

## Intel 2021 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 92% prior to the meeting and 8% 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 consolidated those questions and provided a summary response. We have also made minor edits for clarity, corrected typos, removed inappropriate language 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 13, 2021. 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).

#### Virtual Meeting

**Q: Would the company consider virtual access to future in-person shareholder meetings for those who cannot attend in person?**

**A:** Intel's Annual Stockholders' Meeting has been fully virtual since 2016. The Board strongly believes in investor engagement and the importance of providing our investors with the ability to meaningfully engage with management. The Board believes our current format facilitates stockholder attendance and participation, allowing all stockholders to participate fully and equally, using any internet-connected device, from any location around the world, at no cost. The virtual meeting allows Intel to engage with all stockholders, regardless of size, resources, or physical location.

#### Board of Directors

**Q:**

- **Why do you not have any Hispanics on your Board?**
- **I noticed there is only one (1) African American on the Intel Board of Directors. What is your plan/strategy/goal to increase the representation of African Americans on the Board of Directors?**
- **Why aren't there more women on your board? That is a huge issue for most companies, and I think it's something you should consider and address.**

#### Related Questions:

- *Looking at the Intel listing of board members and leadership staff, it becomes quite clear that white men are in control. How long will it be before the board and leadership staff consist of 50% women and 50% persons of color?*
- *Why do you not have any Hispanics on your Board?*

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- *No Hispanics are on the board. Why?*
- *How many women are members of Intel board of directors?*
- *What strides are you making toward having a board that is composed of 50% women?*
- *Why don't women make up at least 50% of your Board, and please don't say there are not enough qualified women since we know there are.*
- *Why does the Intel Board continue to have so few female directors? We cannot find enough qualified women is not an acceptable answer.*
- *Why are there only 3 women on this Board?*
- *Who do we send the name of qualified women for the Board of Directors?*
- *What efforts have been made by the Corporate Governance and Nominating Committee to ensure that non-Caucasian males (i.e., African American, Hispanic, Native American, Asian) are elected to the BoD? Why are only Caucasian males represented?*

**A:** As Omar shared in the 2021 ASM, “[t]he first thing that I’ll say is that I, myself and the Board is very committed to creating a diverse Board because we think that’ll make a better Board, and it’ll be a better Board with better decisions and will guide the company in a more holistic way. And so based on that, we’re committed to building a Board with diverse experiences and backgrounds, and we think that this is critical for all the reasons that I just stated. But in the last five years, we’ve taken some actions. Eight new independent directors have been elected in the last five years or been appointed to the board, and three of them are women. So we made some progress there. And if each director nominees elected after today’s meeting, the majority of the board will be diverse based on directors’ gender, race, ethnicity, and or nationality, and one third of them will be women. Now, we acknowledged that we still have a long way to go. And I think specifically with respect to the representation from the Hispanic community, it is an area that the [Corporate] Governance [and Nominating] Committee is very focused on and one that please see from us action being taken in the future in terms of diversity is very close to the Board’s governance principles, and one that we’re committed to. So we [are] mak[ing] progress but we acknowledge [we still have] a long way to go, and this is deep in our commitment to make a better Board.”

**Q:** **I have been following the number of Directors and their approval recommendations. Why do you need so many Directors in addition to the company executives (CEO, COO, CFO, etc. in addition to VPs and GMs, Managers etc.) Who appoints the Directors and decide their compensation?**

### Related Questions:

- *It would be interesting to know what your criteria for directors are.*
- *Why so many Directors on the Board. They are NOT good at their jobs b/c stock price have stood still for many years. Can we eliminate down to 6 directors?*
- *Is there a minimum amount of stock that a director or executive is required to own directly?*

**A:** The Corporate Governance and Nominating Committee's oversight focuses on, among other things, Board composition and disclosure, and director recruitment. The Corporate Governance and Nominating Committee also establishes procedures for Board nominations and recommends candidates for election to the Board. Consideration of new Board candidates typically involves a series of internal discussions, review of candidate information, and interviews with selected candidates. Potential Board members must also be free of conflicts of interest, be available to attend Board meetings and not have met the mandatory retirement age. Board members typically suggest candidates for nomination to the Board and the Corporate Governance and Nominating Committee also retains third-party search firms to identify candidates. The committee considers the diversity of skills, experience, and background of the Board as a whole and, based on that

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analysis, determines whether it would strengthen the Board to add a director with a certain type of background, experience, personal characteristics, or skills. For additional information regarding what factors the committee considers in evaluating director candidates, see “Director Skills, Experience, and Background” on page 23 of the company’s 2021 Proxy Statement. [For director compensation, please see question and answer below.]

As stated on page 55 under “Non-Employee Director Stock Ownership Guidelines,” Intel’s stock ownership guidelines state that each non-employee director must acquire and hold at least five times (5x) the annual cash retainer amount within five years of joining the Board. For information on stock ownership for executive officers, please see “Executive Officer Stock Ownership Guidelines” on page 89 of the 2021 Proxy Statement.

**Q: Why is it that no one on the Intel Board of Directors has any experience in the field of chip fabrication, and especially fabrication processes? Considering the considerable challenges Intel has faced for several years in fabrication process, the lack of board expertise in this field seems like an oversight that needs correction.**

### Related Questions:

- *How does a shareholder learn what expertise any director brings to the company? Can the company provide a brief CV on each director?*

**A:** One of our independent Board members, Tsu-Jae King Liu, is an expert in the semiconductor space as well as our CEO, Pat Gelsinger. We have created advisory committees which will include board members and outside experts to provide a stronger outside in perspective to the board and a management. Our Board is focused on achieving the right mix of skills, experience, and perspectives to support Intel’s future strategic direction, including our new IDM 2.0 strategy. As part of our ongoing commitment to creating a balanced Board with diverse viewpoints and deep industry expertise, we regularly add new directors to infuse new ideas and fresh perspectives in the boardroom. We will continue to search for candidates with backgrounds, experiences, personal characteristics and skills that will advance the Board’s goal of creating and sustaining a Board that can support and oversee the company’s complex activities.

**Q: Will the board consider indexing its own compensation package against the performance of Intel stock?**

### Related Questions:

- *How much do board members make? All forms of compensation.*
- *Why so many Directors on the Board? How much do they average in pay including stock option?*

**A:** The general policy of the Board is that compensation for non-employee directors should be a mix of cash and equity, with the majority of compensation provided in the form of equity. The Corporate Governance and Nominating Committee, consisting solely of independent directors, has the primary responsibility for reviewing director compensation and considering any changes in how we compensate our non-employee directors. The Board annually reviews the committee’s recommendations and determines the amount of director compensation. For 2020 the Board made no changes to the annual compensation for non-employee directors from 2019, except for the addition of an independent chairman fee, which was determined, with the advice of Compensia, the independent compensation consultant, based on the Board’s assessment of

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competitive market data of our peer group. The 2020 annual compensation for non-employee directors may be found on page 53 of the company's 2021 Proxy Statement.

**Q: Does each individual on the board really give benefit to the company growth?**

### Related Questions:

- *What is the timeline to restoring shareholder value & faith in the Board of Directors?*

**A:** Our Board is focused on achieving the right mix of skills, experience, and perspectives to support Intel's future strategic direction, including its transformation from a CPU to a multi-architecture xPU company, from silicon to platforms, and from a traditional IDM to the new IDM 2.0. For example, we have recently prioritized industry knowledge and experience in our director recruitment efforts, as reflected by the recent additions of Mr. Goetz, Ms. Henry, and Mr. Weisler to our Board. In addition, recognizing the importance of the Board's role in overseeing human capital risks as Intel undergoes a cultural transformation, over the past few years we have also added directors with human capital management experience, including most recently Mr. Weisler. As part of our ongoing commitment to creating a balanced Board with diverse viewpoints and deep industry expertise, we regularly add new directors to infuse new ideas and fresh perspectives in the boardroom. Our directors reflect diverse perspectives, including a complementary mix of skills, experience, and backgrounds that we believe are paramount to our ability to represent your interests as stockholders. In the last five years, eight new independent directors have been elected or appointed to the Board, three of whom have been women.

### Compensation

**Q: Why would Mr. Gelsinger's compensation be tied to the stock price of Intel when this encourages manipulation and very short-term objectives to the detriment of the company?**

**A:** *As Omar shared in the 2021 ASM, "Well, let me answer this by first saying that look, our use of the stock price metric is not short-term based and does not encourage manipulation. The board's comp committee strove to leverage a metric that is simple, stockholder friendly and measures performance across three and five-year time periods. So clearly long-term. Additionally, there were safeguards put in place for these awards. Appreciation must be maintained for 30 consecutive trading days. That's actually six weeks. And the vast majority of Pat's compensation package is at risk and tied to long-term shareholder value creation. These aggressive goals directly benefit both Intel stockholders and Intel employees who receive shares as part of our compensation program."*

**Q: Do you plan to make the total comp packages, and specifically stock grants, competitive vs. the top big companies? if not, why?**

### Related Questions:

- *Are there any plans to change the RSU vesting to quarterly for regular employees to be more market competitive?*
- *In light of CEO exponential pay growth, why are pay raises for non-exempts equal to or less than the rate of inflation? It is not considered a raise, but a cost of living adjustment, don't you think? We non-exempts would like to see an increase in raises in light of Intel's stellar financial growth.*
- *What is Intel specifically doing regarding providing a living wage to all its employees and*

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*ensuring diversity in its own workplace?*

- *Why did you reject Pat Gelsinger's original proposal to adjust employee compensation?*

**A:** The market for top technical talent is fierce and hiring demand has increased in the tech industry to pre-COVID levels. We are continually evaluating the competitiveness of all our compensation programs, with a goal of being the employer of choice and talent destination for the best and brightest across the tech industry. Our stock program remains one of the few in our industry that is fully broad-based, and we are increasing investments to retain and attract top talent and keep pace with a fast-moving market.

**Q:** **Based on the recent "WSJ" article regarding the rise in Executive pay in 2020, how does Intel's executive pay rise compare?**

*Related Questions:*

- *Why do you feel you need extra compensation when you are completely unwilling to reveal how much your employees are being compensated?*
- *What is the board doing to bring executive compensation at par with similar corporations in Europe and Japan?*

**A:** The labor market for top talent is fiercely competitive and we continually evaluate the competitiveness of our compensation programs. Our executive compensation programs are designed to incentivize the implementation of our growth strategy focusing on three key drivers: a competitive pay positioning strategy, a heavy emphasis on incentive-driven pay, and goals that are appropriately aligned with our business strategy (in terms of both selection and attainability). Our executive compensation programs also continue to be tied to the company's financial and operational performance, support our commitment to good compensation governance, and provide market-based opportunities to attract, retain, and motivate our executives in an intensely competitive market for qualified talent.

**Q:** **"Pay for performance" is frequently used to explain CEO compensation. But is it to say that Intel's CEO is 217% more valuable to the company than the average employee, and that at a lesser pay no qualified candidate can be found? Is this one person over 200 per cent more responsible for the success of the company than any other? Does a salary in this range motivate an employee to do better or work harder than the average employee?**

**A:** As you can see through the appointment of Pat, who has made a dramatic change to the company in a very short time, the CEO is in a critical position to lead the direction of the company. The contribution of every employee is important and to the company's success. But the CEO directs the strategy of all 110,000 employees in the company. The entire employee base benefits when we achieve the goals upon which Pat's compensation is based.

The company remains committed to a pay philosophy that provides employees with a cash, stock, and benefits package that is sustainable, competitive, and balances the needs of employees and stockholders. Meritocracy and market competitiveness are both key tenets of this philosophy. Intel's reported 2020 CEO pay ratio utilizes Bob Swan's 2020 compensation which was designed to recognize his pivotal role during a critical time of business, cultural, and leadership change, and to provide strong pay-for-performance incentives.

**Q:** **Where is the information on proposed executive compensation?**

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### Related Questions:

- *Is the Summary Executive Compensation Table missing?*

**A:** The “Compensation Discussion and Analysis” section starting on page 65 of the 2021 Proxy Statement explains how the Compensation Committee oversees our executive compensation programs and discusses the compensation earned by Intel’s listed officers, as presented in the tables below under “Executive Compensation.” The Summary Compensation Table, which discloses our listed officers’ compensation (in accordance with SEC rules) for 2020, may be found on page 92 of the 2021 Proxy Statement.

**Q: By my rough calculation, the CEO was compensated \$ 66,900,000.00 last year. Why?**

### Related Questions:

- *What is the total CEO pay for 2020 and for 2019?*

**A:** The compensation for Bob Swan, our former CEO, for 2020 and 2019 may be found on page 92 of the 2021 Proxy Statement in the summary compensation table. Mr. Swan’s compensation for 2019, which was discussed in detail in the 2020 Proxy Statement was \$69,935,100. For 2020, Mr. Swan’s compensation as listed in the summary compensation table in the 2021 Proxy Statement was \$22,389,500.

The value of Mr. Swan’s 2019 compensation as reported in the Summary Compensation Table of Intel’s 2020 Proxy Statement included values for both Target Total Annual Compensation as well as one-time promotional Incentive Equity Awards for becoming our CEO in 2019. His Target Total Annual Compensation was consistent with Intel’s Pay Philosophy where a substantial component of pay, ~94% in this case, was “at risk”. The one-time promotional Incentive Equity Awards he received were granted for becoming our CEO, which were intended to drive the success of the business transformation at that time.

**Q: How, exactly, did our former CEO, having served on about 2 years, manage to walk away with nearly \$90 million in reported compensation during those 2 years?**

**A:** It is inaccurate to say that Mr. Swan walked away with nearly \$90 million over 2 years. Amounts shown in the Summary Compensation Table of the proxy statements do not reflect amounts realized by executives. At the time of his termination of employment without cause, Mr. Swan was retirement-eligible under our equity program and received compensation pursuant to his existing arrangements that included accelerated vesting of certain equity awards. He did not receive or become entitled to any additional payments or benefits in connection with his termination of employment. For most of the performance-based equity awards, Mr. Swan remains eligible to receive a payout based on the actual performance of the applicable performance goals at the end of the applicable performance periods. We will not know how much Mr. Swan will realize from these performance-based equity awards until the end of the applicable performance periods. Mr. Swan forfeited awards valued at \$54.8M as of his termination date. You can find information about the treatment of Mr. Swan’s equity awards (and the assumptions used) in connection with his termination of employment on page 105 of the 2021 Proxy Statement.

## **Stockholder Proposals**

**Why does the board recommend against transparency of pay and race information across Intel?**

Related Questions:

- *Will the Board provide an explanation on why it recommended a vote Against the following Stockholder proposal: Stockholder proposal requesting a report on median pay gaps across race and gender, if properly presented at the meeting?*
- *Why would the board vote against presenting information about median pay based on gender? In the year 2021 this feels pretty retrograde.*
- *Why are the board member voting "recommendations" against transparency with respect to racial or gender-based discrimination? Leadership needs to embrace diversity, not stifle it.*
- *Why would management recommend voting against on disclosure re: pay gaps and company norms on these important issues understanding the political climate today in the voting ballot?*
- *Why does the board recommend against transparency of pay and race information across Intel?*
- *Why is the Company against Stockholder proposals 5 & 6?*
- *Why are you against #5 and 6 on ballots?*
- *Why would the board be against answering racism, pay gaps, or stockholders presenting thoughts?*

**A:** We believe our existing pay equity and detailed representation data disclosures, as well as the robust discussion of our public goals and internal programs to promote gender and racial/ethnic equity at Intel, provide the data needed to assess equal opportunity to high paying roles as requested by the proposal. We recognize the critical importance of gender and racial pay equity and are committed to fairly and equitably compensating all of our employees, as discussed in our annual corporate responsibility report. Since 2019, Intel has achieved global gender pay equity, and we continue to maintain race ethnicity pay equity in the United States. We have publicly released our EEO-1 survey pay data and transparently report on our representation data. We also have set goals to double the number of women and underrepresented minorities in senior leadership by 2030.

**Q: What are the reasons Intel recommends a vote against Stockholder Proposal #6?**

Related Questions:

- *It is long overdue that corporations reflect diversity in top level jobs to include the boardrooms. Not to my surprise I see the stockholder proposals requesting information that would shine a light on hiring practices, policies, unwritten norms of Intel as it relates to diversity and specifically American Americans was not recommended by the Board. Why is that?*

**A:** We believe our current disclosure provides sufficient information regarding our company's existing programs, policies, and practices to integrate nondiscrimination measures across our performance management systems, compensation programs, and hiring processes. We publish ambitious long-term goals and lead industry-wide inclusion and social equity initiatives and transparently report our progress and data to drive accountability and encourage actions by others. We recognize the importance of fostering a culture of diversity and inclusion and are committed to providing a work environment where employees from diverse backgrounds are valued, respected, challenged, acknowledged, and rewarded that they can achieve their potential and fulfill their career aspirations.

**Management Proposals**

**Q: In your proxy you state that E&Y have been your auditors since 1968. While they do your auditing and other advisory work and are good, there are other companies which you list as your peers that have different auditors and advisors. Shouldn't you look at other companies every 10 years as you don't want group think? The only time an auditor tends to change is if there was either a problem or forced by the government. Yes, they fill the boxes and you are happy, however I would think to have a different pair of eyes on your books and systems you would want to change things as you do with management and the board. None of them have been around since 1968.**

**Related Questions:**

- *EY is embroiled in the Wirecard accounting scandal: EY failed to detect a massive fraud of 1.9 billion euros or went along with it. Why does Intel intend to continue work with this company, that apparently does not share the values of truth and transparency?*

**A:** The Audit Committee evaluates the selection of independent auditors each year and has selected Ernst & Young LLP (Ernst & Young) as our independent registered public accounting firm for the current year. The Audit Committee concluded that many factors contribute to the continued support of Ernst & Young's independence, such as the oversight by the Public Company Accounting Oversight Board (PCAOB) through the establishment of audit, quality, ethics, and independence standards in addition to conducting audit inspections; the mandating of reports on internal control over financial reporting; PCAOB requirements for audit partner rotation; and limitations imposed by regulation and by the Audit Committee on non-audit services provided by Ernst & Young. In accordance with applicable rules on partner rotation, Ernst & Young's primary engagement partner for our audit was changed in 2020, while Ernst & Young's concurring/reviewing partner for our audit was most recently changed in 2019. The Audit Committee considers a number of factors in deciding whether to re-engage Ernst & Young as the independent registered public accounting firm, including the length of time the firm has served in this role and an assessment of the firm's professional qualifications and resources. In this regard, the Audit Committee considered that Intel requires global, standardized, and well-coordinated services, not only for audit purposes, but for other non-audit services items, such as valuation support, IT consulting, and payroll services. Many of these services are provided to Intel by other multinational audit and accounting firms. A change in our independent auditor would require us to replace one or more of the multinational service providers that perform non-audit services for Intel and could significantly disrupt our business due to loss of cumulative knowledge in the service providers' areas of expertise.

**Q: My question is about the auditor fees. This year there was a substantial increase in the auditor fees (about 18%). Was this due to the critical item? Is this a one-year increase or multiple year increase?**

**A:** The Audit Fees represent fees for professional services provided in connection with the audit of our financial statements and internal control over financial reporting, the review of our quarterly financial statements, registration statements, and audit services provided in connection with other statutory or regulatory filings.

**Q: Why put advisory vote on ballot when compensation of executives get what they ask for and compensation committee of board rarely if ever evaluate true nature of how executives work for the money and stock they are awarded?**

Related Questions:

- *Why only an advisory vote for approval of executive compensation?*

**A:** On January 25, 2011, the Securities and Exchange Commission adopted amendments to its disclosure rules and forms to implement Section 951 of the Dodd-Frank Wall Street Reform and Consumer Protection Act, which added Section 14A to the Exchange Act. The new section, among other things, requires public companies subject to the federal proxy rules to provide their stockholders with an advisory vote on executive compensation, generally known as “Say-on-Pay” votes.

**Capital Allocation**

**Q: Is Intel going to stop giving dividends?**

Related Questions:

- *Are dividends going to go up soon?*
- *What measures does the current Board intend to put in place to pay out higher dividends on a regular basis?*

**A:** We remain committed to the dividend. In Q1, we announced a 5% dividend raise from \$1.32 to \$1.39.

**Q: Stock repurchase decreases the true earning potential. As you are aware, this will also artificially increase the share price and does not show real efficiency, and on a long-term basis, it will decrease the intrinsic value. Why are you not reducing treasury stock value by selling it to the open market to reduce the share price and increase dividend yield?**

**A:** As Intel's CFO stated on our April 22, 2021 earnings call, “We repurchased \$2.4 billion dollars of shares, completing the \$20.0 billion repurchase plan announced in October 2019. Going forward we expect to have lower stock repurchases as we enter an investment phase to support strong demand growth in Client, build initial infrastructure for future Foundry volumes and make necessary investments to accelerate our return to process leadership.”

**Q: Do you anticipate a stock split in 2021?**

**A:** We currently do not have plans for a stock split.

**Business and Strategy**

**Q: What business trends have you seen emerge or end since March 2020?**

Related Questions:

- *What new innovations can stockholders anticipate over the next few years?*

**A:** The digitization of everything was markedly accelerated by COVID and has spurred innovation and new models of working, learning, interacting, and care. Technology is increasingly central to every aspect of human existence and semiconductors are the foundation. This is creating a cycle

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of explosive growth in semiconductors that will result in sustained growth for a decade or more.

The PC ecosystem, in particular, is experiencing a resurgence. The remote work and learning dynamics of COVID led to more PC shipments in 2020 than at any point since 2012, and that's continuing. In many markets, one PC in every home is no longer enough. The number of PCs per household, what we call "PC density" is increasing. We are seeing strong growth in education where, on a global basis, the number of PCs per 100 students and teachers still remains in the single digits. Every student needs a laptop and we have a long way to go. In addition, there are over 400M PCs running Win 10 that are over 4 years old today, which is an enormous PC refresh opportunity.

In Data Centers - With over 100M Xeon servers in the installed base, the world runs on Intel. Building on that foundation we recently launched our most advanced, highest performance data center platform optimized to power the industry's broadest range of workloads — from the cloud to the network to the intelligent edge. Another trend driving demand for more — and more optimized — computing performance is the infusion of Artificial Intelligence and Machine Learning into nearly every application.

### **Q: How well is Intel positioned to face the challenges of competitors?**

#### Related Questions:

- *How is Intel Corporation positioning itself to reach its full potential (valuation) with competition from AMD, Nvidia, Qualcomm, Apple and others siphoning off their core business?*
- *What is one thing that competitors have that you wish Intel had?*
- *What steps is Intel taking to address its ceding of a crucial computing market such as ML/AI computing to its rival Nvidia? Also, what is Intel's strategy to address reduction/loss of its datacenter market due to the development of chips to address the market needs by its major customers such as Amazon and Google and the increasing prevalence/use of cloud computing.*
- *What can Intel do to get the biggest share of the market?*
- *Please compare the performance of Intel to its competitors.*
- *What is one thing that your competitors have that you wished Intel had?*
- *Will Intel begin making lower energy consumption chips to compete with ARM's sudden rise in popularity with Apple and Amazon?*
- *Some computer makers are starting to produce their own chips. Is this projected to impact Intel business lines to any noticeable percentage?*
- *NVIDIA's ARM acquisition is considered to be a significant threat to Intel. One of the primary concerns is that the fundamental low power aspect of the ARM architecture is seen to have a huge differentiated advantage over Intel architectures for many applications (datacenters, mobile devices, etc.) especially since power is a significant driver. Can you clarify Intel's strategy to address this perceived threat?*

**A:** We are operating in an extremely competitive market and that we are responding with our IDM 2.0 strategy. Winning in the market means delivering leadership products across all our segments and we are uniquely positioned to address specific customer needs using our IDM 2.0 strategy.

Intel is the only company with the depth and breadth of software, silicon and platforms, packaging and process with at-scale manufacturing that customers can depend on for their next-generation innovations.

In the PC segment Intel is focused on delivering the most advanced PC experiences and a wide range of technology choices that redefine computing in our data-driven world. Intel-powered PCs provide global customers the best experience in the areas they value most, as well as the most open platform for developers, both today and into the future. x86-based PCs provide the widest range of platform options, unequalled choice, peripheral compatibility, and certainty that their favorite software will work.

In the data center, CPUs are our provenance. Only Intel is delivering CPUs today with built-in AI optimizations for data center workloads. Further, IDM 2.0 allows us to engage with customers in new and exciting ways. We have the unique ability to deliver customized solutions to large scale customers that incorporate the world's best technologies, including our leadership IP's, that can be mixed and matched with our customers' proprietary IP to deliver leadership products.

We are on offense and playing for continued leadership with a competitive roadmap ahead that spans multiple optimization points. We remain confident in our strategy to win more business by offering our customers a broad range of leadership products, software, services, and support.

**Q: Lately, I have been reading about the growing improvements and popularity of AMD Ryzen CPU. Any thoughts?**

Related Questions:

- *How is Intel going to reduce the price of general consumer products? For years AMD was known as the "value" product in consumer computing up until Ryzen 2. Now, with the release of Ryzen 3, the roles have switched, and Intel is now the "value" product in this space instead of the performance product. The problem with AMD is that they did this before they took more than 50% of the market share. In order to keep it, you need to reduce the prices of consumer computing products. I understand foundry services being implemented may offset the cost of new products, but what else is being proposed?*
- *Are there any future plans to merge with AMD?*

A: AMD's Ryzen products have gained some traction in the marketplace and we respect AMD as a competitor. However, we believe our current product offerings and roadmap of products put us in a position of product leadership. Our 10nm Tiger Lake mobile products have ramped beyond expectations, delivering leadership performance across many vectors, and our Alder Lake 10nm Enhanced SuperFin products are on track to ship later this year, delivering significant gen on gen performance gains.

Overall, we remain very confident in our position, our products, and our strategy to win in a growing PC TAM. Note that Intel has moved beyond just silicon into delivering leadership platform solutions such as EVO for thin and light laptops and vPro for enterprise environments. This platform level innovation combines hardware, software, and co-engineering to produce superior user experiences in devices that are more responsive, offer up to 50% better on battery performance, deliver leadership AI performance, run popular applications better and provide leadership security and manageability.

**Q: How will Intel maintain its relationship with Apple if Apple begins designing its own chips?**

Related Questions:

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- *How is Apple's plan to make their own chips affect Intel Operations? Is the company prepared for the potential loss of revenue?*
- *The financial press has been publishing asking whether Intel's best days are behind it. Apple has dropped Intel and the future of computing may have moved from the ubiquitous x86 architecture to new designs which Intel may be struggling to compete with. Can you comment?*
- *How does Intel plan to Counter the Apple M series chips that appear to provide superior service?*
- *How much of our business was for Apple chips?*

**A:** Apple's development and integration of their M1 chip has impacted our CPU sales to Apple, which has been addressed in our Full Year 2021 Outlook. Apple will continue to be a target customer for our various technologies. Intel will continue to advance its technology roadmap with the intention of winning Apple business, including the potential to bring Apple on as a foundry services partner.

**Q:** **When can we expect to see Intel create a GPU that can compete against high end Nvidia and AMD?**

**A:** Intel introduced its first discrete GPU products for consumer and datacenter applications in 2020. On the horizon, we will have Ponte Vecchio, a GPU-based product optimized for exascale and AI workloads that uses more than 40 different tiles integrated into a single package featuring more than 100 billion transistors delivering leadership performance across many vectors. Ponte Vecchio will help power Argonne National Laboratory's Aurora exascale computer – driving foundational scientific breakthroughs, innovation and discovery. Competing in the high-end discrete GPU segment is a key element of our XPU strategy to offer customers a full range of compute engines to optimally meet their needs.

**Q:** **There is substantial value in the Intel brand name. What are you doing to preserve this brand value and the culture associated with it? What are you doing to increase this brand value?**

**A:** Intel was named one of the world's most valuable brands by Forbes in 2020. Last year, Intel launched a new brand campaign that reflects its essential role in creating technology that impacts every person on earth and to maintain its standing as one of the world's most valuable brands.

We increase our brand value with our technology, our impact, and our team. We will continue to create breakthrough technology that enables our partners and customers to do more for their businesses and the people they serve. We will celebrate our team and our ecosystem of world changers – and all the wonderful things they do to impact the world.

**Q:** **What do you consider to be the greatest threat to Intel's business model?**

**A:** We describe important risk factors for Intel's business and investments in Intel in our SEC filings, particularly in the "Risk Factors" section of our 2020 10-K starting on page 53.

**Q:** **How is the company positioning itself in the growing electric vehicle market?**

### Related Questions:

- *What is your expectation for the performance of Mobileye? How is it performing? It is one of the main reasons I have invested in Intel.*

**A:** Intel is not directly indexed to the electric vehicle market. However, with Mobileye we have a fantastic business in ADAS and autonomous driving with significant growth potential and production design wins with almost all of the world's top auto manufacturers. In 2020, Mobileye shipped over 19Mu of its industry leading EyeQ SoCs and won 37 new designs representing over 36Mu lifetime volume. We continue to make strong progress enabling increasing levels of autonomy. Some highlights – we have productized the camera subsystem of our Autonomous vehicle (AV) solution – called SuperVision – with a design with Geely and more to come. Our AV commercial robotaxi service in Israel is slated to begin service in 2022 and we have MaaS agreements with key players around the world, including the RATP group, Transdev and Willers. In Q1'21 Mobileye had its best quarter ever with record revenue of \$377M representing 48% YoY growth. In addition, Mobileye and Udelv announced that Mobileye's self-driving system – called Mobileye Drive – will drive Udelv's next-generation autonomous delivery vehicles.

**Q: What is the status of the Altera integration? Are they fully integrated yet? Are there integrated products to be expected?**

**A:** Altera is fully integrated into Intel. The FPGA business is reported in Intel's quarterly financial results as the Programmable Solutions Group (PSG). There are multiple examples of Intel® FPGA and Intel® eASIC™ technology combined with other Intel products, IP, and software to deliver data platform solutions servicing needs across the Edge, Network, and Cloud. Examples include various Intel® FPGA Programmable Acceleration Card (PAC) solutions as well as the Intel® vRAN Dedicated Accelerator ACC100. More details about the technology, product offerings, and strategy can be found in Intel's Annual Report as well as at [www.intel.com/fpga](http://www.intel.com/fpga).

**Q: Interested in what products that Intel will producing which will support the revolution into 5G? With the introduction of these products, what increase in profit is expected?**

**A:** Intel is the world's leading network silicon provider, generating \$6B in revenue in 2020, up 20% from 2019. Intel is also the leading silicon provider for 5G base stations today. To enable the global scale of 5G, we offer a full suite of optimized silicon, accelerators, Ethernet devices and software, partner with the community to drive standards and foster a robust global partner ecosystem. More information on our 5G product portfolio can be found [here](#).

In addition, we recently announced Network Optimized 3rd Gen Intel Xeon Scalable processors (N-SKUs) are designed to support a diverse set of network environments taking advantage of 3rd Gen Xeon Scalable processor's lower latency, higher throughput, and performance with a variety of core counts and power envelopes. On a range of broadly deployed network and 5G workloads our customers will see up to an average of 62% more performance compared to the previous generation. Also, the next generation Intel Xeon D processor is sampling now and is designed for the edge, spanning network, cloud and IoT use cases. More information about these announcements can be found [here](#).

**Q: Where is Intel on leadership in the area of AI?**

Related Questions:

- Does the board see digital twin AI as an investment in Intel?

**A:** Intel's latest 3rd Gen Intel Xeon Scalable processor delivers a balanced architecture with built-in AI acceleration and advanced security capabilities, designed through decades of innovation for

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the most in-demand workload requirements. Intel expects to lead in many workloads including AI training and inference. Ice Lake-based solution platform features can help enable workload acceleration such as DL Boost, Optane Persistent Memory, AVX-512, crypto, QAT, and DDIO to improve performance in critical AI workloads.

In addition, Habana advances Intel's AI strategy and strengthens its portfolio of AI accelerators for the cloud and data center. Habana Gaudi accelerators are specifically designed for training deep learning models for workloads that include natural language processing, object detection and machine learning training, classification, recommendation, and personalization. AWS has announced that they will leverage Gaudi accelerators for machine learning workloads.

**Q: What research and development is Intel doing in regard to quantum computing especially as it regards to trapped ion on silicon development? What R&D is Intel pursuing in regard to optical circuitry?**

### Related Questions:

- *Any on-going R&D in the area of quantum computing?*

**A:** Intel is focusing its quantum hardware research in three areas that are strongly differentiated from other approaches in the industry: 1) we're leveraging our proven, deep expertise in the design and manufacturing of transistors at massive scale by using spin qubits which closely resemble transistors 2) we're building a custom, highly-integrated system-on-chip (SoC) called Horse Ridge for quantum controls that is designed to operate at cryogenic temperatures and minimize the complexity of quantum interconnects as those systems scale and 3) we're investing in capabilities like a custom-designed cryoprobe that dramatically speeds up time-to-information for our quantum testing and validation workflows. The probe is built to test qubits on an entire 300-millimeter wafer at temperatures of just a few kelvins. All these three areas represent highly differentiated research efforts with a focus on achieving quantum scale.

Intel is taking a full stack approach to quantum research—spanning hardware, software, compilers, algorithms and applications—which is essential for building useful, practical quantum systems that can deliver real-world benefits across every field – from cryptography and security to drug discovery to things we can't yet imagine. We call this quantum practicality.

**Q: What is Intel's commitment to 3D-Xpoint technology now the Micron has shut their factory? Optane seems like a very promising technology that has not been properly marketed and supported, in my humble opinion. The prospect of a computer with a single non-volatile RAM/Storage component that could replace separate RAM and storage devices, and be instant on and off with no data or context loss, seems game-changing. However, I've seen very little consumer promotion of this technology and fear that Intel's commitment to it is waning. Will Optane move from the data center back into consumer devices?**

**A:** Micron's announcement doesn't change our strategy for Intel Optane or our ability to supply Intel Optane products to our customers. Intel continues to deliver Intel™ Optane® SSD and Optane® persistent memory product lines.

**Q: Do you see growth occurring organically or via acquisitions?**

### Related Questions:

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- *Will Intel perform new company acquisitions?*

**A:** As outlined in our capital allocation strategy, Intel is committed to investing to support growth both organically and via M&A. We are focused on three priorities: 1) investing in R&D and capital spending to strengthen our competitive position, 2) investing in companies around the world that will complement our strategic objectives and stimulate growth of data-centric opportunities, and 3) returning cash to shareholders in the form of dividends.

**Q:** **Has anything surprised Mr. Gelsinger in his role as CEO since taking the position?**

**A:** As Pat shared during the Q&A session of the Intel Unleashed event on March 23<sup>rd</sup>, 2021, *“One of the cool things that I found when I came back was that, even though there were some issues in the process technology, the 3D packaging technology, perfect, unquestioned leadership. And this gives us the ability to not be doing chiplets, but to be doing tiles, as I describe it. Because of that packaging technology, we don't have to buffer, right, interconnect. It's actually like a long wire on chip. And that packaging technology is part of what gives us a really cool advantage in the next generation of our process roadmap. We're going to be able to mix and match tiles from different process technologies, but bring them together as if they were one single chip. And we'll be moving from system-on-chip to system-on-package.”*

**Q:** **Does the future of Desktop/Laptop board Intel CPU include integrating antivirus (protecting boot)? A competitive advantage over AMD?**

### Related Questions:

- *What has Intel done to protect its processor chips from covertly implanted malicious circuitry?*

**A:** We recognize that massive shifts in how we live, work, connect, and communicate continue to increase the need for technologies that people trust, built on a foundation of security. We prioritize security in two ways: in the way we work, through our culture and practices aimed at delivering high performance and protections in everything we build; and in what we work on, through our relentless pursuit of security-driven innovations that help our customers tackle today's toughest challenges.

We have deep experience in enabling security, as well as a comprehensive suite of technologies that help secure entire systems and deliver defense in depth. We engineer security solutions to meet specific challenges centered around three key priorities: foundational security to help systems come up as expected, workload protection to improve security of data in use, and software reliability to build in hardware-based protections against common software threats.

We have a dedicated team of experts who continually research and test products internally. This work is scaled through practices that include red teaming and hackathons. We use what we learn to improve our products and practices, and we collaborate with world-class industry partners, global security researchers, and academic institutions to advance security research across the industry. For more information, read our [Intel Product Security 2020 Report](#).

**Q:** **There was a significant cybersecurity attack on a major piece of US infrastructure last week. How prepared is Intel to deal with a cybersecurity attack?**

**A:** Enterprise security is a priority for Intel's IT team. To read more about how Intel IT's cybersecurity

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protocols, please visit the [2020-2021 Intel IT Annual Performance Report](#).

**Q: As an ex-employee of the company, I know many divisions in the company are redundant or do not provide much value. As a stakeholder I would want to know why company is not cutting those roles?**

**A:** We are prioritizing recruiting and retaining talent and growing our core business, which includes focusing on our IDM 2.0 strategy.

**Q: What accounts for the difference between GAAP and non-GAAP operating cash flow?**

**A:** The difference between GAAP and non-GAAP operating cash flow is capital expenditures (see free cash flow reconciliation on page 49 of our most recent 10-K).

**Q: Do you have a long-term plan to increase operating margin and free cash flow?**

**A:** We will share more about our long-term financial outlook at our Investor Meeting later this year.

**Q: Has the recent corporate tax cuts significantly increased the company's bottom line?**

**A:** As stated in our Q1 2021 Earnings press release, [here](#), our full-year 2021 tax rate and EPS non-GAAP outlook are 13% & \$4.60, respectively. Historical financials can be found [here](#).

**Q: Question relates to research and development. What percent is it of - whatever line item you use - and how does that compare with the past? Is there a correlation between R&D and company profits - even if there is a lag.**

**A:** Per page 40 of Intel's 2020 10-K, Intel increased R&D spending to \$13.6B in 2020, which is higher than the \$13.4B of R&D spending in 2019. We increased R&D from 2019 to 2020, but revenue grew at an even faster rate, which resulted in R&D as a percentage of revenue declining from 18.6% in 2019 to 17.4% in 2020. Successful R&D efforts can lead to new products and technologies or improvements to existing ones. We continue to invest in R&D to accelerate our growth and profitability.

**Q: In the 2020 Annual Report under Consolidated Statement of Cash Flows, in the line entry "Purchases of Trading Assets", what do these assets consist of, as per the statement \$22.3 Billion were purchased in 2020 versus \$9.1 Billion in 2019?**

**A:** Trading assets are predominantly comprised of marketable debt investments that are economically hedged at inception with a derivative instrument. Refer to the Fair Value footnote on page 98 of our most recent 10-K for a summary of the types of trading assets held as of December 26, 2020.

**Q: Debt management. Total leverage in the long-term debts is 49.91% compare to tangible assets value. Also, the average borrowing rate is over 2.70%. Compare to the corporate bond rate of 1.75%. The borrowing rate is very high. Why is that? Do you have a plan to reduce borrowing rates and also increase debt payments?**

**A:** Intel's borrowing rates are in line with its credit rating. Intel's average borrowing cost reflect historical coupons vs. current borrowing rates. In recent years, Intel has extended its weighted average maturity to take advantage of the flat yield curve with a marginal impact on borrowing

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cost. The company continues to monitor debt markets to support the company's corporate objectives.

**Q: In the annual report, you have given the stock performance in last five years. However, compared to S&P500, the stock performance is not satisfactory. 154/335, it is less than 50% (45.97%) compared to S&P500-IT. Why is it? Do you have a plan to increase the share price performance, not by share repurchase program but by increasing true earning potential?**

### Related Questions:

- *I have been a stockholder for 33 years and am frustrated and disappointed about how poorly the stock has performed. Intel used to be the leader. What can I expect in the future, or should I just buy AMD stock instead?*
- *Do we have an upcoming event or product release on the horizon that could provide a stimulus for a major share price increase?*

**A:** In March, our new CEO Pat Gelsinger announced our IDM 2.0 strategy, outlining our path forward to manufacture, design and deliver leadership products and create long-term value for stakeholders. IDM 2.0 is a major evolution of our IDM model. It is based on the powerful combination of three capabilities: (1) Intel's internal factory network, (2) strategic use of external foundry capacity, and (3) our new Intel Foundry Services.

We believe our IDM 2.0 plans will put us on a path to restore process performance leadership and build on our leadership packaging technologies, delivering our customers leadership products in every category that we participate in, and ensuring superior capacity and supply resilience with flexibility leveraging our internal and external capacity, all with a superior cost structure. We will take all these advantages to also serve customers as a world-class foundry business. IDM 2.0 is a differentiated and winning formula that we believe will create long-term value for our investors.

**Q: What sort of investor do you seek as an Intel shareholder?**

**A:** Intel's management is focused on the creation of long-term value for its stockholders. Technology is increasingly central to every aspect of human existence, and semiconductors are the foundation. The digitization of everything, accelerated by COVID, is driving explosive growth in semiconductors that we expect to last for a decade or more. Intel is well-positioned to capitalize on this trend and we are making long-term investments to meet unprecedented demand for semiconductors as part of our IDM 2.0 strategy. We welcome investors who see the same magnitude of opportunity for Intel as we do.

**Q: As a stockholder I am interested in learning about what is in the pipeline for tech progress at the earliest possible moment. How can Intel help to provide this information for us in a less technical way?**

**A:** Intel's investor website, INTC.com, contains the latest news, webcast events, and other investor information for following Intel's business and strategy.

### Manufacturing

**Q: How quickly will Intel catchup and move back out front to leadership in utilization of the most advanced chip production equipment (thinking of move to 7 and 4 nm)? Will Intel skip one level to accelerate the catch up (i.e., skip 7 nm and instead deploy 4 nm) in time to match or**

**exceed TSMC move to 4 nm? If not, how will this continued lag by intel effect its market share in all categories? Does not longer-term chip pricing power ultimately rest on utilizing the most advanced manufacturing consistently over time?**

Related Questions:

- *It seems that Intel is lagging in the development of chips. Competitors, such as Nvidia, seem to be getting the more lucrative contracts with companies such as Apple and Tesla, and Intel once dominated the R&D of chips. The forecast of a smaller chip by 2029 wasn't encouraging. Is Intel going to branch out into other markets and diminish its manufacture of chips? I've had stock in Intel for over 20 years and have been very pleased with the investment and the continued direction of the company.*
- *Why is Intel so far behind on the Roadmap to 7nm? Do you expect the delay in your Roadmap to 7nm to cause a ripple effect through 2029?*
- *Why does Intel Corporation continue to lose market share to its rivals? What plans does the Company have to re-engage its workforce to resolve manufacturing issues and create and develop world-leading best-in-class products?*
- *Was the 10nm delay significantly exacerbated by the need to accommodate memory management and enhanced interfaces for support of Optane memory?*
- *Have the development of foundries like TSMC not changed the competitive landscape for Intel for good, especially with respect to competition with AMD but also with large tech companies like Microsoft, Google, Amazon now designing their own chips?*
- *TSMC is setting a mega fab in Arizona. How does this impact Intel's business?*
- *Will you be able to produce your most sophisticated chips in the USA after completions of the Arizona plants?*
- *How long will it take until the two new fab plants in Arizona are producing chips?*
- *How will Intel ever catch up with TSMC? It seems Intel is falling further and further behind in technology using 5 and 7 nm technology. I applaud Intel continuing to invest in fab in the U.S. though the R and D issues seem to be a bigger problem?*
- *What are you doing to address the competition from TSMC?*

**A:** *As Pat shared in the 2021 ASM, "That's a great question. And at the highest level, we are going to deliver leadership products in every category that we participate in using internal and external capabilities. This is critical for us to win in the marketplace. And leadership products are created through not just leadership process technologies, but the right combination of process, packaging, Silicon and platform software, and at scale manufacturing. And this unique combination is something that is truly only available to Intel. As it pertains to our process technology, we have set ourselves an aggressive course to have an annual cadence of new process technology capabilities, such as the SuperFin work. We're setting that aggressive cadence to quickly get to a point of parity and leadership. And with that, we see the IDM 2.0 model that will uniquely enable us to deliver the best products using the best IP, the best leadership capabilities and process and packaging. And we've seen that our unquestioned leadership and breakthrough areas such as 3D packaging technology give us some areas that we get to rely on as we work to have unquestioned leadership in every category. I'm also happy to report that seven nanometers is healthy and we're seeing very rapid progress in that area as we fully embrace EUV, extreme ultraviolet lithography, the core of any process technology effort. And this progress is now being well seen inside of our own internal work. Our goal is that all of these capabilities bring us together to have process leadership, packaging leadership, system and platform leadership, software leadership, at scale manufacturing. This is a winning formula and that's the course that we are setting for overall Intel."*

**Q: What is the company doing to address the global semi-conductor shortage? This seems like a great opportunity for Intel as demand has never been higher.**

Related Questions:

- *The Covid "shelter in place" turned into a year-long work from home or furlough for many people across the country. Not many people are talking about the supply chain disruptions that are starting to bubble up throughout the economy as raw materials have been used up and supply lines have run dry. Can you speak a little about how this has affected Intel vs the competition and how you are (hopefully) positioned to take advantage of how this affects your competition?*
- *How could you all allow a chip shortage to happen?*
- *Is Intel affected by the material IC shortage?*
- *How does Intel plan to manage and overcome the chip shortage other than build 2 new factories in Arizona for \$20 Billion? And can Intel expedite the current 2-year plan?*
- *The dependency on manufacturing of American Technology in Asia has been a challenge for many years. Risking both Intel's intellectual property and supply line disruptions from China have been a well-known risk for decades. Most organizations have a diversification strategy to protect it from supply chain disruptions. Why has it taken this long to announce the beginning of construction on a manufacturing plant in the United States?*
- *Are you seeing any sort of inflation pressure building in raw materials prices?*
- *The global chip shortage as we know it to be, besides trying to get production back where it needs to be and meet all aspects of both manufacturing and consumer demand, what are you doing to possibly prevent a similar shortage from occurring again in the future?*
- *The semiconductor industry is fragmented from the design process through manufacturing, with no country's firms dominating the entire supply chain. This makes the current chip shortage more relevant as industry and government attempt to address this issue. Notwithstanding the recent virtual summit arranged by the White House attended by CEO Gelsinger recently, how confident is the company that they will be able to "weather this storm"?*
- *Intel is an attractive investment because it not only creates awesome new chips but also manufactures them. Are there plans being developed to build/expand chip manufacturing capabilities? I hear so much information about the chip shortage. What is Intel's plan to manage a competitive edge?*
- *This may seem simplistic but given media reports of a chip shortage what is Intel's capacity for and production status? Are Intel products manufactured overseas? Is lack of or slowed ability to import & export globally affecting Intel's profits? What about its ability to compete against other chip makers given the current business climate for chip makers?*
- *With the current chip shortage in the news is Intel going to increase capacity by building a factory in the USA?*
- *With adding your own chip manufacturing capacity in a couple of years' time, will this create global overcapacity and actually benefit your competitors in terms of cost?*
- *Many people have added to their variety of electronics during 2020. Personal and vehicle and appliances all need computer chips. Is Intel able to keep up with the demand?*

**A:** *As Pat shared in the 2021 ASM, "Yeah, it's a great question. And as I said to my earlier remarks, this digitization of everything that was accelerated by COVID is driving this explosive growth in semiconductors globally, but it also disrupted the supply chains. And that gap of disruption and acceleration has created a unprecedented gap. Intel has more than doubled our internal wafer capacity in the last several years. And given some of the announcements that you've seen with our investments and factory capacity expansions, we plan to continue to grow our overall*

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capabilities in CPU supply, and server supply. All of these, as we continue to race rapidly to meet this large demand environment. The industry is also challenged by the shortage of Foundry capacity, substrates and components. And it will take a couple of years for us to entirely work through these gaps as I've suggested. But again, we're stepping in as rapidly as possible. And some of the unique capabilities of our IDM 2.0 strategy will help us to navigate these periods of time. As we engage with customers across every industry, finding ways to help them close their gaps and working closely with their suppliers, our own internal assembly and factory network has been working to remove constraints for substrate suppliers, one of the key shortages, and this is adding millions of units to our output, but helping them to meet other requirements as well. So overall, we feel very confident that our strategy is on the right track. Clearly it's a hot semiconductor market. The opening of our Foundry business will enable us to meet more customers' needs and more areas and overall work to satisfy a market that is increasingly, the world becomes digital they need more semiconductors to run it. And this is a great time for Intel and the semiconductor industry."

**Q: With the current chip shortage, will Intel bring back more chip manufacturing factories to the USA in the future?**

### Related Questions:

- Will Intel endeavor to locate research, development and manufacturing facilities in the United States, and employ citizens of the United States whenever possible?
- Is the proposed chip manufacturing facility in Arizona expected to replace the chip manufacturing capacity and purchases of chips from Taiwan Semiconductor?
- What is going to happen if Taiwan no longer provides chips for the industry? Is our country ready for this?
- Has the company increased manufacturing in the USA?
- How long will the new facilities for manufacturing take to build?
- What would it take for Intel to start and or expand building chips in North America? Is this a financial decision or a labor availability decision to continue to make in Asia? Would Intel consider investing in robotics for chip manufacturing to level the playing field globally?
- Given that the majority of chips are made in Taiwan and China is becoming more and more aggressive about its territories. Why are we not moving production to a more stable country like Australia, India, or USA?
- What are Intel's plans to limit its technology exposure in China?
- Given what we have seen with China due to this pandemic, I firmly believe, as a shareholder, that we should either relocate our operations out of China or add them in a vibrant democracy and American ally like India to have adequate offshore manufacturing capacity. The Government of India is looking for investors in semiconductor manufacturing and is providing attractive subsidies. Given the high quality of human resources and their low cost in India, building and running a Fab in India would be a compelling investment for Intel and could complement our operations in Bengaluru. Can you please look into this query and share the board's position/decision?
- Why does Intel not make the majority of their microchips in USA instead of other countries? Train people in the USA, we need the jobs, and no potential national security crises for a global chip shortage? Learn from the Pandemic?
- In view of the unstable political situation in Asia, and the possibility of severe damage from earthquakes, do you feel that your sources of semiconductor foundry services are secure enough to avoid business disruptions? Do you have adequate production capabilities outside Taiwan?
- Since domestic production of chips is vital to our security as a nation, why is there no tariff

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*placed on imported chips? Is Intel in talks with the President and members of Congress about putting these tariffs in place, and soon?*

**A:** From 2019 through 2021, our US investments will total approximately \$27 billion in R&D and \$33.5 billion in CapEx. We estimate these investments are creating as many as 25,000 US jobs, an important step in support of the growth of the US economy. We also continue to invest in and expand our manufacturing capabilities globally. For example, together our R&D and CapEx investments in Ireland and Israel will total nearly \$17 billion from 2019 through 2021.

Intel's global advanced manufacturing and scale is also critical for the U.S. Government to have a domestic source of state-of-the-art electronics. To that end, we are honored to be competing right now for the U.S. Department of Defense contract to develop a domestic commercial foundry that will also meet the security needs of the U.S. Government. Intel has an established track record of success partnering with the U.S. Government to support critical advanced computing programs. We believe we have the right partner for the U.S. Government with our leadership technology, existing U.S. manufacturing footprint and a strong ecosystem of suppliers and innovators. We are committed to advancing U.S. competitiveness for the future of the country.

**Q: IDM 2.0 is great and I am excited about it, however, the other foundries like TSMC are so far ahead technologically to produce advanced chips at scale. What would make a customer come to Intel foundry instead of going to TSMC? I would like to hear your thoughts on this.**

### Related Questions:

- *Given the importance to be successful with foundry services provided by Intel to balance US/Europe manufacturing capacity with Asia dominating currently, what are the plans to completely separate this business operationally/ organizationally from the IDM part to get a competitive edge?*
- *What should we expect the profitability of IFS be by 2028, since TSMC enjoys 90% of the profits of the foundry industry?*
- *Will Intel's expanding foundry business offer fabrication service at more mature technology nodes? What is the oldest node Intel plans to offer businesses looking for an onshore fab?*
- *What lessons has Intel learnt from the Intel Custom Foundry experience that will be applied to the IDM2.0 plan that was unveiled recently?*

**A:** IDM 2.0 is a bold strategy that will enable us to deliver a new era of innovation, building on our manufacturing heritage, our robust product leadership, but also step into this global exploding demand for semiconductors. With IDM 2.0, we're going to build on our internal factory network. And we're going to use that factory network to reliably deliver leadership products, but we're also going to swing open wide the doors of our fabs and our manufacturing capability to deliver to our customers, new services, new capabilities. In this era of semiconductor shortages, we're going to deliver a major new capability, Intel Foundry Services.

The early response to Intel Foundry Services has been incredible. And we're already engaged with well over 50 customers who are exploring how they can use this to benefit their business. From tech giants, from cloud service providers, automotive, high-performance computing, all of them are saying, "How can I use these new capabilities that are now becoming available to me?" Intel and the industry see the need that more capacity is required to meet the strong future demand.

Against that, we've been leaning in and rapidly expanding our fab and foundry capabilities. We have announced a \$20 billion investment in Arizona fabs, expanding the capabilities of our

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foundry and our standard products to meet those customer requirements. We've also expanded our presence in New Mexico with our leadership packaging technologies with a \$3.5 billion investment. We've also announced that we will be opening our next major U.S. and European sites before the end of this year.

We're committed to ensure a sustainable, secure semiconductor supply chain for the world that's balanced across the geographies of Asia, U.S. and Europe. The world needs more semiconductors, and we're stepping into make that possible.

We've also said that these capabilities are so critical, that government and industry partnership needs to enable us to scale because these demands are immense. And we're working with governments around the world as they recognize the critical nature of semiconductors, advanced chip manufacturing and capacity as they prepare for their futures as well.

We're confident that the IDM 2.0 strategy will drive innovation and continued technology leadership for Intel. We are on a path to restore our process performance leadership. We're building on strong leadership areas such as packaging, even as we rapidly resume our process technology leadership. We have superior capacity and supply resilience by leveraging our internal capabilities but also external capacity as well, all done with a superior cost structure. And all of this is critical to deliver that steady cadence of leadership products that our customers can depend upon.

**Q: American automakers are experiencing a chip shortage that is delaying the production of many new and advanced models. Can Intel help provide the necessary chips?**

### Related Questions:

- *How confident Intel would be able to build semiconductor for auto and national defense industry? Do Intel receive support from government to achieve this goal?*
- *Would you push to open the fabs to 3rd party orders or custom orders for example car manufacturers?*
- *What are your plans to satisfy the demand for auto semiconductors?*

**A:** We've been responding to and proactively engaging with automotive component suppliers on how we can help them with their supply chains and alleviate shortages in both the near and long term. We see some opportunities to help in the short term while we bring the strength and capability of Intel, including our Intel Foundry Services, to support the long-term needs for this critical market segment. Today we supply several integrated solutions to auto makers. We are working with our customers to optimize output and provide any additional volume we can to support immediate needs.

With the launch of Intel Foundry Services, we are excited to work with the automotive manufacturers to offer a broader solution portfolio including leadership packaging, design services, a strong menu of advanced IP and access to leading node foundry processes, whereas most solutions for auto are on mature nodes today. Additionally we are leveraging our deep supply chain partnerships to come up with creative solutions to alleviate bottlenecks in the automotive semiconductor ecosystem today, such as using our packaging and backend capabilities to relieve constraints in assembly and test or other methods to improve supply or output.

In the longer term, Intel will help build a more resilient supply chain. With the strength of our IDM

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2.0 model, we are making significant investments in capacity, technology and supply chain capabilities to deliver secure and predictable supply to auto makers and other customers across multiple industry segments.

**Q: Third Point shared in its open letter to Omar & the board that solving Intel's human capital management issue should be the Boards most urgent task. Would you agree or disagree? What is being done to address the challenges of critical employee retention, and with all due respect, when will you start holding ELT leaders accountable for this priority? In particular, what is HR doing to address this issue?**

### Related Questions:

- *Are you going to hire more manufacturing-based people to dig yourselves out of the accepting of constant delays within your fabs?*
- *Are you committed to placing the best candidates/employees in a position or are you fearful of backlash and peer pressure?*
- *Are you committed to creating an environment that each employee is evaluated on their talent and character and nothing else?*
- *What is Intel doing in partnership with schools to foster the pipeline of talent required to maintain her competitive edge?*
- *Is Intel going to promote from within the company and the Board to consider succession to CEO and President from within?*
- *Intel's popularity worldwide reflects clearly in the company's resilience to setbacks. Product debug and/or failure analysis from the manufacturing to product engineering groups should be wise in hiring and retaining graduate candidates with relevant engineering background and experience in failure analysis. Intel can still catch up to its competitors if the right people with the right knowledge are utilized effectively and techniques that newly hired talents bring from prior experience is not criticized. Reinventing the wheel is done too often at Intel's fault isolation or failure analysis/debug teams, geographically displaced labs often compete for existence, when is this going to change?*

**A:** We invest significant resources to build a diverse, inclusive, and safe work environment to attract, develop, and retain the talent needed to remain at the forefront of innovation. Our workforce is highly skilled, with approximately 90% serving in technical roles. We set high expectations for our managers and leaders on their roles in activating our people strategy. This strategy includes four key areas: empower talent to be Intel's essential growth lever; evolve our culture and development of inspirational leaders; amplify our technologists' impact; and be the most diverse, inclusive, and responsible company on the planet. Our executive leadership team is held accountable each quarter to update progress for their organizations in these areas.

We've onboarded more than 2,000 engineers this year and plan to add several thousand more by the end of the year. We are reigniting our culture to attract, retain and motivate the best technologists.

**Q: What do you consider to be the three most important components of the Intel culture and what are you doing to ensure that the company is adhering to them?**

**A:** We are focused on four areas to deliver leadership products and digital innovations in the years ahead: one, be the leader in every category in which we compete; two, execute flawlessly to our commitments; three, passionately innovate with boldness and speed; and four, reignite our culture to attract and motivate the best engineers and technologists on the planet. In addition, we

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have taken actions to integrate our inclusion expectations into our culture evolution, performance management systems, leadership expectations, and annual bonus metrics.

**Q: During the previous CEO's tenure, many people were laid off that were of excellent caliber and contributed to the bottom line. This happened over multiple years, due to their age (EEOC claim) or circumstances around the way they were issued RSU compensation in-lieu of pay. What is the board and/or the CEO doing about re-hiring good people that have not been able to be re-hired due to HR policies surrounding this?**

### Related Questions:

- *I was a long-term employee without performance or other issues during my 22 years of employment. In 2016, I was terminated and walked out of the building as if I was a criminal as a result of the Krzanich-led reduction in force. Human Resources support to affected employees was disgraceful. Will Intel ever apologize to employees who were treated so poorly?*

**A:** Personnel decisions in our 2015 and 2016 actions were based solely upon business needs. Factors such as age, race, national origin, gender, immigration status, or other personal demographics were not part of the process when we made these decisions. The EEOC has concluded its investigation and offered to work with Intel to address its concerns. This is a voluntary, cooperative process to resolve issues outside of litigation, and not a finding by any court that Intel violated any laws.

**Q: At which sites do you foresee the most growth happening, in the next few years? What are your plans for the Chandler Arizona site, in the next few years?**

### Related Questions:

- *Why chip plant in Arizona rather than California?*
- *Will Intel be leaving California as many other companies have chosen to do recently? If not, why not and if so, why and what would be the reason and the time frame.*
- *What are Intel's engagement plans for Germany? With the recent de-investments, it looks pretty much as Intel is focusing on other countries. Are there any firm plans to strengthen Intel's presence in Germany? If no: what is preventing Intel from betting more on Germany?*
- *Would Intel consider building manufacturing capacity in England?*
- *What global regions do you see providing the greatest potential for growth over the next 3 years?*

**A:** Intel's global, internal factory network for at-scale manufacturing is a key competitive advantage that enables product optimization, improved economics and supply resilience. We recently announced plans for two new fabs in Arizona to support expanding requirements of our current products and customers and provide committed capacity for foundry customers. We begin construction on our new Arizona fabs this year and will be production ready by 2024. We also announced an investment to equip our New Mexico operations for the manufacturing of advanced semiconductor packaging technologies. In addition, we are currently expanding our operations in Oregon, Ireland and Israel. We expect to announce our next phase of expansions in the US, Europe and other global locations within the year.

**Q: Intel's measurements of "nanometers" has been more conservative than competitors. This makes some sense when Intel is significantly ahead of competitors. This seems true especially**

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**considering the challenges of a more complex processor and instruction set. Is Intel going to redefine their measurement so that over several generations it resembles the measurement used by competitors?**

**A:** It's widely acknowledged within the industry that there is inconsistency and confusion in nanometer nomenclature, and it does not reflect the latest innovations at the transistor level. We believe we have a strong process technology roadmap that will deliver significant improvements on an annual cadence.

**Q: How much is the company receiving in subsidies and other incentives from different countries and states where it operates? Specifically, how much in incentives is Intel receiving from the US government for its fab expansions? For the Arizona expansion, how much was it from the expansion started during the Obama administration?**

### Related Questions:

- *Is the role of the board of Intel to influence government policy?*
- *Will the U.S. Government give Intel financial support building the new plants in Arizona?*

**A:** Incentives in any particular country can be identified either in its public laws and available to all entities that qualify, or they are company specific and confidential due to competitive concerns. Intel has not received anything from the U.S. government specifically for its fab expansions, including in Arizona. On January 1, 2021, the U.S. Congress passed the CHIPS for America Act, which authorizes the issuance of federal grants for semiconductor manufacturing facilities and related activities. However, that legislation has not yet been funded.

**Q: Shortly after Pat announced 20 billion investment for 2 fabs and foundry across 5 years, TSMC announced 100 billion investment in 3 years. Are we really spending enough to improve our ROI?**

**A:** We announced plans to invest approximate \$20 billion over the next several years to build our first large-scale foundry operation in Arizona. This supports our ability to provide committed volumes to our customers as well as providing additional capacity for the increased demand for our internal requirements. We've also announced that we will be opening our next major U.S. and European sites before the end of this year.

**Q: The Chinese government has vowed to spend \$1 trillion over the next 5 years to achieve dominance in the semiconductor industry. What is Intel doing to counter this?**

**A:** Earlier this year, U.S. Congress passed the Creating Helpful Incentives to Produce Semiconductors (CHIPS) for America Act as part of the [FY2021 National Defense Authorization Act \(NDAA\)](#). The bill, which passed with strong bi-partisan support, tasks the Department of Commerce with establishing a program to provide up to \$3 billion in federal grants for each project involving an investment in facilities and equipment in the U.S. for semiconductor fabrication, assembly, testing, advanced packaging, or research and development. The bill also allows the Department of Defense to provide federal grants for the development of measurably secure microelectronics. President Biden's American Jobs Plan proposes important investments to upgrade our nation's infrastructure, including \$50 billion in necessary semiconductor manufacturing investments. Democrats and Republicans have found rare agreement on the importance of smart investments in domestic semiconductor manufacturing. Meanwhile, we continue to invest in our R&D and manufacturing capabilities, having recently

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announced a \$20 billion investment in expanding our wafer fabrication facilities in Arizona, and \$3.5 billion to expand our operations in New Mexico, with a focus on advanced semiconductor packaging technologies.

**Q: Please describe the advantages to the IBM partnership that have recently been announced (manufacturing).**

**A:** At our March 23<sup>rd</sup> Intel Unleashed event, we announced plans for a new research collaboration with IBM, focused on next generation logic and packaging technology. Leveraging each company's capabilities and talent in Hillsboro, Oregon and Albany, New York, this collaboration aims to accelerate semiconductor manufacturing innovation across the ecosystem, enhance the competitiveness of the U.S. semiconductor industry and support key U.S. government initiatives.

### ESG: Environment

**Q: What is the firm's 5-year roadmap for streamlining energy costs, reducing the carbon footprint of both operations and product line, and leveraging the advantages of 21st Century technological advances in the energy sector?**

#### Related Questions:

- *What provisions have you made in your long-term financial and business plans for the risks that climate change presents to Intel? Please be specific as the type, timelines, and costs.*
- *Does Intel have investment in future technologies, especially those associated with advancing renewable energy sources and the concomitant energy storage technologies? Specifically, liquid metal batteries and their charging/discharging control systems?*
- *What are the costs and measurable benefits of using renewable energy? How is it possible to be using '75% renewable energy globally during the year', when the primary sources of renewable energy - wind and solar - generate usable power at best 0-50% of the time? How are you going to get 100% renewable energy by the year 2030? Are you using batteries or some other technology to store the energy when the sun isn't shining or the wind isn't blowing? I am concerned since renewable energy combined with backups is much more expensive and unreliable than traditional forms of energy. Intel is an energy-intensive company where power outages will have major negative impacts.*
- *Does Intel management participate in research regarding low mass energy storage devices which could become a commercial platform that could replace Lithium storage devices in nine years or less?*
- *What is being done to reduce the carbon footprint in the environment? Climate change is real.*
- *What is the company doing to reduce material packaging and for its recycling and reuse?*
- *How is Intel addressing its Carbon and Energy footprint? In addition to increasing energy use efficiency, use of Green Energy, what other actions is Intel committed to migrate to Net Zero. Does the company have a Net Zero Objective, if so, in what time frame?*

**A:** As Pat discussed in the 2021 ASM, "It's a great question. And again, Intel has been a long-term leader in addressing energy efficiency, environmental impact, addressing climate change, and as part of that, reducing our own climate footprint and working with our suppliers and our ecosystem to help them reduce theirs as well. Since 2000, we've reduced our scope one and scope two emissions by about 28% on an absolute basis even as we expanded our manufacturing capacity significantly. I'm very proud of our 2030 RISE goals. And as I commented to my earlier statements, we're proud of our RISE program because it sets aspirational goals, goals that we don't know how

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*we're going to get there yet. It's going to require continued innovation and action on our part to meet these aggressive goals. And a key part of that is in fact, environmental footprint and climate change. And we've set targets to conserve 4 billion kilowatt hours of energy, drive an additional 10% reduction in our absolute emissions, even as we continue to grow our network, reach 100% renewable energy power globally and increase our [product] energy efficiency by 10X. So we've made a lot of progress since 2020 in this area. And we've taken our green power usage from 71% to 82% in the last year alone. So overall, this is an exciting area for us, one that we're heavily invested in. And we also encourage you to take a look at the report that we just published. It's available off of our website and we've tied executive compensation to this as well. One of our goals clearly calls out our RISE goals and our climate goals as well. So we're all motivated to keep doing exactly what the question suggests, be concerned about the climate and the planet that we're leaving for our children and grandchildren."*

Information is available in our [Corporate Responsibility Report](#). Additionally, Intel publicly discloses climate data through [CDP](#), a nonprofit organization that runs a global disclosure system. Our most recent filings can be found on our [Corporate Responsibility Report Builder](#) website.

### **ESG: Social**

**Q: Does Intel give money to political action committees? If so, how much and to whom?**

#### Related Questions:

- *To which political candidates and political parties is the company making donations? This is very important to the shareholders and we do have a right to know.*
- *After the controversy surrounding the Election this January, Intel made a commitment to not donate to any representative that contested the validity of the election. Less than 3 months later, Intel donated to a PAC that supported representatives they had just committed to not support. What was the process behind going against your word so quickly?*
- *Do you support GOP insurrectionists? Do you give money to dark money PACs? How much do you spend on lobbyists? Do you have a position on voter suppression?*
- *Has the company stopped donating to the Republicans who set the stage for the insurrection at the Capitol on January 6th, and are continuing to advance Trump's dangerous lies about election fraud, and who tried to interfere in a legal, fair election in 2020? Does the company donate to politicians who implement Jim Crow 2.0 Voter suppression laws like in Georgia, that are being proposed in other states?*
- *Does Intel make political contributions? And if so, to whom?*
- *How much money has Intel given to candidates or causes that have or are currently supporting voter suppression laws? I will no longer support companies that aid the GOP's efforts to curtail voting rights.*
- *I would like to know the political affiliations of each of the board members and executives and the personal donations given to the political parties. I would also request that any PAC or political contributions to political parties and/or candidates that seek to redraw districts or restrict voting rights be immediately suspended.*
- *I expect the corporation never to donate to groups promoting critical race theory. Do you agree?*
- *Can you confirm that Intel will not make any political contributions to any politician who supported the Jan 6 insurrection and invasion of the US Capitol? I think that our political stability is critical to the success of business, including Intel.*
- *Can you please explain why Intel broke its pledge to end contributions to members of Congress that voted against certifying the electoral college results?*

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- *Does Intel provide funds to politicians? Did Intel fund any of the politicians who tried to sabotage our election process? Why? It is imperative that our democracy be protected and defunding the insurrectionists is critical to the well-being of every company and person. Will Intel continue to fund any of them and if so why?*

**A:** *As Pat shared in the 2021 ASM, "In general Intel makes relatively few political contributions ourselves. However, like most companies, we have a political action committee which contributes money that's donated by our Intel employees to the areas of focus for Intel, our shareholders and our business objectives that we have in the markets worldwide. These would be areas like manufacturing, immigration, reform things, activities and education, areas and policies that would be critical to support our growth and economic growth overall. All of our contributions through the Intel PAC are publicly disclosed and the PAC generally donates equally in a bipartisan as well as a [bicameral] way. We're very thoughtful about how we engage. In 2020, Intel was again highlighted as one of the trendsetter companies in this area by CPA-Zicklin, and their index that they publish on corporate political disclosures and accountabilities. And this is something that we regularly evaluate and making sure that our political spending is effective, but also aligned with our policies, our priorities and the company values that we would express in the future. And overall, we see this as a great way to continue to make sure that we're aligned with our stakeholders and our shareholders as we look to work in this area."*

Our policy halting direct contributions to members of Congress who voted against certification of the Electoral College results still applies. Intel divides its political contributions evenly among Republicans and Democrats, including individual candidates, campaign committees and Governors Associations. We continuously reevaluate our contributions to ensure that they align with our values, policies and priorities.

**Q:** **What part of INTC did best during the pandemic? And What part of INTC had the greatest challenge during the pandemic?**

**A:** *As Pat shared in the 2021 ASM, "Well, overall, it's something I'm learning as I'm stepping back into the role. I've been extremely pleased to see how Intel and the Intel team overall responded to the COVID-19 pandemic. And it was really resilience and innovating in real time and keeping everything on track, then demonstrating the tremendous value of our worldwide manufacturing network that barely paused the moment, even as we're dealing with a global pandemic and making sure that we were meeting our customers' needs and our partners' needs around the world. Intel has a very well-established practices in the health and safety areas. And I remember many of these from my early days at Intel. Wow, this company is really focused on employee safety and health. And this includes medical safety experts and working to make sure that the wellbeing of all our employees and working closely with local governments, as well as the public healthcare organizations. In April, Intel committed \$50 million toward pandemic response technology initiative. And we had almost a million volunteer hours that were contributed, 170 partners on 230 projects used to accelerate access technology during this period of patient care and scientific research, online learning. So in so many ways we can be very proud of Intel as a company, how they navigated through the pandemic and how we're learning to make ourselves better as we start coming and seeing the other side of the pandemic. And I'll just say that with empathy, we continue to look at the areas around the world, such as India right now, who still is going through their wave and our hearts and our support and our active engagement is working in these areas as well."*

In addition, to aid and support employees during COVID-19, we committed to invest more than \$100 million in additional benefits for both employees working on site and those working from

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home. We put in place a telecommuting reimbursement program to help employees required to work from home improve their workspaces to work safely, ergonomically, and effectively from their remote locations. In addition, we increased flexibility by creating and enabling flexible work hours and schedules, adding new wellness time off hours and mental health resources, and expanding leave programs to help support employees caring for children and others.

**Q: Why does the company get involved in partisan political issues like supporting the anti-Catholic "Equality Act"?**

### Related Questions:

- *According to the Human Rights Campaign, Intel supports the Equality Act. First, is this true? Second, in light of criticism from scholars and legal experts that the law would eviscerate female sports and cancel federal religious freedom protections, does the company support the entire Equality Act or just portions of it? If you could elaborate with specifics, that would be great.*

**A:** *As Pat shared in the 2021 ASM, "Thank you. And these questions are always very thoughtfully considered and need to be explored quite carefully in terms of where and how we position the company. And our support of the equality act is grounded in our view that we need to provide a consistent protection to prohibit employees and any discrimination on the basis of sexual orientation or gender identity. We believe this is critical for us to enable and support our current employees and their families, and to recruit talent across a diverse and inclusive market. And against that, we understand that we're never going to have everyone agree, but we want to be very thoughtful in the positions that we take. And we evaluate the merits of each related bill and assess its impact on our workforce and the communities that we're in. And at the end, we want to create a safe, respectful work environment for all of our employees. We'd also want to highlight that Intel has been recognized for both our leadership and human rights and our work in promoting a religiously inclusive workplace as well. And we're going to continue to invest in advancing diversity and inclusion across the company and as we engage in the communities that we're part of."*

**Q: Has Intel taken a public position on the new voter suppression laws now being enacted and considered in a number of state legislatures? If not, will Intel take a public position on these laws?**

### Related Questions:

- *Has or will the board take any action regarding election law changes in various states?*
- *Should the Corporation's Directors Support S-1, the Voters Rights Act, to enhance the prospects for the continuation of democracy in the United States of America?*
- *Will Intel follow other companies like Coca-Cola and denounce the unfair voting laws that other states are attempting to pass?*
- *What lobbying efforts are Intel pursuing to protect our democracy by ensuring that state legislatures do not disenfranchise voters?*
- *What are you specifically doing to stand up against any voting restrictions that make it harder for Americans to vote? How will you ensure I will be able to vote in the next elections as I am getting older and still worried about the Covid and other future pandemics?*
- *Will Intel take an active position in opposing all the voter suppression initiatives in most legislatures in the United States?*
- *In light of Intel's efforts to be a 'good morally-responsible company', and given the raft of*

- voter suppression laws that are being passed around the country, and specifically in Arizona, what pressure is Intel putting on the Arizona government with respect to 'investments' in the state to drive more 'voter inclusive' behavior from state legislature?
- What is the company's stand on the Republican State Legislators efforts to pass legislation that is meant to suppress voter registration and limit mail in voting?
  - The state of Georgia has recently passed severe voting restrictions that are designed to prevent minorities and people who live in rural areas from voting. Stacey Abrams is leading an effort to encourage companies that do business in Georgia to boycott until they make voting easily accessible to ALL citizens. Is Intel going to participate in this boycott?
  - What is management's position on voter suppression measures being discussed and passed around the US?
  - Has or will the board take any regarding election law changes in various states?
  - I would like to know what Intel is doing to fight the global/corporate takeover of the United States. I would like to know what Intel is doing to support the strengthening of state election integrity laws. I would like to know what Intel is doing to fight the growing racial divide caused by the dangerous inclusion of Critical Race Theory training in the corporate setting.
  - Why did Intel choose not to take a stronger stand on opposing voter restriction?
  - An illegal vote takes away the right of a legal voter. Why would you side with an illegal voter over a legal voter? Why do you suppress the rights of people who want to influence corporate policy by limiting the vote to shareholders only? Why are you focused on politics rather than running the corporation?
  - Have Intel taken any public position with respect to the new wave of voter suppression laws being enacted in certain states such as Georgia and Texas? If not, will Intel go on the record as to these voter suppression laws?
  - Has Intel given support to the moves to stop legislation making it harder to vote in many states in the country? What specifically have you done?
  - When is Intel taking a public position and stand against voter restrictive laws proposed in Arizona?
  - Will Intel management get involved in the attempt to disenfranchise Arizona voters by the state legislature?
  - With voter suppression legislation being pushed in multiple states will you forcefully push back? In particular will you publicly tell Governor Ducey of Arizona that if he doesn't publicly commit to vetoing pending voter suppression bills in the legislature that you will withdraw the \$20,000,000,000 planned expansion of the Chandler facility and move it to a voter-friendly state?
  - Will you issue a statement, collectively, corporately and individually against antivote legislation being advanced in Arizona? Will you direct and encourage people not to donate to the campaigns of the antivote politicians?
  - Why did you read that laws are voter suppression, when they only suppress illegal voting, but you didn't mention that the Equality Act is seen as harming the Catholic Church?
  - I saw that Intel was listed among corporations that spoke out against the recent changes in state election laws in Georgia. I do not approve of Intel management inserting itself into political issues or public policy disputes that do not directly affect Intel's business or finances. Such actions only serve to please one group of people while alienating another. What actions are the Board taking to reduce its involvement in politics and return its focus to improving company performance and outlook, which have suffered in recent years.

**A:** As Pat discussed in the 2021 ASM, "Thank you for the question. And overall, we are deep believers that technology can be used to help in this area and that the evolution of technology should make voting easier. It should make it more accessible and as a result, more equitable for all. And any legislation that seeks to reduce voting rights is something that we think is inconsistent. With that,

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*Intel opposes any such legislation. We signed a letter to the U.S. Senate from the Business for Voting Rights Coalition calling for the passage of the John Lewis Voting Right Act. We also signed a letter in support of the confirmation of Kristen Clarke to lead the civil rights division. Overall, we just say these things are all consistent with our objectives for diversity, equity and inclusion. These are core to the Intel values. And you'll see us take consistent positions in a variety of domains to help them enable us to have more innovation, a stronger business because we think diversity, equity, inclusion are paramount to accomplishing our business goals."*

### **Q: Does this company get involved in political matters?**

#### Related Questions:

- *Are you going to continue going political by pursuing employee indoctrination in left-wing "wokeness", a practice which many of us find racist and offensive?*
- *How do you plan to avoid getting drawn into the current social issues roiling society and the marketplace?*
- *What board is doing to maintain politically neutral stance by all employees, executives, and board when they represent Intel as a corporation? This includes no gift or contribution, including through company supported or organized PAC, to any politician, candidate for any political office, political organization like think tank, etc.*
- *What board is doing to prevent bullying or expulsion of employees for their action when they were teenager including their posting on Social Media, and also maintain employees' protection from any kind of left or right bias?*
- *When is big tech going to support the constitution of the United States of America and stop manipulating the American people? You are creating this country's demise. Can Intel stand up and speak out for this country?*
- *What is management doing to resist pressure from left-wing activists to impose anti-capitalist policies on the company? What is management doing to ensure that employees' right to freedom of speech and thought are protected from adverse action?*
- *Will Intel get involved in this political action charade as other US corporation are doing or remain neutral as its customers and shareholders are both conservative and liberal?*
- *Would it be sensible to avoid corporate social messaging that could polarize brand bias, because of social stance versus intrinsic conduct of business? Why message at all. Ironically, memory of compelled activist messaging will be retained and reminded to shareholders.*
- *I would like to know the position of the Board of Directors regarding the Great Reset. Will the Board of Directors stand in support of the American citizens against the takeover of our country by the global elites?*
- *Why are you getting involved in politics? I will be forced to sell my stock and take my business elsewhere!*
- *Please stay out of politics and focus on business not boycotts.*
- *Will you pledge to not taking political positions?*
- *Considering the current National Chaos, how do you propose to circumnavigate this situation and guarantee us a significant profit in the future?*
- *Will you commit to refraining from intervening in political action activity such as lawfully enacted voting laws, and will you oppose the political actions such as those taken by MLB to force its political bias on private enterprise?*
- *Do you think management should get involved in politics and run the risk of alienating half of their shareholders? A classic example is what the CEO's of Coca Cola and Delta Airlines did in Georgia.*
- *How are you going to resist the threat of Social Justice Warriors and anti-democratic forces*

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- from infiltrating operations with divisive narratives including Critical Race Theory?*
- *Will Intel vow to avoid behaving like the woke corporations - Coke, American Airlines, United Airlines, Delta Airlines, Nike, etc.? Failure to do so will alienate shareholders like me who expect management to focus on shareholder return and not politics, especially regarding issues like election integrity.*
  - *What is Intel's take on the recent trend of American corporations wading into American politics? Recent examples include MLB's hypocritical decision to move the All-Star Game out of Georgia for passing a voter ID law that is existing in many other states including the state of New York. Why are they allowing baseball games to be played in New York City? Other companies include Delta Airlines, "not to be less white" Coca Cola, and UPS.*
  - *Does Intel intend to denounce woke-ism and focus on shareholder return?*
  - *Why are you implementing racist hiring practices instead of hiring and retaining the best people in a color-blind manner? The push for so-called "equity" is not going to fix society -- it is explicitly racist and just as divisive as traditional racism. It is also a very political stance, and one that is being forced upon employees. What's next? Will Intel start publicly campaigning for Gun Control? Abortion? Join Facebook in supporting censorship? Join Amazon in deciding whether a customer is politically worthy of buying our products? How, exactly, does embracing American Progressive politics help get 7nm products out the door? How does it help stem the steady stream of talent that has been walking out the door?*

**A:** At Intel, we believe in America's democratic process and in the resilience of our democratic system and traditions. Intel thrives when our employees, customers, and communities thrive. Intel works with governments, organizations, and industries around the world to advocate for policies that encourage new ideas, promote fair commerce, and protect resources. We also work to educate political candidates about the implications of public policy decisions on a range of issues important to our business and industry including US federal investment in the domestic semiconductor manufacturing industry; regulation that enables the effective adoption and deployment of AI, 5G, and other emerging technologies such as autonomous vehicles; diversity and inclusion; climate change; data privacy; tax policy; and healthcare. We work to make our priorities and positions on key issues clear by including information on our [Public Policy website](#). We understand not everyone will agree with every position we take, and we evaluate the merits of each topic to assess their impact on our workplace and our business.

In general, Intel itself makes relatively few political donations. However, like many companies, we have a political action committee, which contributes money donated by Intel employees to areas of focus for Intel and Intel shareholders, such as manufacturing, immigration reform and policies that support economic growth. All of Intel's contributions including Intel PAC donations are publicly disclosed, and the Intel PAC generally donates equally to Democrats and Republicans.

**Q:** **With the atrocities happening with China and Hong Kong, why is Intel still planning to do business with China? By doing business with China aren't we stating we agree with those atrocities? I understand the business side and the financial gain for Intel to continue to work with China, but what does that say about the moral compass of our company?**

**A:** We believe our technology has an important role to play in making the world a better place, and that information technology has improved people's lives everywhere. We develop technology that can improve people's lives, such as by supporting education, medicine, transportation, scientific research, commercial Internet services and more.

Intel has been in China since 1985. Since then, we've seen many changes and some challenges, but the long-term story has been one of development and progress. Today we have significant

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invested capital in two major manufacturing facilities and more than 10,000 direct employees in China. China is home to many major customers, accounting for 26% of Intel's revenue in 2020, and is a global center of technology innovation. Semiconductors are one of our country's top exports, and our industry has had a trade surplus with China. Revenue from China funds our significant R&D and manufacturing operations here in the U.S. We believe the U.S. and Chinese governments must maintain a dialogue and work toward constructive solutions for their differences, including issues of trade and human rights.

Further, at Intel, we are committed to maintaining and improving systems and processes to avoid human rights violations related to our own operations, supply chain, and products globally. Under our [Global Human Rights Principles](#), Intel does not support or tolerate our products being used to violate human rights. Where we become aware of a concern that Intel products are being used by a business partner in connection with abuses of human rights, we will restrict or cease business with the third party until and unless we have high confidence that Intel's products are not being used to violate human rights.

**Q: What are your plans to create more diversity within your company? What is your message about diversity?**

### Related Questions:

- *Number of women and their percentage in senior management and executive positions?*
- *What is the ethnic diversity of Intel's technical and managerial workforce and how does the board match that diversity?*
- *I would like to know how Intel address, demonstrate, and promote diversity and equity in compensation in its work force, company's culture, management and policy making areas.*
- *America is at a crossroads. What ACTIONS is Intel taking to a) identify and promote inclusion, diversity and equity in your workforce, among your leadership ranks and on the board and b) when will you publicly speak out, and take action against states who are restricting voting rights, access to abortion, etc.?*
- *Do you properly agree that nationwide phony charges of racism and systemic racism are a danger to our country? Do you believe that setting "racial diversity" goals in employment are wrong-headed and that all employment decisions should be based solely on merit, regardless of race, ethnicity or gender?*

**A:** We believe that having a diverse workforce and an inclusive culture are critical for attracting, retaining, and progressing top talent. Intel is committed to providing a work environment where employees from all backgrounds are valued, respected, challenged, acknowledged, and rewarded so they can achieve their full potential. We believe in creating systems where employees and prospective employees have fair and equitable opportunities to compete, ensuring that that we can hire and retain the best talent from all geographies and demographics. Over the past decade, we have taken actions to deeply integrate diversity and inclusion expectations into our culture, performance management systems, leadership expectations, and annual bonus metrics.

We transparently report our workforce representation data in our annual Corporate Responsibility Report and on our Global Diversity and Inclusion website, including breakdowns by gender and race/ethnicity and by technical and managerial roles. For our U.S. workforce in 2020, 56% of our technical roles were held by individuals who were ethnically or racially diverse, with 16.3% of roles held by underrepresented minorities. For senior leadership roles (Grades 10+), 53% were ethnically or racially diverse and 7.6% of roles were held by underrepresented minorities. In 2020, women represented 28% of our global workforce and 21% of Executive-level

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roles.

Through our 2030 RISE goals, we are focused on doubling representation of women and URMs in senior leadership, increasing the percentage of women in technical roles to 40%, increasing the percentage of employees who self-ID as having a disability to 10%, and continuing integration of inclusion strategies across our business. Our Intel [Global Social Equity Policy Principles](#) guide our work with governments and organizations to build a more equitable world and advance legislation to combat systemic inequities impacting employees and communities globally. Read more in the Inclusive section of our [Corporate Responsibility Report](#).

- Q:**
- **What is the board's opinion on the political unrest in this country? I am concerned with their stand on BLM. What is it and the why for your opinion?**
  - **How is Intel responding to AAPI hate?**

### Related Questions:

- *Why does Intel support and provide funds to Black Lives Matter when their leadership consist of people who support the overthrow of our democracy in favor of communism and socialism?*
- *How do you, as a company operating in a free society, justify supporting a blatantly racist organization such as BLM that is based on Marxist propaganda and anarchy?*
- *Why is Intel donating my money to a communist organization like BLM?*
- *As we have now learned that the leaders of "Black Lives Matter" have spent over a million dollars from donations to BLM on purchasing high end homes for themselves in LA, will you now see that corporate donations to such self-serving organizations that advocate Marxist principles and wish to bring down capitalist organizations such as Intel is a bad idea? Corporate donations would be better spent on organizations dedicated to things like inner city education efforts, not politically motivated and self-serving organizations. Will you review your policies on this matter, or wait for a shareholder initiative?*
- *How can you justify Bob Swan's May 2020 announcement that he was pledging \$1 million in donations to Black Lives Matter-affiliated groups when that organization has been engaging in violence and terrorism across the country?*
- *I am asking your assurance that you do not promote critical race theory, and policies that promote one race over another or offer advantages to anyone one the basis of color in the name of "equity"*

- A:** At Intel, we believe in America's democratic process and in the resilience of our democratic system and traditions. Intel thrives when our employees, customers, and communities thrive. Intel strives to provide an environment where employees from all backgrounds are valued, respected, inspired, acknowledged, and rewarded so they can achieve their potential and fulfill their career aspirations as this makes our company better.

During the past year, our society and the Intel community have had to confront senseless acts of racism and violence, especially against African Americans and, more recently, Asian Americans. In response to and in keeping with Intel's commitment to diversity and inclusion, senior management and our Board has publicly affirmed our commitment to combating racism and fostering a diverse and inclusive culture as a business imperative and key to our long-term success.

Intel continues to take steps to keep this commitment at the forefront through giving campaigns, conversations, and informative learning sessions. We have pledged financial support of efforts to

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address social injustice and anti-racism across various nonprofit and community organizations, including contributions in 2020 and early 2021 to Vera Institute of Justice, Living Cities, PolicyLink, the Obama Foundation, UNESCO, the Greater Houston Community Foundation, and the XPrize Foundation. Intel chose these organizations based on critical input from our employee resource groups, the Network of Intel African Ancestry and the Intel Black Leadership Council, and the organizations' alignment with our [Global Social Equity Policy Principles](#) in critical areas of equitable justice, economic equity, education equity and tech equity. The Intel Foundation also initiated a special employee donation matching campaign in 2020 supporting the National Urban League, the Center for Policing Equity, the NAACP Legal Defense Fund, and Amnesty International. Additional information is available in our [Corporate Responsibility Report](#).