain organization to better analyze supplier performance, take appropriate actions, and—more importantly—begin to move from managing compliance to addressing broader system-level issues. In 2014, we will expand the availability of these resources to increase opportunities for supplier education and capacity-building initiatives.

To be eligible for the awards, suppliers must meet PASS requirements related to ESG compliance, transparency, and capability-building, as well as cost, quality, availability, delivery, and technology.

Watch Video Our stakeholders share their views about our second annual Supplier Sustainability Leadership Summit, held in September 2013 in Shanghai, China.

Recognizing and Rewarding Performance

We provide regular feedback to suppliers on their achievements and progress. To reinforce our expectations, we also integrate corporate responsibility considerations into our supplier awards and Supplier Continuous Quality Improvement (SCQI) Program.

Started in 1987, the SCQI Program uses Intel's supplier management tools and processes to drive improvements in our suppliers' performance. Our suppliers receive regular feedback through the supplier assessment process and supplier site visits. On an annual basis, we publicly recognize suppliers that have demonstrated outstanding performance. Suppliers are awarded either SCQI or Preferred Quality Supplier (PQS) status based on SRC results; performance against a challenging annual improvement plan; active participation in Intel's supply chain ESG initiatives; and validated quality and business systems.

Over the past few years, we have continued to raise the bar for ESG factors in our award selection process to reinforce our supplier expectations and provide additional incentive for suppliers to improve their CSR performance. To be eligible for the awards, suppliers must meet PASS requirements related to ESG compliance, transparency, and capability-building, as well as cost, quality, availability, delivery, and technology.

For more information about the awards and a list of recent SCQI and PQS winners, visit our Supplier Quality Portal.

Assessment and Audit Summary

Assessments and audits are an integral part of our overall supplier management process. They help us identify compliance gaps where immediate action is needed, and root causes that enable development of systemic solutions and improvements.

Our assessments and audits cover more than 300 ethics; labor; and environmental, health, and safety factors. We use an industry-standard, risk-based approach to prioritize our audits. When serious concerns are identified through an audit, we work with the supplier to drive improvements in its management systems and controls. Audit results and corrective action plans are reviewed with senior management on a quarterly basis to assess progress. If suppliers do not make adequate progress on identified areas of concern, we take remedial actions up to and including termination of their contracts.

On-site audits completed in 2013 were conducted by a mix of third parties and Intel personnel. They included first-time audits at a particular site, reviews of prior third-party audits, re-audits, and targeted audits focused on a specific topic or conducted in response to a known concern. Third-party audit firms[1] perform all RA3 audits. The audits follow the standard EICC audit process, and suppliers can share the audit results with other customers and companies in our industry. Close to half of the 38 third-party audits conducted in 2013 were in China, followed by Malaysia, Japan, and Korea.

Risk Assessments and Audits

	2009	2010	2011	2012	2013
RA2 (in-depth assessment with over 300 questions)	74	172	249	379	410
RA3 (on-site third-party audit)[1]	0[2]	8	49	39	38
Other on-site audits[3]	n/a	n/a	n/a	67	104
Total on-site audits	**0**	**8**	**49**	**106**	**142**

[1] Total includes on-site third-party audits completed, as well as reviews of third-party audits completed using the EICC standard process within the previous two years. For these audits, Intel completed formal reviews of the audit results and worked with the suppliers to close any open items.
[2] No on-site audits were conducted in 2009 after the EICC audit process was put on hold while the audit process was refined.
[3] Including Intel-led targeted audits on specific topics and quality assessments that include CSR criteria.

Since 2008, we have completed or reviewed more than 1,500 supplier assessments or audits, and by the end of 2013, 93% of our top 75 suppliers had been evaluated using our risk-based assessment process. We also conduct "conflict minerals" audits, which are not included in this table. For more information, see "Conflict-Free Products" later in this section.

Risk-Based Approach to Supplier Assessments

Risk Assessment 1 (RA1)
Intel conducts a high-level (one-page) analysis for new suppliers to determine whether a specific supplier facility is a potential high-risk facility. The assessment covers a number of risk factors, plus geographic location, product(s) or service(s) provided, and corporate responsibility concerns.

All top Tier 1 and high-risk suppliers move to RA2

Risk Assessment 2 (RA2)
Requires a supplier to respond to an in-depth, online self-assessment questionnaire with more than 300 questions to determine a facility's potential high-risk areas. RA2 goes into greater detail than RA1 and covers all sections of the EICC Code. All of our top Tier 1 suppliers are required to have RA2s completed.

High-risk suppliers move to RA3

Risk Assessment 3 (RA3)
Consists of an on-site third-party audit conducted for customers. The audit covers all sections of the EICC Code and evaluates risk according to the number of compliance concerns and/or critical areas at that location.

Audit completed and corrective action plan put in place

This framework allows us to identify areas of potential concern and helps us prioritize where to complete third-party audits to manage compliance with our standards.

[1] Auditors have either completed the EICC Global e-Sustainability Initiative (GeSi) auditor training course or achieved a similar certification from an organization such as SA8000 or the Fair Labor Association.

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Audit Findings and Gap Closure Process

Audit findings are divided into three categories: priority, major, and minor. With some compliance issues, we require immediate corrective action due to the severity, such as finding locked emergency exit doors. We work with our suppliers to close other findings within time frames specified by industry standards. Suppliers are required to draft comprehensive corrective action plans to address all findings, and we work with them to secure documentation of actions taken and ensure closure. We have a Management Review Committee dedicated to reviewing gap closure plans and closure evidence on a quarterly basis, or more frequently if needed.

We are committed to investing resources and working directly with our suppliers to hold them accountable for closing gaps and improving performance. We consider findings closed when root causes are addressed and closure evidence is documented. For example, installing safeguards on a machine is not sufficient to close a finding; we require that procedures be updated so that when new equipment is installed, a process is in place to review machine hazards and add safeguards.

Most audit findings in 2013 were in the following areas: labor, occupational health and safety (OHS), and management systems. These categories of findings were

RA3 Audit Summary Findings by Category

Finding Type	Examples of Most Common Types of Non-compliance	Priority/Major Findings[1]			Audits with at Least One Finding of This Type			Percentage of Audits with Finding		
		2011	2012	2013	2011	2012	2013	2011	2012	2013
Ethics	Lack of system for employees to anonymously report issues; lack of written policies on collusion or fair advertising	28	48	34	17	12	8	35%	31%	21%
Labor	Working hours in excess of 60 hours per week; workers not given at least one day off in seven	112	74	75	46	27	23	94%	69%	61%
OHS	Concerns about personal protective equipment use or availability, access to unobstructed exits, and worker exposure to hazards	104	53	57	31	23	16	63%	59%	42%
Environmental	Issues with on-site storage of chemical and hazardous waste (segregation and proper containers)	23	14	19	13	10	10	27%	26%	26%
Management Systems	Lack of documentation and management systems for corporate responsibility and labor issues; inadequate communication on policies, systems, and performance	126	88	65	24	15	10	49%	38%	26%

[1] In 2013, the Electronic Industry Citizenship Coalition (EICC) downgraded the rating on working hours violations cases that fall between 60 hours per week and a stricter local law. The violation was previously classified as a priority finding and is now a major finding. We disagree with this change and will not alter how we address these findings with our suppliers.

A total of 250 priority and major findings were identified during the audits completed or reviewed in 2013, and suppliers were put on corrective action plans. For issues related to labor, OHS, and management systems, suppliers tended to have multiple findings—indicating a more systemic issue that we would need to address.

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consistent with the top findings in 2012 and 2011; and since we began disclosing this data in 2011, the overall frequency of findings has decreased.

In 2012, we began conducting "closure audits" with selected suppliers to verify that previously identified issues had been addressed. Over the past two years, we found that while the number of priority and major findings for new audits consistently averaged 10 findings per audit, the number of findings per closure audit was significantly lower, averaging two findings per audit between 2012 and 2013. While these findings are encouraging, we realize that our supply chain responsibility journey is ongoing and that we need to continue monitoring these suppliers to ensure sustained performance.

When suppliers do not make sufficient or timely progress to address open RA3 findings, or their actions do not result in sustainable change, we require that they develop and obtain Intel's approval on "targeted action plans." Our goal when working with a supplier on a targeted action plan is for that supplier to address all findings. We continue to engage with and monitor the progress of the supplier, and expect that the issues will be resolved. However, if satisfactory progress is not made, we are prepared to take additional actions, up to and including ending the supplier relationship.

Suppliers with Targeted Action Plans

Supplier/Division	ESG Area of Concern
Advanced Semiconductor Engineering, Inc.	Labor; environmental
Delta Electronics, Inc.	Organizational Health and Safety; labor
Gemtek — Wireless Modules	Organizational Health and Safety; labor
Flextronics	Labor
Foxconn — Enterprise Product Division	Organizational Health and Safety; labor
Lotes	Labor
TTM Technologies (Meadville)	Labor

Holding Ourselves Accountable

We hold ourselves accountable to meet or exceed the same standards that we set for our suppliers. For the past three years, Intel has completed RA2 reviews of our own manufacturing facilities to test and demonstrate the value of the EICC audit process. In 2013, we published an updated summary report of these RA2 reviews on our Supplier Site.

In 2012, we also proactively commissioned an RA3 third-party audit of our assembly and test facility in Chengdu, China. Although the RA2 assessment had indicated that our facilities were all "low risk," the audit gave us insights and data that we can use to compare and contrast with the audit results of our suppliers. We leveraged the learnings from this audit to close minor gaps in our training and procedures across our other sites. To learn more, read the summary report of the audit.

In the future, we will engage a third party to audit one of our assembly and test facilities each year, beginning with our Vietnam facility in 2014.

Despite our continued engagement, several of our key suppliers were required to develop and/or continue progress on targeted action plans in 2013. Those companies are listed in the table at left. We put targeted action plans in place for two of these suppliers, Foxconn and Gemtek, in 2012. The plan for Foxconn targeted the divisions supplying sockets and thermals, and the Enterprise Product (EP) Division. We subsequently saw positive, sustained performance improvement at the divisions supplying sockets and thermals, and removed them from the targeted action plan list in 2013. The Foxconn EP Division made incremental progress in 2013. However, we continued to see repeated labor and OHS concerns. We also continued to see recurring issues around labor and OHS at Gemtek. In both cases, we have temporarily decided not to award new business until the issues are closed. We are encouraged by the progress made to date in 2014 by these suppliers to improve their environmental, social, and governance processes and with continued, sustained performance we anticipate they can resume their status as approved for new Intel business.

In 2014, we will take additional steps toward reaching zero priority or major corporate responsibility findings, and will encourage suppliers to invest in systemic improvements.

Supplier Environmental Impact

We aim to use products in our operations that have been designed and produced to minimize environmental impact. We also work to reduce the environmental impact of the packaging and shipping of our products. To that end, we collaborate with our suppliers on environmental management issues and integrate sustainable procurement best practices across our global operations.

Carbon and Water Footprinting. The majority of our environmental footprint comes from our own operations, since we manufacture most of our products in our own factory network. From 2010 through 2012, we collected environmental performance data from our top Tier 1 suppliers to inform our supplier engagement strategy and footprinting methodologies, and used the results to develop environmental indicators for scorecards that are reviewed as part of our supplier quality and achievement award programs. In 2013, to streamline our supplier performance processes and reduce reporting burden, we stopped collecting these metrics separately. Instead, we have included an environmental metric as part of the PASS program requirements. For more information on how we are working to reduce the carbon and water footprints related to our own manufacturing operations, see the Caring for the Planet section of this report.

Event Planning. For several years, our procurement and event marketing teams have worked to reduce the environmental impact of Intel events, including conferences, trade shows, and meetings. Step-by-step planning guides, training webinars, and mentorship support are available to help Intel event planners contribute to Intel's sustainability goals. While we do not measure the impact of all event-planning decisions, we verified that in 2013, Intel event planners reduced potential carbon dioxide emissions by 1,281 metric tons by eliminating bottled water, reusing carpets and exhibits, and consolidating freight for more efficient shipping and recycling at events. Source reduction of disposable event materials as well as recycling and composting helped reduce solid waste by 116 tons. In addition, Intel events purchased 500,000 kWh of Renewable Energy Certificates to offset conventional electricity usage.

2013 Green Event Management Achievements

22K	Almost 22,000 disposable water bottles were eliminated at Intel events through use of bulk water stations.
>77,000 Gallons	More than 77,000 gallons of diesel were saved by consolidating freight for four major events onto fewer trucks.
499 Metric Tons	499 metric tons of Renewable Energy Certificates were purchased to help offset the energy used at the Intel Developer Forum in San Francisco.
	All paper printing at the Intel Capital Global Summit was eliminated with the exception of the agenda, which was printed on 100% recycled paper.
50%	Energy consumption during the keynote speech at the Intel Developer Forum in Beijing, China, was reduced by more than 50% through the use of energy-efficient lights, projectors, and speaker systems.

Incorporating sustainability factors into our event planning has driven significant reductions in the environmental impact of our events.

In 2013, we developed an interactive version of our "Event Sustainability Guide," which provides Intel event planners with immediate feedback on the impact of their decisions, including carbon, waste, and water savings. The platform, which includes an integrated rewards program that encourages better choices, will enable us to further reduce our impact on the environment and achieve positive social and economic benefits.

Product Packaging and Logistics. In 2013, our logistics packaging team continued to drive changes in the materials that we use to ship products between Intel sites and to our customers to reduce waste and environmental

impact. Through engineering improvements and reductions in packaging size and materials, we reduced the amount of paper and plastic by 237 tons in 2013. These actions also resulted in a reduction of more than 1,309 metric tons of CO_2. From 2010 through 2013, we reduced packaging and shipping materials by over 900 tons, helping us eliminate more than 3,100 metric tons of CO_2 emissions.

In 2014, our teams will continue to drive reductions in packaging used in warehouse operations and customer returns, and to replace existing packaging with more sustainable materials. Our long-term vision is to achieve 100% sustainable packaging for all inbound, outbound, and return shipments in support of Intel's 2020 waste reduction and recycling goals.

Ground Transportation and Logistics. Intel has set an aggressive goal of achieving a "100% green Intel ground transportation fleet"[1] by 2016. By the end of 2013, 70% of our leased and rental fleets were "green." Key 2013 actions included: increasing global hybrid usage from 10% to 25%; reducing the emissions cap for half of our fleet vehicles in Europe, the Middle East, and Africa; and promoting on-demand electric and hybrid car-sharing services. In support of our 2016 goal, in 2014 we will continue to track our usage of SmartWay* vehicles (a U.S. Environmental Protection Agency eco-rating) and complete an electric vehicle pilot in the Netherlands.

In 2013, we continued to work with our transportation and logistics suppliers to reduce the emissions and environmental impact associated with shipment of products between Intel sites and inbound/outbound shipments to suppliers and customers. In 2013, we reduced our CO_2 emissions 20% from our 2011 baseline by increasing ocean shipments and decreasing air shipments, as well as implementing greater supplier collaboration and packaging optimization. These changes also resulted in a cost avoidance of more than $36 million.

We have also engaged with organizations working on reducing transportation-related emissions at the industry and standards level, including Smartway, Green Freight Asia Network, and Green Freight Europe.

Savings From Logistics Packaging Reduction Projects (in Tons)

	2010	2011	2012	2013
Plastic	21	363	78	222
Corrugated Paper	148	28	31	15
Wood	48	—	—	—
Total	**217**	**391**	**109**	**237**

We continue to work toward our long-term vision to achieve 100% sustainable packaging.

Employee and Supplier Innovation

Employees across our supply chain organizations have taken steps to develop new ways to reduce environmental impact through supplier collaborations. For example, we work with our transportation and logistics suppliers to set challenging environmental goals, and encourage them to improve the fuel efficiency of their fleets through upgrades and adoption of alternative fuel solutions. We also work with them to optimize shipping routes and reduce idling time, resulting in fuel savings and reduced emissions.

Changes in packaging design and materials have also helped us decrease shipping weights, further reducing the portion of our carbon footprint associated with transportation.

[1] Defined as all vehicles in the fleet having one or more of the following attributes: an average fuel economy of 35 mpg or better; being a hybrid, electric vehicle, or subject to another eco-label such as SmartWay; or being available for car sharing.

Supplier Diversity

We understand that working with a diverse supply chain brings increased innovation to our business and creates a more responsive and competitive supply base. Through classroom and web-based training, we educate our worldwide procurement employees about global supplier diversity practices, policies, and inclusion.

We estimate that in the past seven years, Intel has derived more than $290 billion in revenue from customers that require us to demonstrate supply chain diversity. We recognize diverse suppliers as businesses that are 51% owned and operated by at least one of the following: minorities as defined by the country where the business was established; women; veterans; service-disabled veterans; persons who are lesbian, gay, bisexual, or transgender; or persons with a disability. Within the U.S., we also recognize suppliers that are in Small Disadvantaged Enterprise, HUB Zone, and 8A categories, and are certified small as defined by the U.S. Small Business Administration.

Intel's Second Tier Program supports our efforts to advance the development of a healthy supplier diversity initiative by requiring our strategic suppliers to report their spending with diverse suppliers. Our strategic suppliers that use diverse suppliers reported spending more than $280 million in 2013, an increase of approximately 65% over 2012.

"We recognize that diversity plays an integral role in our global supply chain, and we are committed to growing our business with women-owned suppliers as part of our overall supplier diversity program."

Kumud Srinivasan, President, Intel India

Supplier Spotlight: HB Design

HB Design has been an Intel supplier for more than 25 years. The marketing communications company employs 20 people and holds two national diversity certifications, as a woman-owned and LGBT-owned company. Noma Hanlon, president and co-founder of HB Design, says, "Intel played an important role in turning our business vision into reality. They inspired and encouraged us to be our best each step of the way. At the same time, some of Intel's values have become deeply rooted in our own business values, such as our commitment to education via our scholarship program and our celebration of diversity in the workplace."

Intel collaborates with a number of diversity organizations, such as the National Minority Supplier Development Council and the National Gay and Lesbian Chamber of Commerce, to help promote supplier diversity awareness, set global diversity certification standards, and establish cross-industry diversity auditing policies and practices. We also participate in events sponsored by local organizations dedicated to supplier diversity.

At the Clinton Global Initiative 2013 annual meeting, we announced a commitment to increase spending with women-owned businesses outside the U.S. over the next five years. We are also working with WEConnect International to strengthen existing relationships with women business owners, and develop and mentor new relationships. So far, we have initiated pilot programs in India, Ireland, and South Africa, holding workshops on inclusion and awareness for our suppliers, procurement professionals, and other stakeholder groups. We are also working to streamline and integrate our internal processes regarding our overall supplier diversity program.

In 2013, we achieved our goal of including historically under-represented businesses in eligible non-capital bidding opportunities, and will continue to promote the inclusion of under-represented businesses in all eligible non-capital bidding opportunities in 2014.

For more information on our supplier diversity initiatives, visit our Supplier Diversity web site.

Conflict-Free Products

Many electronic devices, including cell phones, tablets, and PCs, contain tin, tantalum, tungsten, and gold. Some of these minerals originate in the Democratic Republic of the Congo (DRC) or adjoining countries, where armed groups are known to exploit low-paid mine workers while reaping millions of dollars in profits for themselves. These so-called "conflict minerals[1]"are used to fuel violence, genocide, and other crimes against humanity.

Intel has worked for five years to achieve our 2013 goal of manufacturing microprocessors that are "conflict-free" for tin, tantalum, tungsten, and gold.[2]

From the time that Intel became aware of the potential for "conflict minerals" to enter our supply chain, we responded with urgency. While we wanted our products to be "conflict-free," we decided early on that a simple ban on the purchase of minerals originating in the DRC or adjoining countries was not the answer, since it would rob legitimate miners in the region of one of their few sources of income. In practice, many Intel products may already have been "conflict-free," but until recently, there was no process to validate the sources of minerals. Intel and others in our industry have collaborated with a range of stakeholders and have invested significant resources to develop such systems.

Multi-Year Journey to Accountability. In 2009, we surveyed suppliers to determine whether they had implemented "conflict-free" sourcing policies, could trace the minerals they use back to the country of origin, and could identify the smelters and refiners used to refine the minerals in their supply chains. We found great variance in the amount of information that suppliers knew about the minerals in their supply chain. These minerals come from mines all over the world, but they are processed and refined into metals in relatively few smelters and refiners. We determined that the most effective way to eliminate "conflict minerals" from the electronics supply chain was to implement a validation process at the smelter and refiner level.

By January 2014, we had visited more than 85 smelters and refiners in 21 countries. Our visits enabled us to better understand the manufacturing flow and supply lines of each metal industry. The visits also laid the groundwork for the EICC and the Global e-Sustainability Initiative (GeSI) to develop and implement the Conflict-Free Smelter program (CFSP), an independent third-party audit program designed to validate the sourcing practices of smelters and refiners. As of January 2014, 64 smelters and refiners were identified as compliant to the CFSP audit protocol. A list of CFSP compliant smelters and refiners is publicly available on the Conflict-Free Sourcing Initiative (CFSI) web site to recognize their accomplishments and to provide new sourcing options for companies that want "conflict-free" supply chains for the minerals.

Encouraging Broad Action. Intel has committed considerable time and resources to educating suppliers, smelters and refiners, industry partners, NGOs, government representatives, and other stakeholders on the subject of "conflict minerals." We have been an integral part of the development of the CFSP, and co-chaired the EICC and GeSI Extractives Working Group through 2013. As we helped to implement the CFSP, we learned that the cost of the audits might potentially limit smelter and refiner participation. To address this issue, Intel initiated and drove the formation of the CFSP's Early-Adopters Fund, which reimburses half of the initial audit costs, up to $5,000, to smelters and refiners

"Minerals are important, but not as important as the lives of people who work to get them."

Brian Krzanich, Intel's Chief Executive Officer

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

[2] "Conflict-free" means "DRC conflict free," which is defined by SEC rules to mean products that do not contain "conflict minerals" (tin, tantalum, tungsten, and/or gold) that directly or indirectly finance or benefit armed groups in the DRC or adjoining countries. We also use the term "conflict-free" in a broader sense to refer to suppliers, supply chains, smelters, and refiners whose sources of "conflict minerals" do not finance conflict in the DRC or adjoining countries.

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that successfully complete a CFSP audit. With grants from Intel, Hewlett-Packard, and the GE Foundation, the fund is administered by the non-governmental organization RESOLVE.

Over the past several years, Intel has also helped convene a number of well-attended industry meetings on "conflict minerals" and has partnered on events with other industries and their associations—including the World Gold Council and the Responsible Jewellery Council—to share learnings from the CFSP audit program.

Supporting In-region Sourcing. In addition to direct supply chain efforts, we support initiatives that enable responsible in-region minerals trade from the DRC. This support is important, because the controversies surrounding mining in the DRC and Central Africa have driven down demand, and have inadvertently had a negative economic impact on legitimate miners. Intel continues to work with governments and NGOs to support legitimate minerals suppliers, both independently and as part of the Conflict-Free Sourcing Initiative (CFSI). For example, Intel is participating in the Solutions for Hope project to obtain tantalum from "conflict-free" sources in the DRC that we believe meet Organisation for Economic Co-operation and Development (OECD) Due Diligence Guidance for Responsible Supply Chains of Minerals From Conflict-Affected and High-Risk Areas. We also support the U.S. Department of State and U.S. Agency for International Development Public-Private Alliance for Responsible Minerals Trade. These groups and others that we work with seek to establish paths for "conflict-free" sources and support for responsible mining in the region.

Intel believes that effective solutions to this issue require coordinated efforts by governments, industry, and NGOs. In the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, the U.S. Congress included provisions to address "conflict minerals," and the U.S. Securities and Exchange Commission (SEC) followed with disclosure requirements affecting public companies in the U.S. While Intel's efforts on this issue pre-date this legislative action, we have supported fair and timely rules and believe that the SEC's regulatory process has been helpful in bringing others to the table and maintaining broad momentum on this issue.

Smelter and Refiner Summary

	Tantalum	Tungsten	Gold	Tin	Total
Smelters and refiners identified in Intel's supply chain	22	22	80	61	**185**
Smelters and refiners visited by Intel representatives	8	16	34	28	**86**
Third-party smelter and refiner audits completed[1]	23	1	31	9	**64**

[1] Total number of smelters and refiners that received a "conflict-free" designation according to the Conflict-Free Sourcing Initiative (CFSI). Some smelters and refiners contribute to our microprocessor production.

This table includes smelters and refiners identified, site visits, and audits completed through the end of 2013. Smelter and refiner visits have been completed in Australia, Austria, Belgium, Bolivia, Canada, Chile, China, Germany, Hong Kong, Indonesia, Japan, Malaysia, Norway, Peru, Poland, South Africa, South Korea, Switzerland, Taiwan, Thailand, and the United States.

In late 2012, a petition was filed by the National Association of Manufacturers, the U.S. Chamber of Commerce, and the Business Roundtable for judicial review of the "conflict minerals" disclosure regulations. Intel is a member of these trade associations; however, the positions of these organizations do not always completely align with Intel's. Consequently, Intel signed onto a multi-stakeholder group (MSG) "MSG Statement on the Challenge to Conflict Minerals Rule" to demonstrate our unwavering commitment to this issue. The statement urges stakeholders to continue the momentum on removing "conflict minerals" from the supply chain.

Even though we have achieved the milestone of manufacturing "conflict-free" microprocessors, we will continue our audits and work with business partners, governments, and NGOs to tackle this important issue and make faster and deeper strides toward "conflict-free" products worldwide. For more information, see our most recent white paper and web site on this topic.

Performance Summary and Goals

Throughout 2013, we continued to drive accountability and systemic change in our supply base. We successfully introduced our Program to Accelerate Supplier Sustainability (PASS) to approximately 100 of our top Tier 1 suppliers, and continued to collaborate with our suppliers around capability-building and reducing environmental impact. We also achieved our 2013 goal to manufacture the world's first commercially available "conflict-free" microprocessor.

Goals and Performance

2013 Goals	2013 Performance	
Complete or review results from 75 on-site supplier audits to drive reduction in priority and major findings, and faster time to closure.	Completed a total of 104 on-site audits, including 38 third-party audits. Made significant progress on closing priority and major findings.	●
Complete the rollout of the new PASS program to the first group of suppliers by the end of 2013.	We introduced the PASS program to approximately 100 of our top Tier 1 suppliers in 2013.	●
By the end of 2013, manufacture the world's first microprocessor that is "conflict-free" across all four minerals (tantalum, tin, tungsten, and gold).	We achieved our goal of manufacturing the world's first microprocessor that is "conflict-free" for tantalum, tin, tungsten, and gold.	●
Track the percentage of our top 75 suppliers that have published Global Reporting Initiative*-based sustainability reports in response to our formal request for increased transparency.	Half of our 2012 top 75 suppliers had published GRI-based sustainability reports by the end of 2013.	●
Establish a 100% "green" Intel ground transportation fleet by 2016.	Continued to make progress toward our 2016 goal, achieving 70% by the end of 2013.	◒
Include historically under-represented businesses in 100% of all eligible bidding opportunities.	Achieved our 100% inclusion target and participated in a number of supplier diversity forums.	●

● Achieved ◒ Partially Achieved or on Track ○ Not Met

Goals for 2014 and Beyond

Complete or review the results from 75 on-site supplier audits to drive reduction in priority and major findings, and faster time to closure.
Enable 100 of our top Tier 1 suppliers to meet our PASS program requirements by the end of 2014, and all 250 top Tier 1 suppliers to meet the requirements by the end of 2016.
Establish a 100% "green" Intel ground transportation fleet by 2016.
Reach at least one-third of our top Tier 1 suppliers through our capacity-building programs by the end of 2014.
Complete a third-party audit of one of our assembly and test facilities in 2014.

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Respecting Human Rights

Intel is committed to maintaining and improving systems and processes to avoid complicity in human rights violations related to our own operations, our supply chain, and our products. We have established an integrated approach to managing human rights across our business. We also support the advancement of human rights through our global efforts to help bridge the digital divide, expand education access, promote social innovation, and improve the social performance of companies in our supply chain.

Intel participated in the Business for Social Responsibility Human Rights Working Group to expand our knowledge of best practices and evolving stakeholder expectations.

We partnered with McAfee to educate kids about safe Internet conduct through the volunteer Online Safety for Kids program.

Our second Supplier Sustainability Leadership Summit in China focused on addressing systemic human rights challenges in the electronics supply chain.

We consolidated the risk, controls, privacy, security, and other related compliance activities for all of Intel's information assets, products, and services into the Intel Security and Privacy Office.

Intel is collaborating with the Enough Project and other groups to address the issue of "conflict minerals."

Key Section Links

Performance Summary and Goals
Intel Human Rights Principles
Intel Code of Conduct
Corporate Governance and Ethics
Statement on Human Trafficking and Slavery
Intel and Conflict-Free Products

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Management Approach

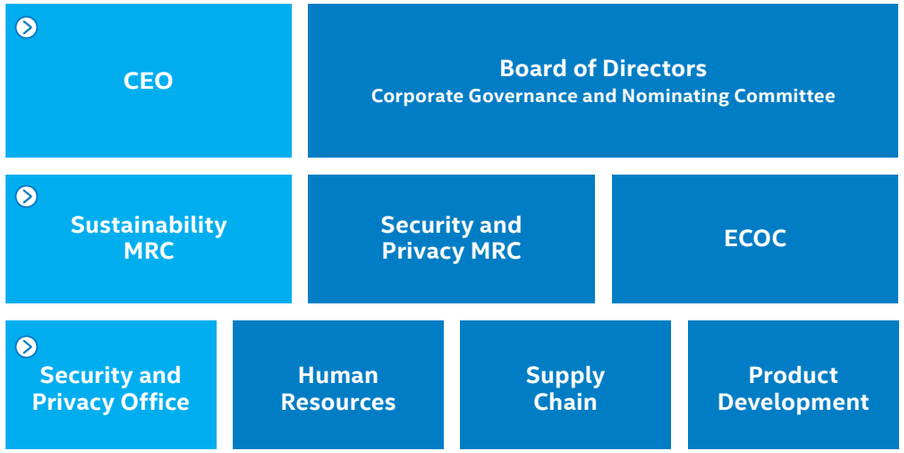
As part of our strong commitment to respecting human rights, Intel has instituted global policies and management systems to proactively identify and address issues before they arise.

The Guiding Principles on Business and Human Rights, endorsed by the United Nations Human Rights Council, set out the responsibilities that corporations are expected to have to respect human rights. Those responsibilities include avoiding the violation of the human rights of others and addressing any adverse impacts on human rights in which a corporation may be involved. The principles call on companies to institute policies and processes appropriate to their size and circumstances, as well as remediation processes to address concerns when they arise. Intel has used the Guiding Principles, along with our membership in organizations such as the United Nations Global Compact (UNGC) and the Electronic Industry Citizenship Coalition (EICC), to inform and shape our approach to managing human rights issues.

Our commitment to human rights is outlined in our own Human Rights Principles and in the Intel Code of Conduct. These policies address diversity and nondiscrimination, workplace safety, child labor, forced labor and human trafficking, working hours and minimum wages, freedom of association and collective bargaining, and data privacy. We have a number of additional policies that guide our action in specific areas, such as the supply chain, environmental health and safety, and privacy; these policies are available on our Governance and Ethics web site.

Based on an analysis of Intel's business, the nature of our products and services, and a review of leading human rights frameworks and input from stakeholders, we view our main potential human rights risks and opportunities to be in the following areas, in order of relative impact: our own direct manufacturing operations, our supply chain and the extraction of raw materials used in our products, and potential customer misuse of our products that could result in restrictions on freedom of expression or other human rights violations. The following pages outline the steps we are taking to address potential risks.

Intel's Human Rights Oversight Structure



Click or tap the ⓘ symbol for additional information.

We maintain an integrated and horizontal management approach to human rights.

Our Operations

We manufacture the majority of our products in our own factories, which gives us more control over the enforcement of our Code of Conduct and human rights expectations than we would have if we outsourced most of our production.

In light of the policies and management processes that we have in place, as well as the fact that a majority of Intel's wafer manufacturing occurs in the U.S., we view our direct operations risk as low. We also have operations in a number of countries cited by leading human rights organizations as countries of concern

(including China), which represent higher levels of risk. However, we apply the same high expectations and human rights standards for all of our employees regardless of where we operate.

Our goal is to cultivate a safe, diverse, and respectful work environment where employees can thrive, innovate, and feel comfortable raising issues to management and be assured of non-retaliation. We have a number of initiatives targeted at increasing the representation of women and under-represented minorities in our workforce. Our "open door" policy enables employees to speak directly with all levels of management about their ideas or concerns, and we conduct regular company-wide Organizational Health Surveys to assess the satisfaction level of our employees. We also provide other ways for employees and external stakeholders to report concerns, such as a third-party-operated hotline and community advisory panels. For more information, see the Caring for Our People section of this report.

Influencing the Electronics Supply Chain

We believe that we have a responsibility to set clear expectations and track our suppliers' progress, and to work with them to drive improvements in human rights performance throughout the industry.

We view our human rights-related supply chain risk to be lower relative to that of other companies in our industry that outsource a significant portion of their production to contract manufacturers and suppliers. We work to help improve human rights standards throughout our industry's supply chain by collaborating with others to address system-level improvements on issues such as working hours and "conflict minerals." For more information, see the Building the Supply Chain of the Future section of this report.

Intel's Approach to Managing Human Rights

Establishing Policy	Assessing Impact	Taking Action	Reporting Progress
• Referenced Intel's Human Rights Principles in the Intel Code of Conduct and annual Code training materials. • Included our commitment to the human right to water in Intel's Water Policy. • Set expectations for our suppliers to comply with the Electronic Industry Code of Conduct and to maintain progressive employment practices that promote fair labor standards and respect for human rights.	• Completed a high-level impact assessment overview of our operations, supply chain, and product responsibility, with input from a stakeholder panel and Business for Social Responsibility. • Worked with McAfee to expand human rights education and impact assessment activities. • In 2014, we will explore additional impact assessments for Intel's software business.	• Participated in the Business for Social Responsibility Human Rights Working Group. • Consolidated the risk, controls, privacy, security, and other related compliance activities for all of Intel's information assets, products, and services into the Intel Security and Privacy Office. • Increased audit and supplier education efforts. • Expanded efforts on digital inclusion and education access, including an initiative advocating the education of girls globally.	• Continued to cover human rights issues in our CSR and Public Policy blogs, and our annual outreach meetings with socially responsible investors. • Held our second annual Supplier Sustainability Leadership Summit in China, focused on addressing systemic human rights challenges in the electronics supply chain. • In 2014, we will continue to work with our key suppliers to ensure that they meet our standards and expectations regarding human rights performance.

Our overall approach to managing human rights issues is informed by the United Nations' Guiding Principles on Business and Human Rights.

Product-Related Security, Privacy, and Human Rights Issues

Intel is addressing the privacy, security, and freedom of expression impacts of information and communications technology through accountability, public policy, collaboration, and education.

We have long been committed to respecting privacy, security, and human rights related to our products and business operations, from Internet services and software to network equipment and consumer electronics devices. We also support the fundamental human rights of privacy and freedom of expression, and have policies, management oversight, accountability structures, and product design processes that address these issues.

Intel uses and advocates a Privacy by Design approach, which includes privacy as a foundational component of the product and service development process. Our secure development life-cycle process defines the actions, deliverables, and checkpoints that a project team follows to integrate security and privacy into our products and services to meet product and market expectations. Our development processes include an analysis of how a product protects against unauthorized access, use, destruction, modification, or disclosure of personal information, and we review the security and privacy implications of our products with internal or external experts. We have a policy against designing "back-door" functionality into any of our products that would enable customers to circumvent security features or otherwise compromise the security of our technologies.

Collaboration, partnership, and trust are critical to ensure that the right privacy and security legislation is in place to address cyber-security and the growth of the cloud.

For several years, we have prioritized privacy in the cloud and cyber-security as two of our key focuses from a public policy perspective. Collaboration, partnership, and trust are critical to ensure that the right privacy and security legislation is in place to address cyber-security and the growth of the cloud. We support a standard-setting process that is global, consensus-based, transparent, and industry-led, and advocate for global policies and standards to protect data privacy and security as part of our public policy actions. For more information, see "Public Policy and Political Accountability" in the Our Business and Integrated Value section of this report.

As the products and services that we offer continue to become more diverse, we track and evaluate concerns about how technology products can potentially impact privacy, data security, and human rights—including the possibility that our products may be misused by customers (and governments) to limit the freedom of expression and human rights of individuals. We periodically review our policies and risk assessment processes to analyze these risks.

In 2013, we consolidated the risk, controls, privacy, security, and other related compliance activities for all of Intel's information assets, products, and services into the Intel Security and Privacy Office, and appointed a Chief Security and Privacy Officer to manage the expanded organization.

Our McAfee subsidiary continued to develop and implement its human rights impact assessment tools and processes, including employee education and training programs. McAfee also expanded the use of its human rights impact assessment pilot project. The pilot uses a monitored sales approval process to identify transactions that require additional reviews and approvals. In early 2014, we announced plans to transition select McAfee products to the new Intel® Security brand, which will identify Intel products and services in the security segment.

In 2014 and beyond, we will continue to work with our subsidiaries to strengthen management oversight, policies, and processes regarding human rights issues.

Performance Summary and Goals

In 2013, we focused on evaluating our policies and processes around human rights. We continued to engage with external stakeholders and leading human rights organizations to understand changing expectations and develop best practices regarding governance structures, reporting, and grievance mechanisms.

Goals and Performance		
2013 Goals	2013 Performance	
Conduct a targeted human rights impact assessment for our software business.	With the consolidation of our security and privacy governance activities into a new business unit, we delayed our goal to conduct a targeted impact assessment of our software business until 2014.	○
Strengthen grievance and remediation processes related to human rights concerns that may arise.	We engaged with external stakeholders and leading human rights organizations through the Business for Social Responsibility Human Rights Working Group to understand and evaluate best practices in grievance and remediation processes. Based on our evaluation, we did not make significant changes to our existing policies or management processes.	●
Work with our subsidiaries to further align our human rights policies and management processes.	We continue to work with our subsidiaries to integrate management processes and leverage assets and programs in ethics and reporting.	◒

● Achieved ◒ Partially Achieved or on Track ○ Not Met

In 2014, we will continue to work with our subsidiaries to further align our policies and management processes, conduct a targeted impact assessment for our software business, and collaborate with our suppliers and the electronics industry to improve human rights standards and performance.

Goals for 2014 and Beyond
Continue to integrate our human rights-related processes and policies with our subsidiaries.
Influence the electronics industry and our supply chain to improve human rights performance.
Conduct a targeted human rights impact assessment for our software business.

Access the Report Builder

2013 Corporate Responsibility Report
www.intel.com/go/responsibility

Appendix

Report Scope and Profile

With the Intel 2013 Corporate Responsibility Report (CR 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 2013 (ended December 28, 2013). Our previous report was published in May 2013.

We prepared this report using the Global Reporting Initiative* (GRI) G4 Sustainability Reporting Guidelines, and self-declare the report to be prepared "in accordance" with the G4 guidelines at the comprehensive level. A GRI Content Index is provided in this Appendix. Additional information about Intel's operations and financial statements is available in our 2013 Annual Report and Form 10-K.

We produce our CR Report in Portable Document Format (PDF). A printed executive summary of the report is available by request, and an electronic version is available on our Report Builder web site. Our sites around the world translate and customize the content of the executive summary for local stakeholders. For a high-level overview of Intel's corporate responsibility, supporting documents, past reports, and our customized Report Builder tool, visit our Corporate Responsibility Report web site.

Our CR 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. Unless specified, environmental and social performance data also does not include data from our software and services operating segments: McAfee and the Software and Services Group.

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. Environmental, health, and safety data includes widely accepted parameters and units. Key performance indicators cover our global manufacturing operations, including our wafer manufacturing and assembly and test facilities. Corporate-wide greenhouse gas (GHG) emissions are calculated using the existing GHG Protocol Corporate Accounting and Reporting Standard developed by the World Resources Institute and the World Business Council for Sustainable Development. Financial data is presented in U.S. dollars. References to "Intel" throughout this document pertain to Intel Corporation. Intel Foundation is a separate entity.

Send questions, comments, or feedback to Linda Qian, CSR Communications Manager, or Michael M. Jacobson, Director of Corporate Responsibility, Intel Corporation, 5000 W. Chandler Blvd., CH7-301, Chandler, AZ 85226 USA. You can also use our web-based feedback form or the CSR@Intel blog to contact our Corporate Responsibility team.

Approach to Report Assurance

The information in our CR 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. Intel Ireland is also accredited to the IS 393 Energy Management Standard certification. Our operations in Ireland are covered by the European Union Emissions Trading Scheme. Since 2010, Intel has maintained certification for OHSAS 18001, the internationally recognized standard for occupational safety and health management systems.

For a number of years, we have obtained third-party verification for our GHG emissions. Based on stakeholder input and trends in assurance and external verification measures, since 2012 we have engaged Ernst & Young LLP to conduct an independent review of selected indicators contained in our CR Report in accordance with AT 101, Statements on Standards for Attestation Engagements, of the American Institute of Certified Public Accountants (AICPA).

For the 2013 CR Report, we again engaged Ernst & Young to review selected indicators, including our Scope 1, 2, and some Scope 3 GHG emissions data. Ernst & Young's review report is included in this Appendix.

GRI Content Index

This GRI Content Index is provided to assist readers in understanding how our report aligns with the Global Reporting Initiative* (GRI) G4 Sustainability Reporting Guidelines. This index includes all "Core" indicators as well as a number of "Additional" indicators that we have determined are relevant to our business. We self-declare this report at the "Comprehensive, In Accordance" level. For more information about the GRI Guidelines and application levels, visit the GRI web site.

GRI Content Index

Indicator Numbers and Description	Status	Report Section(s)	Page(s)	Explanatory Notes
STRATEGY AND ANALYSIS				
G4:1-2 Statement from the most senior decision-maker of the organization. Description of key impacts, risks, and opportunities.	●	Letter From Our CEO, Our Business and Integrated Value Approach (Integrated Value)	4, 6	Additional details are available in our 2013 Annual Report and Form 10-K.
ORGANIZATION PROFILE				
G4:3-9 Name of the organization; Primary brands, products, and/or services; Location of headquarters; Nature of ownership; Markets served; Scale of organization.	●	Integrated Value	7	Additional details are available in our 2013 Annual Report and Form 10-K.
G4:10 Workforce statistics by category.	◒	Caring for Our People (People)	33	Information is provided by region, gender, and employment type. Other workforce information is not provided since it is deemed proprietary.
G4:11 Percentage of workforce covered by collective bargaining agreements.	●	People	30	The percentage is zero. See also our Human Rights Principles.
G4:12 Description of the organization's supply chain.	●	Building the Supply Chain of the Future (Supply Chain)	88	
G4:13 Explanation of any significant changes during the reporting period regarding size, structure, ownership, or supply chain.	●	Report Scope and Profile	108	There were no significant changes during the reporting period.
G4:14 Explanation of whether and how the precautionary approach or principle is addressed by the organization.	●	Caring for the Planet (Planet)	47	Reference is also included in our Intel Code of Conduct.

● Covered in the Report ◒ Partially Covered in the Report ○ Not Covered in the Report

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GRI Content Index (continued)				
Indicator Numbers and Description	Status	Report Section(s)	Page(s)	Explanatory Notes
G4:15 Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or which it endorses.	●	People, Planet, Supply Chain, Respecting Human Rights (Human Rights)	16, 44, 47, 57, 60, 78, 89, 103, 105	Specific charters/principles are covered in sections of the report by topic.
G4:16 Memberships of associations and national or international advocacy organizations that the organization views the membership as strategic.	●	People, Planet, Supply Chain, Inspiring the Next Generation (Next Generation), Human Rights	39, 50, 57, 60, 80, 106	Memberships are covered in multiple sections of the report. A list of our major trade association memberships is available on our Report Builder web site.
IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES				
G4:17 List of entities included in the organization's consolidated financial statements; Report whether any entity included is not covered by the report.	●	Report Scope and Profile	108	Additional details are available in our 2013 Annual Report and Form 10-K.
G4:18 Process for defining the report content and the Aspect Boundaries; Explain how the organization has implemented the Reporting Principles for Defining Report Content.	●	Integrated Value	21	
G4:19-21 List all the material Aspects identified in the process for defining report content. For each material Aspect, report the Aspect Boundary within and outside the organization.	●	Integrated Value	21	Additional information is available for download on our Report Builder web site.
G4:22 Report the effect of any restatements of information provided in previous reports, and the reasons for such restatements.	●	Report Scope and Profile	108	There were no restatements of information provided in previous reports.
G4:23 Report significant changes from previous reporting periods in the Scope and Aspect Boundaries.	●	Report Scope and Profile	108	There were no significant changes from previous reporting periods.

● Covered in the Report ◒ Partially Covered in the Report ○ Not Covered in the Report

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GRI Content Index (continued)				
Indicator Numbers and Description	Status	Report Section(s)	Page(s)	Explanatory Notes
STAKEHOLDER ENGAGEMENT				
G4:24-27 List of stakeholder groups engaged by the organization; Basis for identification and selection of stakeholders; Approach to stakeholder engagement, including frequency of engagement by type; Key topics and concerns that that have been raised through stakeholder engagement and how the organization has responded.	●	Integrated Value	19	
REPORT PROFILE				
G4:28-31 Reporting period for information provided; Date of most recent previous report; Reporting cycle; Contact point for questions regarding the report or its contents.	●	Report Scope and Profile	108	
G4:32 Report the 'in accordance' option the organization has chosen, and the GRI Content Index; Report the reference to the External Assurance Report.	●	Report Scope and Profile	108	'In accordance' – Comprehensive.
G4:33 Report the organization's policy and current practice with regard to seeking external assurance for the report; the relationship between the organization and the assurance providers; Report whether the highest governance body or senior executives are involved in seeking assurance.	●	Report Scope and Profile	108	
GOVERNANCE				
G4:34 Governance structure of the organization, including committees of the highest governance body. Identify any committees responsible for decision-making on economic, environmental, and social impacts.	●	Integrated Value	11	Additional details are available in our 2013 Annual Report and Form 10-K.
G4:35-49 Management processes and policies related to economic, environmental, and social topics by the highest governance body.	●	Integrated Value	11	Additional details are available in our 2013 Annual Report and Form 10-K.
G4:50 Report the nature and total number of critical concerns that were communicated to the highest governance body and the mechanism(s) used to address and resolve them.	◒	Integrated Value	11	We do not publicly disclose all of the issues due to their proprietary nature.

● Covered in the Report ◒ Partially Covered in the Report ○ Not Covered in the Report

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GRI Content Index (continued)

Indicator Numbers and Description	Status	Report Section(s)	Page(s)	Explanatory Notes
G4:51 Report the remuneration policies for the highest governance body and senior executives; Report how performance criteria in the remuneration policy relate to the highest governance body's and senior executives' economic, environmental, and social objectives.	●	Integrated Value	11	Additional details are available in our 2014 Proxy Statement.
G4:52 Report the process for determining remuneration. Report whether remuneration consultants are involved in determining remuneration and whether they are independent of management. Report any other relationships which the remuneration consultants have with the organization.	●	Integrated Value	11	Additional details are available in our 2013 Annual Report and Form 10-K and our 2014 Proxy Statement.
G4:53 Report how stakeholders' views are sought and taken into account regarding remuneration, including the results of votes on remuneration policies and proposals, if applicable.	●	Integrated Value	11	Additional details are available in our 2013 Annual Report and Form 10-K and our 2014 Proxy Statement.
G4:54 Report the ratio of the annual total compensation for the organization's highest-paid individual in each country of significant operations to the median annual total compensation for all employees (excluding the highest-paid individual) in the same country.	○	N/A	N/A	We do not publicly disclose this data.
G4:55 Report the ratio of percentage increase in annual total compensation for the organization's highest-paid individual in each country of significant operations to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual) in the same country.	○	N/A	N/A	We do not publicly disclose this data.
ETHICS AND INTEGRITY				
G4:56-58 Describe the organization's values, principles, standards, and norms of behavior, such as codes of conduct and codes of ethics; Internal and external mechanisms for seeking advice on ethical and lawful behavior, and matters related to organizational integrity, such as helplines or advice lines; Internal and external mechanisms for reporting concerns about unethical or unlawful behavior, and matters related to organizational integrity, such as escalation through line management, whistleblowing mechanisms, or hotlines.	●	Integrated Value	14	Additional information is available on our Corporate Governance and Ethics web site.

● Covered in the Report ◒ Partially Covered in the Report ○ Not Covered in the Report

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GRI Content Index (continued)

Indicator Numbers and Description	Status	Report Section(s)	Page(s)	Explanatory Notes
ECONOMIC				
DMA Report why the Aspect is material. Report the impacts that make this Aspect material; Report how the organization manages the material Aspect or its impacts; Report the evaluation of the management approach.	●	Integrated Value	11	
ASPECT: ECONOMIC PERFORMANCE				
G4:EC1 Direct economic value generated and distributed.	●	Integrated Value	23	
G4:EC2 Financial implications and other risks and opportunities for the organization's activities due to climate change.	●	Integrated Value, Planet	13, 53	Additional details are available in our 2013 Annual Report and Form 10-K.
G4:EC3 Coverage of the organization's defined benefit plan obligations.	●	People	41	Additional details are available in our 2013 Annual Report and Form 10-K.
G4:EC4 Report financial assistance received from government.	◒	Integrated Value	11	The company's primary use of incentives and grants is for construction of new facilities. These activities are managed on a local level in the location where they are built, and information is usually disclosed by the government/municipality. Additional details on our tax rate and credits are available in our 2013 Annual Report and Form 10-K.
ASPECT: MARKET PRESENCE				
G4:EC5 Ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation.	○	N/A	N/A	We do not publicly disclose this data.
G4:EC6 Proportion of senior management hired from the local community at significant locations of operation.	◒	People	34	Our recruiting practices are designed to be inclusive, and we hire from the diverse populations and communities where we operate. A majority of senior management at our global sites are local hires.
G4:EC7 Development and impact of infrastructure investments and services supported.	●	Integrated Value	24	
G4:EC8 Significant indirect economic impacts, including the extent of impacts.	●	Integrated Value	24	

● Covered in the Report ◒ Partially Covered in the Report ○ Not Covered in the Report

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GRI Content Index (continued)

Indicator Numbers and Description	Status	Report Section(s)	Page(s)	Explanatory Notes
ASPECT: PROCUREMENT PRACTICES				
G4:EC9 Proportion of spending on local suppliers at significant locations of operation.	◒	Supply Chain	88	Breakdown of spends by region and information on supplier diversity programs are provided.
ENVIRONMENT				
DMA Report why the Aspect is material; Report the impacts that make this Aspect material; Report how the organization manages the material Aspect or its impacts; Report the evaluation of the management approach.	●	Planet	47	
ASPECT: MATERIALS				
G4:EN1 Materials used by weight or volume.	◒	Planet	47	Our systems are not designed to calculate in totality materials in this way. See our Making Silicon Chips web site for a detailed description of the manufacturing process and materials used.
G4:EN2 Percentage of materials used that are recycled input materials.	N/A	N/A	N/A	Given the complexity and size of our products, calculation of the percentage of recycled content is not applicable; more significant are our efforts to design out materials such as lead and halogens.
ASPECT: ENERGY				
G4:EN3-7 Energy consumption within the organization; Energy consumption outside of the organization; Energy intensity; Reduction of energy consumption; Reductions in energy requirements of products and services.	●	Planet	55	See also our CDP questionnaire response on the CDP web site.
ASPECT: WATER				
G4:EN8-10 Total water withdrawal by source; Water sources significantly affected by withdrawal of water; Percentage of total volume of water recycled and reused.	●	Planet	59	No water sources are significantly affected by our withdrawal of water.

● Covered in the Report ◒ Partially Covered in the Report ○ Not Covered in the Report

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GRI Content Index (continued)

Indicator Numbers and Description	Status	Report Section(s)	Page(s)	Explanatory Notes
ASPECT: BIODIVERSITY				
G4:EN11 Operational sites owned, leased, managed in, or adjacent to protected areas and areas of high biodiversity value outside protected areas.	●	Planet	50	
G4:EN12 Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	●	Planet	50	No protected areas or areas of high biodiversity value are significantly impacted by our activities, products, or services.
G4:EN13 Habitats protected or restored.	●	Planet	50	
G4:EN14 Total number of IUCN Red List Species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	N/A	N/A	N/A	
ASPECT: EMISSIONS				
G4:EN15-19 Direct greenhouse gas (GHG) emissions (Scope 1); Energy indirect GHG emissions (Scope 2); Other indirect GHG emissions (Scope 3); GHG emissions intensity; Reduction of GHG emissions.	●	Planet	54	See also our CDP questionnaire response on the CDP web site.
G4:EN20 Emissions of ozone-depleting substances (ODS).	●	Planet	64	
G4:EN21 NO_X, SO_X, and other significant air emissions.	●	Planet	64	See also our CDP questionnaire response on the CDP web site.
ASPECT: EFFLUENTS AND WASTE				
G4:EN22 Total water discharge by quality and destination.	●	Planet	61	Additional information is available in SARA Title III Reportable Chemicals by Site.
G4:EN23 Total weight of waste by type and disposal method.	●	Planet	62	
G4:EN24 Total number and volume of significant spills.	●	Planet	69	No major spills were reported in 2013. Other non-compliance issues are included in this report.

● Covered in the Report ◒ Partially Covered in the Report ○ Not Covered in the Report

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GRI Content Index (continued)

Indicator Numbers and Description	Status	Report Section(s)	Page(s)	Explanatory Notes
G4:EN25 Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	●	Planet	63	
G4:EN26 Identify, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the organization's discharges of water and runoff.	N/A	Planet	59	We discharge water in compliance with local permits back to municipal water treatment operations.
ASPECT: PRODUCTS AND SERVICES				
G4:EN27 Extent of impact mitigation of environmental impacts of products and services.	●	Planet	66	
G4:EN28 Percentage of products sold and their packaging materials that are reclaimed by category.	◒	Planet, Supply Chain	66, 96	Intel does not have data collection processes to track, record, and report this information in this way. However, an estimated 75% of our packaging material is reusable/recyclable.
ASPECT: COMPLIANCE				
G4:EN29 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	●	Planet	69	
ASPECT: TRANSPORT				
G4:EN30 Significant environmental impacts of transporting products and other goods and materials for the organization's operations, and transporting members of the workforce.	●	Supply Chain	54	CO_2 emissions of logistics and supply chain and percentage of total CO_2 emissions are estimated, and we are developing tools to help improve measurement and tracking of our impacts in this area.
ASPECT: OVERALL				
G4:EN31 Total environmental protection expenditures and investments by type.	◒	Planet	47	Over the past several years, Intel has invested millions of dollars in reducing our impact on the environment. We do not report aggregate data on total expenditures and investments of this type.

● Covered in the Report ◒ Partially Covered in the Report ○ Not Covered in the Report

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GRI Content Index (continued)

Indicator Numbers and Description	Status	Report Section(s)	Page(s)	Explanatory Notes
ASPECT: SUPPLIER ENVIRONMENTAL ASSESSMENT				
G4:EN32 Percentage of new suppliers that were screened using environmental criteria.	●	Supply Chain	93	
G4:EN33 Significant actual and potential negative environmental impacts in the supply chain and actions taken.	●	Supply Chain	96	
ASPECT: ENVIRONMENTAL GRIEVANCE MECHANISM				
G4:EN34 Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms.	◒	Planet	69	
SOCIAL				
DMA Report why the Aspect is material. Report the impacts that make this Aspect material; Report how the organization manages the material Aspect or its impacts; Report the evaluation of the management approach.	●	People	31	
ASPECT: EMPLOYMENT				
G4:LA1 Total number and rates of new employee hires and employee turnover by age group, gender, and region.	◒	People	33, 40	We do not disclose hiring or turnover data by age group.
G4:LA2 Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation.	●	People	41	Part-time and contract employees have similar access to health and retirement benefits as full-time employees. Benefits related to life insurance, vacation, and tuition reimbursement are prorated for part-time employees. Contract employees are not eligible for a number of benefits, including long-term disability, equity incentive plan, and tuition reimbursement. Part-time and contract employees are not eligible for our sabbatical benefit.
G4:LA3 Return to work and retention rates after parental leave, by gender.	○	N/A	N/A	We do not disclose this data.

● Covered in the Report ◒ Partially Covered in the Report ○ Not Covered in the Report

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GRI Content Index (continued)

Indicator Numbers and Description	Status	Report Section(s)	Page(s)	Explanatory Notes
ASPECT: LABOR/MANAGEMENT RELATIONS				
G4:LA4 Minimum notice periods regarding operational changes, including whether these are specified in collective agreements.	●	People	31	We provide advance notice in accordance with local requirements in the different locations where we operate. We also have regular quarterly meetings with all employees via webcast, provide information on business changes as soon as possible, and take steps to mitigate negative impacts. We do not have collective agreements.
ASPECT: OCCUPATIONAL HEALTH AND SAFETY				
G4:LA5 Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	○	N/A	N/A	We do not disclose this data.
G4:LA6 Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender.	◒	People	44	We do not provide a breakdown by region or gender.
G4:LA7 Workers with high incidence or high risk of diseases related to their occupation.	●	People	44	
G4:LA8 Health and safety topics covered in formal agreements with trade unions.	N/A	N/A	N/A	
G4:LA9 Average hours of training per year per employee by gender, and by employee category.	◒	People	36	We do not provide a breakdown by gender or employee category.
G4:LA10 Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	●	People	35	
G4:LA11 Percentage of employees receiving regular performance and career development reviews, by gender and by employee category.	◒	People	35	We do not provide a breakdown by gender or employee category.

● Covered in the Report ◒ Partially Covered in the Report ○ Not Covered in the Report

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GRI Content Index (continued)

Indicator Numbers and Description	Status	Report Section(s)	Page(s)	Explanatory Notes
ASPECT: DIVERSITY AND EQUAL OPPORTUNITY				
G4:LA12 Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	◒	People	40	We do not provide a breakdown by age group.
ASPECT: EQUAL REMUNERATION FOR WOMEN AND MEN				
G4:LA13 Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.	○	N/A	N/A	We do not disclose this data.
ASPECT: SUPPLIER ASSESSMENT FOR LABOR PRACTICES				
G4:LA14 Percentage of new suppliers that were screened using labor practices criteria.	●	Supply Chain	93	
G4:LA15 Significant actual and potential negative impacts for labor practices in the supply chain and actions taken.	●	Supply Chain	93	
ASPECT: LABOR PRACTICES AND GRIEVANCE MECHANISMS				
G4:LA16 Number of grievances about labor practices filed, addressed, and resolved through formal grievance mechanisms.	◒	Integrated Value	94	
HUMAN RIGHTS				
DMA Report why the Aspect is material. Report the impacts that make this Aspect material; Report how the organization manages the material Aspect or its impacts; Report the evaluation of the management approach.	●	Human Rights	103	
ASPECT: INVESTMENT				
G4:HR1 Percentage and total number of significant investment agreements and contracts that include clauses incorporating human rights concerns, or that have undergone human rights screening.	●	Human Rights	103	

● Covered in the Report ◒ Partially Covered in the Report ○ Not Covered in the Report

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GRI Content Index (continued)

Indicator Numbers and Description	Status	Report Section(s)	Page(s)	Explanatory Notes
G4:HR2 Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	◒	Human Rights	103	We do not provide a breakdown of our training data in this way.
ASPECT: NON-DISCRIMINATION				
G4:HR3 Total number of incidents of discrimination and corrective actions taken.	○	N/A	N/A	We do not publicly disclose this information.
ASPECTS: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING; CHILD LABOR; FORCED OR COMPULSORY LABOR				
G4:HR4-6 Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights; Operations and significant suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor; Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor.	●	Human Rights, Supply Chain	92, 104	We operate in a number of countries identified by stakeholders as being at higher risk for labor concerns. We have not identified any Intel operations with significant risk for child labor or forced or compulsory labor. We also conduct on-site third-party audits of our top suppliers.
ASPECT: SECURITY PRACTICES				
G4:HR7 Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.	N/A	N/A	N/A	
ASPECT: INDIGENOUS RIGHTS				
G4:HR8 Total number of incidents of violations involving rights of indigenous people and actions taken.	N/A	N/A	N/A	
ASPECT: ASSESSMENT				
G4:HR9 Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments.	●	Human Rights, Supply Chain	95, 103	

● Covered in the Report ◒ Partially Covered in the Report ○ Not Covered in the Report

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GRI Content Index (continued)				
Indicator Numbers and Description	Status	Report Section(s)	Page(s)	Explanatory Notes
ASPECT: SUPPLIER HUMAN RIGHTS ASSESSMENT				
G4:HR10 Percentage of new suppliers that were screened using human rights criteria.	●	Supply Chain	93	
G4:HR11 Significant actual and potential negative human rights impacts in the supply chain and actions taken.	●	Supply Chain	93	
ASPECT: HUMAN RIGHTS GRIEVANCE MECHANISM				
G4:HR12 Number of grievances about human rights impacts filed, addressed, and resolved through formal grievance mechanisms.	◒	Human Rights	103	
SOCIETY				
DMA Report why the Aspect is material. Report the impacts that make this Aspect material; Report how the organization manages the material Aspect or its impacts; Report the evaluation of the management approach.	●	Next Generation	72	
ASPECT: LOCAL COMMUNITIES				
G4:SO1 Percentage of operations with implemented local community engagement, impact assessments, and development programs.	●	Integrated Value	20	
G4:SO2 Operations with significant actual and potential negative impacts on local communities.	●	Integrated Value	20	
ASPECT: ANTI-CORRUPTION				
G4:SO3-4 Total number and percentage of operations assessed for risks related to corruption and the significant risks identified; Communication and training on anti-corruption policies and procedures.	●	Integrated Value	14	
G4:SO5 Confirmed incidents of corruption and actions taken.	○	N/A	N/A	We do not publicly disclose this data.
● Covered in the Report ◒ Partially Covered in the Report ○ Not Covered in the Report				

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GRI Content Index (continued)				
Indicator Numbers and Description	Status	Report Section(s)	Page(s)	Explanatory Notes
ASPECT: PUBLIC POLICY				
G4:SO6 Total value of political contributions by country and recipient/ beneficiary.	◒	Integrated Value	15	On our Report Builder web site, we disclose political contributions made in the United States.
ASPECT: ANTI-COMPETITIVE BEHAVIOR				
G4:SO7 Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.	●	Integrated Value	14	Additional details are available in our 2013 Annual Report and Form 10-K.
ASPECT: COMPLIANCE				
G4:SO8 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	◒	Planet	69	Additional details are available in our 2013 Annual Report and Form 10-K.
ASPECT: SUPPLIER ASSESSMENTS FOR IMPACTS ON SOCIETY				
G4:SO9 Percentage of new suppliers that were screened using criteria for impacts on society.	●	Supply Chain	93	
G4:SO10 Significant actual and potential negative impacts on society in the supply chain and actions taken.	●	Supply Chain	88	
ASPECT: GRIEVANCE MECHANISMS FOR IMPACTS ON SOCIETY				
G4:SO11 Number of grievances about impacts on society filed, addressed, and resolved through formal grievance mechanisms.	◒	People, Supply Chain	30, 87	
PRODUCT RESPONSIBILITY				
DMA Report why the Aspect is material. Report the impacts that make this Aspect material; Report how the organization manages the material Aspect or its impacts; Report the evaluation of the management approach.	●	Planet	47	
ASPECT: CUSTOMER HEALTH AND SAFETY				
G4:PR1 Percentage of significant product and service categories for which health and safety impacts are assessed for improvement.	●	Planet	47	More information is available on our Quality and Reliability Resources web site.
● Covered in the Report ◒ Partially Covered in the Report ○ Not Covered in the Report				

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GRI Content Index (continued)				
Indicator Numbers and Description	Status	Report Section(s)	Page(s)	Explanatory Notes
G4:PR2 Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.	●	Planet	69	More information is available on our Quality and Reliability Resources web site.
ASPECT: PRODUCT AND SERVICE LABELING				
G4:PR3 Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	●	Planet	69	More information is available on our Quality and Reliability Resources web site.
G4:PR4 Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	●	Planet	69	More information is available on our Quality and Reliability Resources web site.
G4:PR5 Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	●	Integrated Value	10	More information is available on our Customer Information Service Portal.
ASPECT: MARKETING COMMUNICATIONS				
G4:PR6 Sale of banned or disputed products.	N/A	N/A	N/A	
G4:PR7 Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes.	○	N/A	N/A	We do not disclose this information.
ASPECT: CUSTOMER PRIVACY				
G4:PR8 Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	◒	Human Rights	105	Total number is not reported, but information is available on Intel's Privacy Policy and Public Policy web sites.
ASPECT: COMPLIANCE				
G4:PR9 Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	○	N/A	N/A	Information on legal proceedings is included in our 2013 Annual Report and Form 10-K.

● Covered in the Report ◒ Partially Covered in the Report ○ Not Covered in the Report

United Nations Global Compact—Communication on Progress 2013

In June 2009, Intel became a member of the United Nations Global Compact (UNGC), a platform for encouraging and promoting good corporate principles and learning experiences in the areas of human rights, labor, environment, and anti-corruption. The UNGC principles have been engrained in our approach to corporate responsibility and business practices for many years. As stated in the Letter From Our CEO, our continued support for the UNGC principles as a UNGC LEAD member is part of our ongoing commitment to continuous improvement in our own practices and collaboration with other organizations to advance best practices in corporate responsibility worldwide. Our 2013 Corporate Responsibility Report provides detailed information on our corporate responsibility strategy and performance for fiscal year 2013 and covers the UNGC Advanced/LEAD Communication on Progress requirements.

UNGC Communication on Progress		
Human Rights		
Principle 1	Support and respect the protection of internationally proclaimed human rights.	Intel's commitment to respect human rights is embodied in the Intel Code of Conduct, Intel Human Rights Principles, and Intel Water Policy, the latter of which covers our respect for the human right to water. All of these policies are available on our Governance and Ethics web site. In addition, the topic of human rights is covered in the Electronic Industry Code of Conduct, adopted by Intel in 2004. For a discussion of our approach to respecting human rights and the steps we have taken during 2013, see the Respecting Human Rights section of this report.
Principle 2	Make sure that business is not complicit in human rights abuses.	
Labor		
Principle 3	Uphold freedom of association and the effective recognition of the right to collective bargaining.	Intel's Human Rights Principles incorporate references to the key labor issues identified in the UNGC, including prohibition of child labor (Intel has established a minimum age of 16), forced labor, human trafficking, and discrimination. Intel recognizes that in many locations where we operate, employees have the right to freely associate or not associate with third-party labor organizations, along with the right to bargain or not bargain collectively in accordance with local laws. Intel respects those rights and is committed to creating an environment of open communication where employees can speak with their managers about their ideas, concerns, or problems, and team together to address workplace issues. For more information, see the Respecting Human Rights section of this report.
Principle 4	Support elimination of all forms of forced and compulsory labor.	
Principle 5	Support effective abolition of child labor.	
Principle 6	Elimination of discrimination in respect of employment and occupation.	
Environment		
Principle 7	Businesses are asked to support a precautionary approach to environmental challenges.	Intel co-founder Gordon Moore, a long-time champion of the environment, instilled a legacy of environmental consciousness at Intel that continues today. We incorporate environmental performance goals throughout our operations and regularly report on our progress, seeking continuous improvement in energy efficiency, emissions reductions, resource conservation, and waste reduction. We strive to minimize the environmental impact of our products—from design through disposal—and we collaborate with others to develop innovative ways that technology can help address long-term sustainability challenges. For more information, see the Caring for Our People section of this report.
Principle 8	Undertake initiatives to promote greater environmental responsibility.	
Principle 9	Encourage the development and diffusion of environmentally friendly technologies.	
Anti-corruption		
Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery.	Intel has set clear standards and policies, and has put in place training to ensure employee compliance on these topics, including a reference in the Intel Code of Conduct. We have a comprehensive Ethics and Compliance program, which is described in detail in the Our Business and Integrated Value Approach section of this report. Certain employees are assigned more in-depth ethics and compliance training courses, including those covering anti-corruption. Approximately 35,000 employees were trained on our anti-corruption policies and procedures in 2013. For more information, see the Our Business and Integrated Value Approach section of this report.

Report of Independent Accountant

Board of Directors and Stockholders, Intel Corporation

We have reviewed selected quantitative performance indicators (the "subject matter") included in the accompanying table and as presented in Intel Corporation's 2013 Corporate Responsibility Report (the "Report") for the year ended December 28, 2013. We did not review all information included in the Report. We did not review the narrative sections of the Report, except where they incorporated the subject matter. Intel management is responsible for the subject matter included in the accompanying table and as also presented in the Report, and for selection of the criteria against which the subject matter is measured and presented.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform our review to obtain limited assurance about whether any material modifications should be made to the subject matter in order for it to be in conformity with the criteria. A review consists principally of applying analytical procedures; making inquiries of persons responsible for the subject matter; obtaining an understanding of the data management systems and processes used to generate, aggregate, and report the subject matter; and performing such other procedures as we considered necessary in the circumstances. A review is substantially less in scope than an examination, the objective of which is to obtain reasonable assurance about whether the quantitative performance indicators for the year ended December 28, 2013 are free from material misstatement, in order to express an opinion. Accordingly, we do not express such an opinion. We believe that our review provides a reasonable basis for our conclusion.

Non-financial information contained within corporate responsibility reports is subject to measurement uncertainties resulting from limitations inherent in the nature and the methods used for determining such data. The selection of different but acceptable measurement techniques can result in materially different measurements. The precision of different measurement techniques may also vary.

Based on our review, nothing came to our attention that caused us to believe that the subject matter for the year ended December 28, 2013 is not presented, in all material respects, in conformity with the relevant criteria.

Ernst + Young LLP

May 13, 2014
San Jose, California

Performance Indicators Reviewed

Indicator Name	Scope	Unit	2013 Value[1]	2013 Report Page
Scope 1 Greenhouse Gas (GHG) Emissions[2]	Global	Tonnes carbon dioxide equivalent (tCO_2e)	756,000	54
Scope 2 GHG Emissions[3]	Global	tCO_2e	930,000	54
Energy Use[4]	Global	Billion kWh	5.6	55
Water Withdrawals for Operations Use[5]	United States	Billion gallons	5.8	59
Days Away Case Rate[6]	Global	Days away cases / 200,000 work hours	0.11	44
Recordable Rate[6]	Global	Recordable incidents / 200,000 work hours	0.60	44
Cumulative Trauma Disorder Rate	Global	Cumulative trauma disorder (CTD) first-aid incidents / CTD recordable incidents	5.2	44
Suppliers Undergoing Third-Party Audits for Human Rights	Global	Number of reviews of third-party audits completed by Intel management[7]	38	93
	Global	RA3 Audit Priority/Major Findings by Category:		94
		Ethics	34	
		Labor	75	
		Occupational Health and Safety	57	
		Environmental	19	
		Management Systems	65	

[1] All figures for the year ended December 28, 2013, unless otherwise noted. Values rounded where appropriate.
[2] Emissions are calculated using the Global Warming Potentials updated by the Environmental Protection Agency in November 2013. Emissions from Intel's shuttle fleet are estimated based on the corporate flight schedule and not actual flight data.
[3] Value reported net of Renewable Energy Certificates (RECs) purchased and calculated by netting the kilowatt-hours of electricity purchased in the United States with the kilowatt-hour value of the RECs. For purchased electricity at Intel's international locations, Intel reports only CO_2 using the global average CO_2 emission factor provided by the International Energy Agency.
[4] Includes natural gas, diesel, and electricity.
[5] "Operations" includes Intel controlled fabrication and assembly and test facilities in the United States.
[6] Recordable days away case rate and cumulative trauma disorder rate determined as of April 10, 2014 for the 2013 calendar year.
[7] Total includes on-site third-party audits completed during 2013, as well as third-party audits completed using the Electronic Industry Citizenship Coalition standard process within the previous two years. For 2012 audits included, Intel completed formal reviews of the audit results in 2013.

For more information, visit www.intel.com/go/responsibility

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