

DIVERSITY AND INCLUSION REPORT

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Executive Summary

A Letter from Barbara Whye Chief Diversity and Inclusion Officer and Vice President, Human Resources

Today, we are all part of something special.

In 2015, we announced plans to achieve full representation of underrepresented minorities and women in our U.S. workforce by 2020. I'm happy to share that we have reached our goal two years ahead of schedule!

At Intel, we set goals and achieve them. It didn't happen overnight and we did it together. Even though the focus has been on the U.S., this accomplishment would not have been possible without the support and outstanding efforts from Intel employees around the world.

#WEAKEN

We are very proud of what we've achieved, but we are far from being done. This goal is one step in our journey towards global inclusion.

We are more committed than ever to ensuring we have an inclusive culture everywhere around the world. That means creating a sense of belonging and instilling a culture where employees can bring their full experiences and authentic selves to work while enjoying rewarding careers with us.

THE BEST PART? WE'RE JUST GETTING STARTED.

Thanks to the work that has been done, we have a solid foundation for building an inclusive culture, fueling innovation and generating a broad, positive impact on our employees and customers.

With the combined focus, commitment, and support of every Intel employee, we will shape the future of technology. **Together.**



D2 Key Highlights

IT'S BEEN SAID THAT EVERY JOURNEY BEGINS WITH A FIRST STEP.

We're proud to announce that we've taken a big leap forward in our diversity and inclusion efforts, reaching full representation in our U.S. workforce—two years ahead of schedule.

THERE IS STILL MORE WORK TO BE DONE AND WE'RE JUST GETTING STARTED.

Key Highlights

WE SET A BOLD GOAL

and took an innovative approach to reach that goal.

REPRESENTATION GROWTH IN U.S.:

B5% INCREASE WOMEN Representation

INCREASE URMs Representation

314% INCREASE AFRICAN AMERICAN Representation

10.8% INCREASE HISPANIC Representation

400% INCREASE NATIVE AMERICAN Representation





Key Highlights

When people ask me about the business case for diversity and inclusion

I ASK THEM TO TELL ME THE BUSINESS CASE FOR HOMOGENEITY."

BARBARA WHYE

Chief Diversity and Inclusion Officer and Vice President, HR





OUR APPROACH

Set the goal. Meet the goal. Be proud, but not satisfied.

Our employee representation has improved across the board.



Key Highlights

Hiring

OUR APPROACH

Set the goal. Meet the goal. Be proud, but not satisfied.

The hiring efforts have delivered in all categories.

HIRING 32.9[%] Female

GROWTH

22.2[%]

▲ 89.7%

INCREASE

10.0%

INCREASE

AFRICAN AMERICAN **D.9**[%] NATIVE AMERICAN

↑160.5%

▲ 350.0% INCREASE

Growth percentage based on 2015 – 2018.



Set the goal. Meet the goal. Be proud, but not satisfied.

Our employee exit rate has decreased in all categories.

EXIT RATE PERCENTAGE

EXIT RATE

FEMALE

Key Highlights

Exit Rate

E **↓28.4**[%]

DECREASE

5.8[%]

URM

5.3[%]

↓ 28.4[%]

AFRICAN AMERICAN

↓ 29.2[%]

10.6[%]

DECREASE

NATIVE

AMERICAN

n%

an inclusive service that has been a significant tool for retention, processed more than **20,000 cases** with an **82%** retention rate. The Warmline continues to deliver proactive retention insights.



By the Numbers

FOUR-YEAR TREND: Female Representation

Intel was a founding member in the Reboot Representation Tech Coalition. Intel and 11 other companies have pledged more than \$12M to double the number of women of color graduating with computing degrees in the U.S. by 2025.

Intel is involved in a variety of programs to support and retain women, including the Pay It Forward (PIF) initiative and Women at Intel Network (WIN). The company has invested in the Technology Pathways Initiative, a partnership with Center for Advancing Women in Technology (CAWIT).

While Intel has made strides over the years, we continue to look for and implement partnerships and programs to increase female retention, especially for women of color.



Since 2015, our technical female representation has increased by 3.8%.



Out of all women at Intel, 19.4% are in leadership roles.



03 By the Numbers **CHANGES IN DIVERSITY**



Changes in percent based on 2015 – 2018.



Key Updates

SUCCESSES AND OPPORTUNITIES

We work to incorporate diversity and inclusion in everything we do.

Pay Equity

That's one of the reasons why Intel is committed to global pay equity. For more than a decade, we've performed an annual compensation analysis in the U.S. to ensure pay equity by gender and race/ethnicity; and are continuing to close the identified gaps in 2018 as well.

Pay adjustments are made in the U.S. every year regardless of gender or race/ ethnicity. We also assess the pay equity audit process annually to make sure that it is compliant with the current federal and state pay laws.

Domestic Partners

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

Opportunities

We recognize that we need to do more in order to retain high-value employees, while increasing the level of diversity among our leadership. We view these challenges as opportunities to make a positive impact on our employees, partners, and technology for generations.

We have been successful in setting and meeting the goal of full representation in our U.S. workforce, which is just part of our long-term journey. Our focus is now on continuing to be creative and innovative in making global inclusion a reality at Intel.



Key Updates

The impact our technologies have on people's lives around the world **ISADIRECT RESULT OF OUR DIVERSE EMPLOYEE POPULATION.**



Annual Spending with Certified Diverse-Owned Suppliers

DRIVING CHANGE THROUGH SUPPLIERS

Our commitment to diversity extends beyond workforce hiring and retention to diverse-owned businesses in our global communities.

Intel has grown its supplier diversity spending from \$150M in early 2015 to \$650M by the end of 2017. Intel is on track to achieve \$1B in annual spending with diverse-owned suppliers and the related goal of \$100M in annual spending on women-owned businesses internationally, in 2020.

This will generate a more inclusive and more innovative supply chain and create more opportunity for diverse businesses to thrive—empowering the communities where they hire and spend.

\$600M

Original goal for supplier diversity spending in 2017.

\$650 M

Actual spend for supplier diversity in 2017.



Glossary of Terms

URM: Underrepresented Minority

The population of African American, Hispanic, and Native American males and females.

Non-URM Males

Majority population, including White and Asian males.

Female

URM and non-URM females.

Hispanic

Males and females who identify as having Hispanic heritage.

African American

Males and females who identify as having African American heritage.

Native American

Males and females who identify as having Native American heritage.

Non-Exempt

Employees paid hourly.

Technical

Roles that are technical in nature, such as engineers.

Non-Technical

Roles that are non-technical in nature, such as Marketing, HR, Legal, and other support functions.

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Addendum **HOW THE DIVERSE EMPLOYEE BASE OF INTEL HAS GROWN AND CHANGED**



www.intel.com/diversity



The data reflected in this report is from the beginning of 2015 through Oct. 16, 2018. Ethnicity categories use EEOC ethnicity definitions. Intel complies with federal regulations and uses post-employment records to identify gender, race and ethnicity of individuals who do not self-identify. These updates are done on a quarterly basis. Definition of "technical" is based on Intel internal job codes and reflects technical job requirements.



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