

## Intel 2023 Annual Stockholders' Meeting

### Answers to Investors' Questions

Intel is committed to advancing virtual meeting best practices and transparency with our stockholders. Of the total number of questions received for the Annual Stockholders' Meeting, we received 85% prior to the meeting and 15% during the live meeting. Below is the list of questions we received ahead of and during our Annual Stockholders' Meeting, including answers to questions that were not covered in the live Q&A session due to time constraints. In cases where we received multiple questions on the same topic, we have grouped those questions and provided a consolidated response. We have also made minor edits for clarity, corrected typos, removed inappropriate language or language that otherwise violates our published meeting rules of conduct, and removed names of individuals. In addition, please note that we have removed comments and statements (positive or negative) where a question was not asked. Intel's responses to these questions, including any forward-looking statements in this document, reflect management's views as of May 11, 2023. Intel does not undertake, and expressly disclaims any duty, to update any such statement whether as a result of new information, new developments or otherwise, except to the extent that disclosure may be required by law. Forward-looking statements are subject to many risks and uncertainties that could cause actual results to differ materially from those expressed or implied in these forward-looking statements, which factors are discussed in Intel's SEC filings, including the company's most recent reports on Forms 10-K and 10-Q, copies of which may be obtained by visiting our Investor Relations website at [www.intc.com](http://www.intc.com) or the SEC's website at [www.sec.gov](http://www.sec.gov).

#### **Board of Directors**

**Q: I am not pleased with the "Qualified Diversity" on the Board of Directors! What are the qualifications required? What are number of seats required and why?**

##### *Related Questions:*

- *Why don't you have more Latinos primarily Mexican Americans on your board?*
- *I see your comments mention the percentage of women and other bullet points that you seem to be proud of, but I see no Latinos on the board, why? With the poor performance the last year, don't you think it's time for new blood on the board??*

**A:** As Frank Yeary shared during the Annual Stockholders' Meeting on May 11, 2023:

*As you would expect, the Board pays close attention to maintaining the right mix of skills, experiences, and perspectives necessary to create a high-performing board. The current environment is especially dynamic and the opportunities and challenges facing Intel have been evolving.*

*The Board understands the skills, experiences and perspectives in the board room must also evolve to meet the current and future needs of the company. Thus, you have seen us add five new, highly capable, non-employee directors to the Intel Board since 2020 to complement and augment the skills, experiences, and perspectives already on the Board.*

*Through this evolution, we prioritized various forms of semiconductor and technology industry experience, as reflected by the additions of Lip-Bu Tan, a semiconductor industry leader; and directors with significant technology industry experience, including Jim Goetz, Andrea Goldsmith, Alyssa Henry, and Dion Weisler.*

*In addition, recognizing Intel is and has been undergoing a leadership and cultural transformation, we added directors with human capital management experience, including Barbara Novick, who also brings valued investment and finance experience, and again Dion, who oversaw a major tech transformation while CEO of HP Inc.*

*As an ongoing matter, the Corporate Governance and Nominating Committee maintains a process for continually assessing the composition of the Board and recruiting prospective directors.*

*The Committee and Board retain leading search firms to assist in generating a talent pool of individuals from diverse backgrounds that possess the desired skillsets, experiences and perspectives.*

*While we are pleased with our progress to date in refreshing the Board, we also recognize that this is an on-going process and there are always opportunities to improve.*

**Q: I want to clearly know if any of the current or proposed board members are associated or were ever associated with BlackRock. I don't want my investment to be used for propping up ESG proposals.**

*Related Question:*

- *This is more of a statement than a question. I am concerned about the inclusion of ESG and DEI programs, and continued business in China. I voted against Ms. Novak because of her past history with Black Rock. Please keep the company's focus on business not social agenda goals.*

**A:** For information with respect to the current and prior experiences of all of our directors please see their biographical information disclosed under the heading of Director Nominees beginning on page 27 of our 2023 Proxy Statement. Barbara Novick, who was added to the Board in 2022, has been associated with BlackRock since she co-founded the company in 1988. From her more than 30--year career at BlackRock, during which time she helped grow BlackRock into one of the world's largest asset management companies, Ms. Novick brings to the Board substantial senior leadership, human capital and organizational development, corporate governance, public policy, and investment and finance experience, among other things.

We encourage stockholders to also review our responses to the ESG questions below for additional information regarding our:

- integrated approach to corporate responsibility and sustainability, which has created significant value for Intel and our stakeholders by helping us mitigate risks, reduce costs, build brand value, and identify new market opportunities to apply our technology to help address society's most complex issues
- commitment to our strategy with a focus on the most material risk factors, centered around our business, and focused on our performance for customers and stockholders.

**Q: Why do 50% of the board members sit on 2-3 other public boards? I see this as conflict of interest and will not vote for these individuals. I would think that it would be possible to find plenty of qualified individuals who are willing to put their entire focus on the wellbeing of Intel.**

*Related Question:*

- *How much effort is spent avoiding nominating directors who are 70 or older or who sit on more than one outside public company?*

**A:** As Frank Yeary shared during the Annual Stockholders' Meeting on May 11, 2023:

*We believe that directors should have sufficient time, bandwidth, and capacity to serve on our Board and to effectively and responsibly perform their duties. We recognize that director's responsibilities are increasingly complex and that Board and committee membership demands significant time commitments.*

*I'll share with you a couple of the steps we're taking to ensure directors have sufficient time and energy to dedicate to the Intel Board.*

*First, when we consider new director candidates, part of that evaluation involves looking at what other Boards they sit on and their available bandwidth to serve on our Board.*

*Second, every year, as part of the annual evaluation of existing Board members and the process of determining whether they should be nominated for re-election, we carefully evaluate a number of factors, including their participation, attendance, contribution to the Intel Board, and other public company Board commitments.*

*Finally, we have hard limits set forth in our corporate governance guidelines that restrict the number of public company boards on which each of our directors can serve. You can find additional details regarding such limits in our proxy statement.*

*I would further add that those limits are at or below the limits of most of our large institutional investors, and we regularly engage with them on this and other topics.*

*Having a first-hand view, I'm proud to say that the members of this Board are deeply engaged, committed and focused on bringing stockholder value to our owners.*

For information regarding the process used to nominate directors, we encourage stockholders to review our disclosure on page 33 under the heading Director Nomination Process of the 2023 Proxy Statement. Information with respect to our director retirement policy can also be found in paragraph 8 of Section A of Intel's [Amended and Restated Corporate Governance Guidelines](#) available on our website.

**Q:** When will an African American be placed on the Board of Directors for a vote and participation?

**A:** Please note that our Board already has African American representation and has had it for years. We encourage our stockholders to review the Board Matrix on page 26 of our 2023 Proxy Statement for additional information regarding the different forms of diversity represented on our Board. While we are pleased with our progress to date in refreshing the Board, we also recognize that this is an on-going process and there are always opportunities to improve.

### **Audit Matters**

**Q:** On behalf of the Carpenter pension funds: The Carpenter pension funds believe that audit firm independence is critical to protecting the integrity of corporate financial reporting. Given that audit firm and corporate client relationships are generally long tenured, federal regulations require that the lead engagement partner be rotated out of that position every five years. Could the Chair of the Audit Committee or a representative of Ernst and Young, which has been the Company's audit firm since

1996, describe the lead audit partner rotation process, and indicate who makes the decision in the selection of the new lead partner. Thank you.?

**A:** The Audit & Finance Committee evaluates the selection of independent auditors each year considering the factors outlined on page 63 of our 2023 Proxy Statement. In accordance with applicable rules on partner rotation, Ernst & Young LLP's lead partner is subject to rotation every five years, and our current lead partner was appointed in 2020. In evaluating the selection of the lead partner, Intel's Audit & Finance Committee oversees a rigorous selection process that culminates in a decision on a lead partner that has the qualifications, competency and experience required to serve Intel.

### **Compensation**

**Q:** Why do we give shares to executives and directors? Pay them and allow them to purchase shares at a reduced rate (75 to 85 percent of the current price) and require them to hold the shares for a specified period of time depending on the discount. Giving away shares that are created for such use diminishes the equity and voting power of each shareholder. All shares used for such purposes should be purchased by the company on the open market.

**A:** Equity awards are a form of compensation that allows us to closely tie our executives' and directors' compensation opportunity to the performance of the company and the long-term interests of our stockholders. Additionally, as disclosed on page 98 of our 2023 Proxy Statement, we maintain robust stock ownership guidelines that require each of our directors and executive officers to hold a certain amount of Intel stock to demonstrate their long-term commitment to Intel.

**Q:** How is accountability being enforced with management and company performance?

#### *Related Question:*

- *When will Intel throw out the current management team and replace it with one who knows how to bring the company back to its former glory and performance?*

**A:** Management's accountability for performance is measured in part through the design of our short-term and long-term incentive compensation plans that emphasize pay-for-performance. Depending on how the company performs, our management team receives corresponding payouts under our incentive compensation plans. For example, and illustrating this accountability / pay-for-performance, for 2022 management received zero or below target payouts under our incentive compensation plans, as set out on pages 91 through 94 of our 2023 Proxy Statement.

**Q:** When and how are you planning to compensate employees for the cuts/ skipping promotion cycles which were previously implemented?

**A:** We have previously communicated to our employees our plans to restore compensation, and we will share additional information with our employees in the coming months as things develop.

**Q:** Spending Reduction Goal is included in Annual Cash Bonus of the NEO Compensation 2023 Program. What are the threshold, target, and maximum set for this new metric? How does the Spending Reduction Goal interlink with the cost-cutting measures implemented thus far?

**A:** We do not disclose the performance metrics and goals under our currently active Annual Performance Bonus program until after the end of the current fiscal year. We will provide details on our 2023 Annual Performance Bonus in the 2024 Proxy Statement.

### Capital Allocation

**Q:** When will you increase the dividend?

Related Questions:

- *When will board increase dividends!?*
- *When do we anticipate dividend increases to start happening?*
- *I am retired now and look forward to dividends; when do you plan on raising your dividend pay back to where it was prior to cut?*
- *As a share holder for some time now I am concerned about my stake in this. I entered this endeavor to provide a better future for my children. With this being said what amount of shares are needed for me to see a dividend increase to make sure the future of my family is secure?*
- *What is Intel's plan to increase the dividend payout after the cutting of it?*
- *What is the plan for increasing dividend payout?*

**A:** As Frank Yeary shared during the Annual Stockholders' Meeting on May 11, 2023:

*The Board understands clearly that capital allocation strategy is a critical Board function, and we remain committed to being disciplined and thoughtful allocators of our owners' capital.*

*The Board evaluates our capital allocation priorities on a consistent basis monitoring macro environment, customer demand, and many other factors to inform capital allocation among R&D, other internal investments, dividends, M&A, debt repayment, and other uses.*

*As it specifically relates to the dividend, the Board recognized some time ago that the investments necessary to regain process and product leadership would be substantial and could create an environment that would cause us to revisit the dividend. Even as business conditions soften during 2022, we discussed but were cautious about making a dividend cut.*

*In early 2023, we concluded a further worsening of macro conditions necessitated a meaningful dividend change as we focused our capital on manufacturing and product leadership aligned to the IDM 2.0 strategy. This decision is consistent with our deliberate approach to capital allocation and designed to best position the company to create long term value.*

*We will continue to evaluate the dividend level and payout ratio relative to net income and free cash flow generation. It's important to note that the Board is committed to paying a competitive dividend.*

## **Business and Strategy**

**Q: How will the Mobileye IPO affect the future vision of the company, and do you see it as a long-term goal to hold?**

**A:** We are pleased with 2022's initial public offering providing investors with an opportunity to invest directly into the Mobileye business. Mobileye remains an important part of the Intel portfolio, and we're excited to support the continued success of the business.

**Q: Can you kindly provide some information on the upcoming merger with Tower Semiconductor. What is the timetable on the upcoming merger? What approvals do you currently have, and which are you waiting for? When is the expected closing time? Any information you can provide would be appreciated.**

### **Related Question**

- *What is the latest status of the pending acquisition of Tower and how Tower fits into the IDM 2.0 approach or being synergistic to Intel Group after the acquisition?*

**A:** As Pat Gelsinger shared during the Annual Stockholders' Meeting on May 11, 2023:

*We continue to work hard to complete the acquisition. You know this includes the constructive dialogue that we have with the applicable regulatory agencies worldwide.*

*We do hope that the transaction will be approved as soon as possible as an augmentation, as an accelerant to our IDM 2.0 business and our commitments to become a major leading-edge foundry, as well as complementing that with many of the technologies that Tower and the capabilities of their experience in the foundry industry would bring to us.*

*With or without Tower, though, our strategy is unchanged. IDM 2.0 and becoming a foundry, it's simply helped and augmented when we hope to complete the Tower acquisition.*

**Q: What steps are being taken to improve stock performance?**

### **Related Questions:**

- *When do you think you will you catch up with AMD in stock performance?*
- *I bought Intel at \$65 dollars, when can I expect to break even. Do you gentleman try hard enough to bring the Intel stock up to a normal level. Thanks*

**A:** When we launched the IDM 2.0 strategy, we communicated it would be a multiyear journey back to leadership. Our progress on five nodes in four years continues to be encouraging as we've completed Intel 7, and expect, with Meteor Lake's launch in the second half of 2023, to be able to call the second node, Intel 4, complete. We announced a tightening of the delivery window for Sierra Forest, our first efficient-core datacenter product, scheduled to ship in the first half of 2024.

In June of this year, we plan to further unpack our internal foundry model, which is intended to put our internal design teams on level footing with external foundry partners and to expose the financial performance of our manufacturing team to the investor community. We think this shift will accelerate our IDM 2.0 strategy and is another crucial milestone on the transformation journey.

Despite the near-term macro weakness, we are encouraged by our execution described above and are committed to providing transparency to our owners on our progress.

**Q: Intel has been a disappointment lately, what seems to be the problem. With a worldwide chip shortage why hasn't Intel been in the lead to fill the demand. Poor management or what?????**

**A:** The semiconductor industry is in a cyclical downturn. We've seen demand drop across the industry due to macroeconomic headwinds. We've responded by focusing on what we can control: the level of our investments and the areas in which we invest. We believe the investments we are making today will enable us to succeed when the cyclical rebound happens. Third parties continue to project semiconductor demand will double by the end of the decade.

**Q: What is one good idea that you had for Intel that was destroyed in the last year?**

**A:** We strive to make the right investments to maximize value for our stockholders. When we no longer view an investment as accretive to stockholder returns, we attempt to redeploy the capital quickly to other efforts that we believe will drive the highest returns for our stockholders, as evidenced by the seven businesses we've exited since Pat Gelsinger became CEO.

**Q: Good morning, any thought given to an external Solid State Drive (SSD) and/or Hard Disk Drive (HDD) in the \$100 range with fast transfer ability for data storage or otherwise? Thank you.**

**A:** We have divested the NAND business, so we no longer offer disk drives.

**Q: I have not seen any projection of expected earnings over the next few years. You used to provide some insight. Can you provide some indication or insight of earnings over the next 2-3 years compared to 2021 and 2022?**

*Related Question:*

- *How much money for R&D in 2023 compared to 2022*

**A:** We have not provided full year financial guidance for 2023. We have committed to a \$3 billion 2023 spending reduction goal of which \$2 billion covers operating expenses, which would include R&D investments relative to 2022. We believe we are well on our way to achieving the committed savings.

We last provided a multi-year view of our business at our 2022 Investor Meeting. We remain committed to achieving the earnings expectations laid out at the 2022 Investor Meeting. We encourage our stockholders to monitor the IR Calendar in News & Events at INTC.com for future investor events.

**Q: What is Intel strategy towards innovation? Is Intel still going after market disruptive innovations? Related to the above, how can Intel better differentiate itself compared to competitors? How is Intel going to capitalize on the AI revolution? Last question, proposed investment in Germany, is this driven by market demand or by subsidies? If intel is going to be an important player in Europe, would it then be interesting to have a listing at Euronext? Thank you.**

*Related Question:*

- *What other technology prospect are we pursuing to compete better in the market and the world?*

**A:** Intel will continue to invest in leadership products and strive to win in all of the markets in which we participate, driven by the five technology superpowers: ubiquitous compute, pervasive connectivity, cloud-to-edge infrastructure, artificial intelligence and sensing. Intel's depth and breadth of software, silicon and platforms, and packaging and process technology with at-scale manufacturing, is unique in the industry and provides clear advantages for our customers. We are focused on four key themes: product leadership, open platforms, manufacturing at scale, and our people.

We recently held an investor webinar focused on the data center and AI market and our strategy for capturing value. The presentation materials and a replay of the event can be found at <https://www.intc.com/news-events/ir-calendar>

We remain committed to a geographically diverse and resilient supply chain, inclusive of new manufacturing investments in Europe. We feel confident global investors have access to Intel shares and have no plans to list our stock on additional exchanges at this time.

**Q:** **In the letter from CEO, it states that we must be ready to meet the next surge of semiconductor demand, and Intel is also focused on anticipating the needs of the future. In your opinion,**  
a) **how soon will this next surge of semiconductor demand be reached, given that the industry outlook is not promising at the current moment?;**  
b) **what will the future needs look like?; and**  
c) **how Intel is preparing itself to meet these demands in the future?**

**A:** The semiconductor industry has historically been cyclical. We are cautiously optimistic demand will stabilize in the second half of 2023. Third parties continue to expect semiconductor demand to double by the end of the decade. The cyclical nature of the industry and the long-term demand expectations are why we continue to invest in critical areas of process design, manufacturing, product leadership, software, and AI among others to capitalize on the long-term demand we expect to materialize.

**Q:** **With the topline and profitability continuing to decrease, is there heightened risks for Intel to incur asset impairments on property, plant and equipment, goodwill, and intangible assets in FY2023?**

**A:** Determination of an asset impairment involves multiple factors. We assess property, plant and equipment, goodwill, and intangible assets for impairment based on the guidance within U.S. GAAP. Please refer to pages 82-83 of our most recent [Annual Report on Form 10-K](#) for more information regarding our policies for the related impairment assessments we perform.

**Q:** **Has the war in Ukraine materially affected our company?**

**A:** Intel continues to join the global community in condemning Russia's war against Ukraine and calling for a return to peace. We suspended all business operations in Russia as of April 5, 2022 following our earlier decision to suspend all shipments to customers in Russia and Belarus.

Our thoughts are with everyone who has been impacted by this war, particularly the people of Ukraine and the surrounding countries and all those around the world with family, friends and loved ones in the region.

As disclosed in our [Annual Report on Form 10-K](#) for 2022, in response to Russia's war with Ukraine, numerous countries and organizations have imposed financial and other sanctions and export controls against Russia and Belarus, while businesses, including Intel, have limited or suspended Russian operations. Russia has likewise imposed currency restrictions and regulations and may further take retaliatory trade or other actions, including the nationalization of foreign businesses. These and other



actions have exposed the company to the risks described in our most recent Annual Report on Form 10-K and to additional uncertainty and risks regarding increases to supply, commodity, and other costs, damage to our reputation, and cyberattacks; and may increase the likelihood, or amplify the impacts, of other risks, including those highlighted in these risk factors and throughout our most recent Annual Report on Form 10-K.

**Q: Will Intel continue to expand in Penang Malaysia?**

**A:** We have operated in Malaysia since 1972 and have expanded our operations significantly since. Malaysia remains an important part of our global manufacturing footprint. Decisions regarding Intel's site expansions in different geographies are based on a variety of factors, including market opportunities, local expertise and resources, and compliance with U.S. laws and regulations.

### **Manufacturing**

**Q: Pat's strategy of spending huge amounts on the foundry business and begging for govt bail out is misplaced. Why doesn't Intel spin out IFS and focus on becoming a great product company again.**

**A:** IFS is a critical component of the IDM 2.0 strategy. We believe external foundry makes our internal foundry better and our internal foundry makes our external foundry better. With our progress to date on five nodes in four years and the traction we are seeing with potential foundry customers, we are encouraged we have selected the right strategy.

With respect to government subsidies, CHIPS Act funding is meant to help close the gap between U.S. manufacturing costs and the cost to manufacture in Asia.

**Q: How do you explain the huge investment in new capacity at multiple existing and new sights when you can't fill existing capacity?**

**A:** As Pat Gelsinger shared during the Annual Stockholders' Meeting on May 11, 2023:

*Overall, our capital plan has been around this model of smart capital. And what do we mean when we say smart capital? One is, it takes a long time to build shells. Shells are approximately 20% of the cost of building out a major new location, but is well over half of the time. And 80% of the cost is associated with the filling of that with tools. Thus, we start shells well ahead of time, predicting the long-term demand. And the long term demand in the semiconductor industry, we expect that approximately doubles around 2030. So there's lots of long term demand, but we only install tools when we see clear demand signals internally or from our foundry customers.*

*We realize that the semiconductor has always been cyclical, and thus you can't make near-term market signals for long-term capital investments. This five-year investment cycle to bring up a major new factory versus a three, four or five quarter business cycle. We review this carefully and literally we're scrutinizing it constantly, bringing it to the Board regularly to make sure we're getting that dial just right. And we feel like we are doing a good job of managing your capital as we're putting it to work for the long term of this great company.*

**Q: Thank you for your and the team's continued leadership throughout a challenging year! Could you please elaborate on our domestic manufacturing strategy and how this impacts our operating efficiency & profitability? Thanks Again!**

**Related Questions:**

- *What is the current and proposed status of chip production in the USA? If production is active in the US, is it meeting goals for distribution?*
- *Could you briefly give an update on the new facility outside of Columbus Ohio and how it fits in your overall plans.*

**A:** Intel remains committed to maintaining leading edge semiconductor manufacturing in the USA. We are thankful for the passage of the CHIPS Act and are actively engaged with the U.S. Commerce Department. We have started the expansion of our Arizona facilities and have broken ground in Ohio. We feel we are on track to meeting our goals.

**ESG:**

**Q:** **Where is the conversation for ENERGY investments? Why are you even considering ESG processes when one of your largest clients is an OIL company? In my opinion Vanguard should be keeping their eye on the ball making their clients as much money as possible for a secure retirement and not what the Globalist and Politicians want. ESG does nothing to create revenue if anything it destroys energy growth \$\$\$\$.** Let the scientist worry about the world.

**A:** We would respectfully note that as a semiconductor company, Intel's largest customers are not in the energy business or oil companies. Further, Vanguard is one of our largest stockholders but not an affiliate of Intel. We regularly engage with Vanguard and our other large stockholders as we value their perspectives and believe our relationship with our stockholders is an important part of our success.

We believe our integrated approach to corporate responsibility and sustainability has created significant value for Intel and our stakeholders by helping us mitigate risks, reduce costs, build brand value, and identify new market opportunities to apply our technology to help address society's most complex issues. We remain committed to our strategy with a focus on the most material risk factors, centered around our business, focused on our performance for customers and stockholders. For example, climate change is a serious environmental, economic, and social challenge. We focus on reducing our own climate impact—the emissions resulting from our own operations, our supply chain, and the marketing and use of our products. Cumulatively, we conserved approximately 970 million kWh of electricity from the 2020 baseline through the end of 2022, toward our 4 billion kWh 2030 goal. These efforts helped save approximately \$70 million, cumulatively through 2022.

**Q:** **At present, green technologies such as solar and wind power have not been sufficiently developed to handle present-day energy demands. What is Intel's plan to wean manufacturing processes off fossil fuels and natural gas sources of energy, and transition to more climate-friendly alternatives?**

**A:** Reducing energy use in our operations is core to Intel's overall climate strategy and our sustainability goals. We conserved approximately 973 million kWh of electricity cumulatively from the 2020 baseline through the end of 2022, toward our 4 billion kWh 2030 goal. Cumulative cost savings from the 2020 baseline through 2022 total more than \$70 million. Our manufacturing operations in the U.S., EU, Israel, and Malaysia are 100% green power with a goal to achieve 100% globally by 2030.

Our energy management systems are designed to follow the international ISO 50001 Energy Management System standard. Although energy conservation opportunities are present across the spectrum of Intel's manufacturing operations, we have identified strategic investment opportunities in a number of areas. We are investing in HVAC upgrades and heat recovery projects to reduce energy

usage in operations. We are incorporating energy efficiency into design and equipment selections, for new factory construction projects. Through occupancy and light-level control LED lighting in manufacturing and non-manufacturing spaces, we expect up to a 90% reduction in lighting energy use.

**Q: Is a ESG policy going to be implemented at INTEL**

**A:** Intel’s long-standing commitment to corporate responsibility and sustainability—built on a strong foundation of transparency, governance, and ethics—is deeply integrated throughout our business. Through our corporate responsibility ‘RISE’ strategy and goals, we aim to create a more **responsible**, **inclusive**, and **sustainable** world, **enabled** through our technology and the expertise and passion of our employees. Our integrated approach has created significant value for Intel and our stakeholders by helping us mitigate risks, reduce costs, build brand value, and identify new market opportunities to apply our technology to help address society’s most complex issues. We remain committed to our strategy with a focus on the most material risk factors, centered around our business, focused on our performance for customers and stockholders.

**Q: Will you stop funding Republican candidates?**

**A:** Intel works with governments, organizations, and industries worldwide to advocate for policies that encourage new ideas, promote fair commerce, and protect resources. We also work to educate political candidates about the implications of public policy decisions for our business, and in the U.S., provide financial support to candidates who hold positions consistent with our business objectives. We work to make our priorities and positions on key issues clear by including information on our Public Policy website, publicly supporting amicus briefs, or submitting testimony. In 2022, we published statements on our Public Policy blog covering a range of issues important to our business and industry, including U.S. federal investment in the domestic semiconductor manufacturing industry; preparing the tech workforce of the future; benefits and risks of quantum computing; rebalancing semiconductor supply chains; and more.

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

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

Intel was named a “Trendsetter” company in the 2022 CPA-Zicklin Index of Corporate Political Disclosure and Accountability.

We regularly evaluate our political spending for effectiveness and alignment as part of our contributions process. Decisions are made based on states and districts with a significant Intel presence and leadership on committees of jurisdiction on important Intel priorities.

In response to stakeholder feedback, we have further enhanced our review process by adding reviews of public statements to better assess alignment with our values. When we identify some degree of misalignment, we communicate directly with contribution recipients. In cases of significant misalignment across our multiple key public policy issues, we take action to realign future funding decisions.

**Q: Why with the current situation in China and not being able to trust that the Chinese communist party will not steal our intellectual property should we continue doing ANY business with them.**

Related Question:

- *What efforts are you taking to protect our company's intellectual property as well as operations from doing business in China, especially in light of their support of Russia in the invasion of Ukraine - the politics impacts our company's business operations, and our company's leadership seems to adopt a head in the sand approach which is NOT in shareholder interest.*

**A:** As an intellectual property-driven company, we have well developed systems and processes for managing and protecting our intellectual property. In addition, we own and develop significant IP and related IP rights around the world that support our products, services, R&D, and other activities and assets. Our IP portfolio includes patents, copyrights, trade secrets, trademarks, mask works, and other rights, which we actively seek to protect. While our IP rights are important to our success, our business as a whole is not significantly dependent on any single patent, copyright, or other IP right.

**Q: The US government considers China to be a serious competitor, if not outright threat to peace and security. If one follows any of the public discussions going on in the military, it seems clear that the military's number one concern is a possible war with the PRC. In light of that, why does INTEL maintain two subsidiaries in China? Are they necessary? Similarly, why doesn't INTEL have any subsidiaries in Japan? Is it simply because the cost of doing business there is too high?**

Related Question:

- *It appears increasingly likely that China will invade Taiwan before or shortly after the 2024 election. Regardless of whether the United States honors its commitment to defend the island militarily, this invasion will have devastating consequences not only for the semiconductor industry, but for the entire world economy. What will Intel's worldwide response to this attack be, and how will the status of Intel China and Intel's Chinese employees change?*

**A:** We engage regularly with both the U.S. and Chinese governments. The U.S.-China trade relationship is one of the most critical to many U.S. businesses competing in a global marketplace. China's large and growing market for technology products is also home to a significant number of technology companies and manufacturing facilities, and having a local presence provides Intel with valuable insights and access to resources in the region.

Through the globalization of the semiconductor industry, Intel has benefited greatly from our strong presence in China, the world's second-largest economy. Semiconductors are one of the top U.S. exports. Without access to the China market, the United States would not maintain leadership in the semiconductor industry.

We have world renowned supply chain management and deep expertise in contingency and business continuity planning. We are investing in a globally resilient and diverse semiconductor manufacturing footprint that spans the U.S., Europe and Israel in addition to Asia.

Decisions regarding Intel's subsidiaries in different geographies are based on a variety of factors, including market opportunities, local expertise and resources, and compliance with U.S. laws and regulations.

Intel, like all U.S. companies, is subject to U.S. laws and regulations, which include restrictions on the export of certain technologies and products to certain countries and regions. Intel seeks to comply with these laws and all regulations.

**Q: How much money has Intel spent on DEI and similar operations--which might be regarded as related to "ESG?"**

**A:** We disclose various investments in support of our people, communities, supply chain, and industry in our CSR report, available at [www.intel.com/responsibility](http://www.intel.com/responsibility).

**Q: In what ways have Intel's DEI expenditures changed in this current cost-cutting environment, and how will they continue to change?**

**A:** We seek to serve as an inclusive tech talent destination for the world's top talent.

As we accelerate IDM 2.0 and respond to the current macroeconomic environment, we are intensifying our focus on identifying cost reductions and efficiency gains in all that we do. We are taking these actions while mindfully protecting the investments needed to accelerate our transformation and ensure we are well-positioned for long-term growth.

As a part of our rightsizing efforts, we look at every possible level, including:

- Reducing consultancy and vendor spend
- Minimizing non-critical projects, travel and discretionary spend
- Optimizing our real estate footprint in line with our hybrid working model
- Honing our product and IP portfolio
- Right-sizing teams and limiting hiring

Every team evaluated these levers as part of their overall budget and strategy, including the Global Diversity, Inclusion, and Social Impact organization. Moving forward, we will continue to be intentional in the work and strategy for which we make decisions. In keeping with our results-driven culture, we strive to utilize data and OKRs to drive our impact.

We remain committed to our diversity, inclusion, and social impact work, as well as our RISE Inclusion strategy and commitments. We disclose our ongoing RISE progress and various investments in support of our people, communities, supply chain, and industry in our CSR report, available at [www.intel.com/responsibility](http://www.intel.com/responsibility).

**Q: I am very concerned about investment and stock companies that are pushing their ESG ideologies on the consumer. What are you doing to protect us from ESG practices and the possibility of ideology over financial gain?**

**A:** Our responsibility starts with being accountable to Intel stockholders and our other stakeholders, including customers, suppliers, employees, and community members. Our integrated approach has created significant value for Intel and our stockholders by helping us mitigate risks, reduce costs, build brand value, and identify new market opportunities to apply our technology to help address society's most complex issues.

To inform our strategy and goal setting, Intel conducts a comprehensive ESG materiality assessment every two years to guide where we focus our attention and resources as we endeavor to drive value for the business. This assessment allows us to identify and prioritize specific ESG issues that are of most significant concern to our stakeholders and impact our business' success. Our 2023 ESG Materiality

Matrix is published with our CSR report.

We engage a wide variety of stakeholders for input as part of the process. We regularly engage with our stockholders to discuss ESG matters and how they may impact our ability to drive long-term sustainable stockholder value.

We remain committed to our strategy with a focus on the most material risk factors, centered around our business, focused on our performance for customers and stockholders.

**Q: Will Intel agree to stay free from discriminatory practices such as hiring or promoting individuals based in any way on race, faith, gender or non-gender, or any other factor that is not performance or qualification based?**

Related Questions:

- *What is management doing to resist the diversity, equity and inclusion (DEI) movement within the company? DEI elevates race, and downgrades merit, as the primary criterion for rewards in our society. It is therefore patently racist. DEI is designed to undermine the concept of equality of opportunity upon which our country was founded and replace it with the concept of equality of results, which is entirely antithetical to the founding principles of this country. Thus, by embracing DEI as the standard by which any organization judges people, it is promoting racism and injustice. How will Intel stay focused on execution and profits, and not involve itself in social issues?*
- *Why is Intel Focused on HIRING BASED ON DIVERSITY. YOU SHOULD BE HIRING BASED ON SKILLS. Hiring based on minority and gender is a sad commentary. I guess an educated WHITED MALE WOULD HAVE NO CHANCE OF EMPLOYMENT IN INTEL. VERY DISTURBING*
- *Would Intel please assure us shareholders that Intel hires or promotes individuals based on their merit and qualifications, not on their race, appearance, sexual preference or anything else?*
- *Would you assure your shareholders you do not subscribe to "WOKE" principles, and that you do not favor any race, gender, status, above any others in your business practices?*

**A:** We seek to serve as an inclusive tech talent destination for the world's top talent. We innovate and create business outcomes to drive lasting positive change. We do this by focusing our efforts on doing good for all of our people and our industry, our communities, and our world.

We provide a workplace where everyone has access and opportunity to achieve their best. Inclusion is one of Intel's core values and is at the heart of our culture. We continue to support the development and progression of all our talent. We believe that Intel can be more innovative, agile, and competitive when every employee has a voice and a sense of belonging.

We provide equal employment opportunities for all employees and applicants. We do not tolerate harassment or discrimination on the basis of race, color, religion, religious creed, sex, national origin, ancestry, age, physical or mental 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.

We have developed a set of best practices and training to help mitigate the influence of unconscious bias in the hiring process. These practices include posting of formal requisitions for the majority of internal positions, using impartial descriptions of qualifications for open jobs, providing diverse slates of candidates for hiring managers to engage with, and encouraging managers to assemble diverse interview panels to engage with candidates. In 2022, we also required inclusive hiring training for our hiring managers to help standardize our hiring approach and help managers role model inclusive hiring practices. We hire the best qualified candidate for every role regardless of race, gender, or any other protected basis. At Intel, we strive for an inclusive and fully engaged workforce that is reflective of the best and brightest talent in our industry. Since 2019, we have achieved gender pay equity globally and we continue to maintain race/ ethnicity pay equity in the U.S. We maintain pay equity by closing the gap in average pay between employees of different genders or race/ethnicity in the same or similar roles after accounting for legitimate business factors that can explain differences, such as location, time at grade level, and tenure. Intel's legal and human resources teams work with third-party experts using established statistical modeling techniques to monitor and advance global pay equity. Our comprehensive analysis includes base pay, bonuses, and stock grants. Individual employees who are identified as having a gap through this analysis are to receive appropriate adjustments at [www.intel.com/diversity](http://www.intel.com/diversity).

**Q: How are you reinforcing the culture at Intel during a time of struggle?**

**A:** Our people are at the heart of our transformation journey—building our technology, unlocking new business opportunities, and working with our stakeholders to create world-changing technology to improve the lives of every person on the planet.

Over the past two years, we have worked to build a strong foundation for repeatable, sustainable talent investments that support our efforts to have the right talent to deliver on our IDM 2.0 transformation strategy. Our human capital philosophy includes three pillars we believe are needed to position our talent strategy as a competitive advantage:

- Create a winning culture: We have reignited Intel's results-driven, performance culture.
- Hire and retain the best talent: We have introduced the future of work with a flexible, hybrid-first approach that differentiates Intel from the competition.
- Develop our talent to full potential: We have updated roles and careers to better enable movement and help top talent work on the highest priorities.

We invest significant resources to develop the talent needed to remain at the forefront of innovation and make Intel an employer of choice. We offer extensive training programs and provide rotational assignment opportunities and are working to update our job architecture to help employees create custom learning curricula for building skills and owning their careers.

Our success is supported by employees understanding how their work contributes to the company's overall strategy. We continue to use a variety of channels to facilitate open and direct communication, including online forums, open forums with executives, employee experience surveys, and engagement through nearly 40 Employee Resource Groups.

We seek to create an inclusive workplace where the world's best engineers and technologists can fulfill their dreams and create technology that improves the life of every person on the planet. We invest in our highly skilled workforce of nearly 132,000 by creating practices, programs, and benefits that support the evolving world of work and our employees' needs.

**Q:** What are the projects that utilized the proceeds from the inaugural green bond of \$1.3 billion, and how such projects contribute to the sustainability targets of Intel i.e. The RISE strategy and 2030 corporate responsibility goals?

**A:** In August 2022, we announced the pricing of our inaugural green bond issuance, totaling \$1.25 billion. The net proceeds of the green bond offering are intended to be used to fund eligible projects in six key areas that support Intel's sustainability goals, including green buildings, energy efficiency, circular economy and waste management, GHG emissions reductions, water stewardship, and renewable electricity. The green bond was part of a \$6 billion overall debt public offering, and the proceeds from the remainder of the offering are intended to be used for general corporate purposes.

Our annual update on our green bond will be released in August this year on our website.