

# UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

## FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 28, 2020

Or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number 000-06217



### INTEL CORPORATION

(Exact name of registrant as specified in its charter)

Delaware

94-1672743

(State or other jurisdiction of incorporation or organization)

(I.R.S. Employer Identification No.)

2200 Mission College Boulevard, Santa Clara, California

95054-1549

(Address of principal executive offices)

(Zip Code)

(408) 765-8080

(Registrant's telephone number, including area code)

N/A

(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, \$0.001 par value	INTC	Nasdaq Global Select Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer



Accelerated filer



Non-accelerated filer



Smaller reporting company



Emerging growth company



If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

As of March 28, 2020, the registrant had outstanding 4,234 million shares of common stock.

# TABLE OF CONTENTS

## THE ORGANIZATION OF OUR QUARTERLY REPORT ON FORM 10-Q

The order and presentation of content in our Form 10-Q differs from the traditional SEC Form 10-Q format. Our format is designed to improve readability and better presents how we organize and manage our business. See "Form 10-Q Cross-Reference Index" within Other Key Information for a cross-reference index to the traditional SEC Form 10-Q format. To reflect our focus on transforming from a PC-centric<sup>1</sup> company to a data-centric company, we have presented our data-centric businesses<sup>1</sup> first in the "Segment Trends and Results" within MD&A.

We have defined certain terms and abbreviations used throughout our Form 10-Q in "Key Terms" within the Consolidated Condensed Financial Statements and Supplemental Details.

The preparation of our Consolidated Condensed Financial Statements is in conformity with U.S. GAAP. Our Form 10-Q includes key metrics that we use to measure our business, some of which are non-GAAP measures. See "Non-GAAP Financial Measures" within MD&A for an explanation of these measures and why management uses them and believes they provide investors with useful supplemental information.

	Page
<b>FORWARD-LOOKING STATEMENTS</b>	<a href="#">1</a>
<b>OUR PANDEMIC RESPONSE</b>	<a href="#">2</a>
<b>A QUARTER IN REVIEW</b>	<a href="#">5</a>
<b>CONSOLIDATED CONDENSED FINANCIAL STATEMENTS AND SUPPLEMENTAL DETAILS</b>	
Consolidated Condensed Statements of Income	<a href="#">6</a>
Consolidated Condensed Statements of Comprehensive Income	<a href="#">7</a>
Consolidated Condensed Balance Sheets	<a href="#">8</a>
Consolidated Condensed Statements of Cash Flows	<a href="#">9</a>
Consolidated Condensed Statements of Stockholders' Equity	<a href="#">10</a>
Notes to Consolidated Condensed Financial Statements	<a href="#">11</a>
Key Terms	<a href="#">26</a>
<b>MANAGEMENT'S DISCUSSION AND ANALYSIS</b>	
Segment Trends and Results	<a href="#">27</a>
Consolidated Results of Operations	<a href="#">32</a>
Liquidity and Capital Resources	<a href="#">36</a>
Contractual Obligations	<a href="#">37</a>
Quantitative and Qualitative Disclosures about Market Risk	<a href="#">37</a>
Non-GAAP Financial Measures	<a href="#">38</a>
<b>OTHER KEY INFORMATION</b>	
Risk Factors	<a href="#">40</a>
Controls and Procedures	<a href="#">43</a>
Issuer Purchases of Equity Securities	<a href="#">43</a>
Exhibits	<a href="#">44</a>
Form 10-Q Cross-Reference Index	<a href="#">45</a>

<sup>1</sup> Intel's definition is included in "Key Terms" within the Consolidated Condensed Financial Statements and Supplemental Details.

## FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains forward-looking statements that involve a number of risks and uncertainties. Words such as "anticipate," "expect," "intend," "pledge," "committed," "plans," "opportunities," "future," "believes," "target," "on-track," "estimates," "continue," "likely," "may," "will," "would," "should," "could," and variations of such words and similar expressions are intended to identify such forward-looking statements. In addition, any statements that refer to future responses to and effects of COVID-19; projections of our future financial performance and demand; our anticipated growth and trends in our businesses or operations; projected growth and trends in markets relevant to our businesses; future products and technology and the expected availability and benefits of such products and technology; expectations regarding construction projects; expected timing and impact of acquisitions, divestitures, and other significant transactions; expected completion of restructuring activities; availability, uses, sufficiency, and cost of capital and capital resources, including expected returns to stockholders such as dividends and share repurchases; accounting estimates and judgments regarding reported matters, events and contingencies and the actual results thereof; future production capacity and product supply, uncertain events or assumptions, and other characterizations of future events or circumstances are forward-looking statements. Such statements are based on management's expectations as of the date of this filing and involve many risks and uncertainties that could cause our actual results to differ materially from those expressed or implied in our forward-looking statements. Such risks and uncertainties include those described throughout this report and our Annual Report on Form 10-K for the year ended December 28, 2019, particularly the "Risk Factors" sections of such reports. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. Readers are urged to carefully review and consider the various disclosures made in this Form 10-Q and in other documents we file from time to time with the SEC that disclose risks and uncertainties that may affect our business. Unless specifically indicated otherwise, the forward-looking statements in this Form 10-Q do not reflect the potential impact of any divestitures, mergers, acquisitions, or other business combinations that have not been completed as of the date of this filing. In addition, the forward-looking statements in this Form 10-Q are made as of the date of this filing, including expectations based on third-party information and projections that management believes to be reputable, and Intel does not undertake, and expressly disclaims any duty, to update such statements, whether as a result of new information, new developments, or otherwise, except to the extent that disclosure may be required by law.

*Intel, the Intel logo, 3D XPoint, Intel Atom, Intel Core, Intel Optane, and Xeon, are trademarks of Intel Corporation or its subsidiaries in the U.S. and/or other countries.*

*\* Other names and brands may be claimed as the property of others.*



## OUR PANDEMIC RESPONSE

Our top priority during the COVID-19 pandemic is protecting the health and safety of our employees. As governments institute new restrictions on commercial operations, we are working to ensure our compliance while also maintaining business continuity for essential operations in our factories. At this time, our factories continue to operate around the world in accordance with guidance issued by local and national government authorities. We remain open as we support our employees who work in labs and factories critical to our world's digital infrastructure.

For the first three months of 2020 we observed strong notebook platform demand driven by the increase in working and learning from home and saw continued strength in data center demand as cloud service providers increased capacity. However, weakness in the industrial and retail verticals drove weaker demand in our IOTG business.

Our technology runs most of the world's internet, communications, and government digital infrastructures, and our products and capabilities are delivering vital computing power for medical research, robotics for assisted patient care, and artificial intelligence and data analytics for public health. Our platforms that support telemedicine have also taken on greater importance since the outbreak of COVID-19 as hospitals and healthcare workers scale to meet the increasing demand for care. The PCs and networking technologies that we and our customers deliver are supporting the unprecedented volume of remote workers and enabling personal connections while social distancing.

We are focused on protecting the health and safety of our employees and we continue to operate to deliver for our customers while contributing to our communities.

## OUR EMPLOYEES

Intel's Pandemic Leadership Team, established more than 15 years ago to improve Intel's crisis management response capability, is deeply engaged to keep our employees safe. This specialized team includes medical and safety experts who work to safeguard the well-being of employees and minimize the spread of infection. They also collaborate with local governments and public health organizations and implement their recommendations. In the past, the team has successfully helped us manage through global health issues such as bird flu, SARS, Ebola, Zika, and the H1N1 virus.

**Working-from-home and social distancing policies.** As we navigate through the effects of the COVID-19 pandemic we are working to ensure compliance with orders and restrictions imposed by government authorities. We have significantly reduced the number of people in our offices, helping to protect our employees who work in our labs and factories and who are essential to keeping our business running. Maintaining safe facilities is core to how we operate, and we are implementing additional practices in our fabs and assembly test plants so manufacturing employees can safely continue performing critical work on site. In addition to increased cleaning of our facilities, our manufacturing sites are taking extra steps to effectively implement social distancing. Some of these measures include staggering shift changes, adjusting meeting locations and schedules, limiting activities that require close proximity, and making thermometers and masks available (in addition to the normal protective gear worn by many factory employees). At our construction sites, we are working closely with our general contractors to implement social distancing, increased cleaning, and other protocols to safeguard the health of all workers on site.

**Compensation and expanded benefits.** We are investing more than \$100 million in additional benefits to aid and support employees, including special recognition for employees that have been working on-site and healthcare coverage changes under the U.S. Coronavirus Aid, Relief, and Economic Security Act (CARES Act).

Employees and contractors asked to work from home or self-quarantine due to travel restrictions will be paid their regular pay, and Intel will reimburse up to 30 days of care services for employees who need backup childcare and/or elder care in the case where there are school or care center closures or if an employee or family member is required to be self-quarantined.

To aid in the overall well-being of our employees, we also have our existing global Employee Assistance Plan that provides confidential counseling and work-life services to employees and immediate family members.

## OUR CUSTOMERS

We are in the midst of what is likely a historic deployment of remote work and digital access to services. We are committed to our customers to enable the support they need to continue providing vital services, tools, and infrastructure to millions.

**Operations.** Our factories continue to operate world-wide in compliance with the orders and restrictions imposed by government authorities in each of our locations, and we are working with our customers to meet their specific shipment needs. Our world-class safety standards have to date allowed our factories to continue to operate safely and with mostly on-time deliveries. We only allow employees in our factories who are essential to the factories' operations. By design, our "cleanrooms" and factories are among the cleanest places in the world. While most of our construction projects have remained operational, we temporarily paused a few projects due to local government restrictions at a small number of our sites. We currently expect these interruptions to have minimal impact on our product ramps and do not expect them to impact our process technology transition timelines. We remain on-track to add sufficient wafer capacity this year to meet anticipated market demand and restore our PC unit inventory levels.

**Supply chain.** Our employees and partners around the world have collaborated and leveraged lessons learned—in recent months and from past challenges—to safely keep the global tech supply chain functioning. Our Pandemic Leadership Team is at the center of these efforts and through our Business Continuity Program we perform ongoing work with our suppliers to review their preparations to handle sudden disruptions to the supply chain. We have taken several actions throughout the pandemic to address our supply chain. For example:

- Where feasible and practicable, we increased inventory of raw materials as well as our supply of our finished goods coming out of China in early February. It is our practice to plan for scenarios where supply will be restricted or compromised in our supply chain for 30-60 days or more.
- We activated backup planning to reroute and obtain charter flights if needed into and from China, securing capacity early. As the virus spread, we leveraged the successful methodology used in China for other parts of Asia and Europe.
- We evaluated the end-to-end supply line needs for all products ramping this year, worked on securing supply lines and deployed our business continuity plans to mitigate potential risks.

We are working with governments around the world to confirm our compliance with local requirements for continued operation as an essential business. We have also worked closely with our suppliers to help protect their employees' health and safety, to provide supplier assistance to mitigate supply disruptions, and to clarify our continued expectations for labor practices and human rights in line with the Responsible Business Alliance Code of Conduct.

## OUR COMMUNITY

Intel has a longstanding commitment to support the local communities where we operate and to create a better world through the power of our technology. We have committed over \$60 million to accelerate access to technology needed to combat the crisis and to support the needs of frontline healthcare workers and people in our local communities. We've also been inspired by our employees who have proposed innovative ideas for how we can apply our resources and technology to support our stakeholders throughout this crisis.

**Using our technology to help.** In April, we pledged \$50 million in a Pandemic Response Technology Initiative to combat COVID-19 through accelerating access to technology at the point of patient care, speeding scientific research, and ensuring access to online learning for students. A portion of this amount has been allocated to an additional innovation fund that supports requests from external partners and employee-led relief projects where access to Intel expertise and resources can have immediate impact. This initiative builds on prior announcements of \$10 million in donations that are supporting local communities during this critical time.

We are providing access to our intellectual property and partnering with customers to put technology to work towards understanding and fighting COVID-19. For example:

- We are giving COVID-19 scientists and researchers free access to our worldwide intellectual property portfolio. We will continue to invent—and protect—our intellectual property, but we offer it freely to those working to protect people from this pandemic.
- We are teaming with Lenovo and BGI Genomics to accelerate the analysis of genomic characteristics of COVID-19. Our combined work will further advance the capabilities of BGI's sequencing tools to help scientists investigate transmission patterns of the virus and create better diagnostic methods.
- We are deploying Intel platform-based robots in hospitals to protect doctors and nurses by transporting medical supplies and surgical equipment to reduce human-to-human interactions.
- We are working with Dyson and medical consultancy firm TTP to supply FPGAs for CoVent, a new ventilator specifically designed in response to the U.K. government's request for help.
- We are collaborating with Medtronic to add remote monitoring capabilities to their PB980 ventilator, which helps reduce exposure for healthcare providers treating COVID-19 patients.

**Philanthropic efforts.** We are also committed to providing monetary and non-monetary support to our communities. For example:

- We committed a \$1 million donation to the International Red Cross to support global relief efforts for the COVID-19 pandemic.
- We announced the Intel Foundation is providing \$4 million to support COVID-19 relief efforts in communities where we have significant presence. The foundation also offered a special monetary matching opportunity for every regular full-time and part-time employee and U.S. Intel retiree up to a total of \$2 million for relief efforts around major Intel sites.
- We donated more than 1 million items of personal protective equipment—masks, gloves, and other gear—to healthcare workers that were sourced from our factory stock and emergency supplies.
- We also joined the global XPRIZE Pandemic Alliance along with other companies to fuel collaboration on solutions through shared innovation to effectively address the immediate needs of the crisis.

## MOVING FORWARD

There is uncertainty around the impacts the pandemic will have on our business and the additional measures that may be necessary going forward. We will continue to actively monitor the situation, including the status of our workforce and factories, supply chain, and customers, suppliers, and vendors, to determine the appropriate actions to protect the health and safety of our employees and our ongoing operations for our customers. This includes actions informed by the requirements and recommendations of the federal, state or local authorities.

Economic and demand uncertainty in the current environment may impact our future results. We continue to assess how the effects of COVID-19 on the economy may offset the immediate catalysts from more remote work and learning, and we recognize that our operations could be disrupted if our employees working in our fabs and factories contract the virus. We expect continued strength from cloud service providers and communications service providers in the second quarter of 2020, and anticipate enterprise and government demand to weaken in the second half of 2020. We also expect lower demand in IOTG and Mobileye for the rest of the year. As global GDP estimates are revised down, we expect PC TAM to decline in the second half of the year. We remain focused on cash flow management, including careful management of operating expenses, capital expenditures, and working capital.

## A QUARTER IN REVIEW

Total revenue of \$19.8 billion was up \$3.8 billion year over year as our data-centric businesses and PC-centric business grew by 34% and 14% respectively. Data-centric revenue was up, driven by growth across all DCG business market segments, strong mix of high-performance Intel® Xeon® processors, NSG bit growth, and improved NAND pricing. Our PC-centric business was up, driven by notebook platform<sup>1</sup> volume strength and higher modem sales. Increased platform unit sales, ASP strength, and lower period charges resulted in higher gross margins and operating income, partially offset by higher platform unit cost. In the first three months we generated \$6.2 billion of cash flow from operations and returned \$5.6 billion to stockholders, including \$1.4 billion in dividends and \$4.2 billion in buybacks.

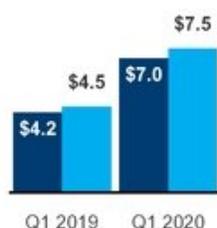
### REVENUE

■ PC-CENTRIC \$B  
■ DATA-CENTRIC \$B



### OPERATING INCOME

■ GAAP \$B ■ NON-GAAP \$B



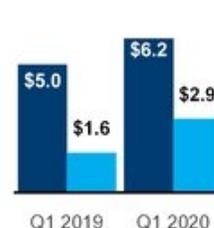
### DILUTED EPS

■ GAAP ■ NON-GAAP



### CASH FLOWS

■ OPERATING CASH FLOW \$B  
■ FREE CASH FLOW \$B



## \$19.8B

### GAAP

Revenue up \$3.8B or 23% from Q1 2019

Growth in most data-centric businesses and growth in the PC-centric business

## \$7.0B

### GAAP

Operating income up \$2.9B or 69% from Q1 2019; Q1 2020 operating margin at 35%

Higher gross margin from increase in platform unit sales and platform ASP strength, lower period charges, NAND market recovery and improved NAND unit cost, partially offset by increase in platform unit cost

## \$7.5B

### non-GAAP<sup>2</sup>

Operating income up \$3.0B or 67% from Q1 2019; Q1 2020 operating margin at 38%

## \$1.31

### GAAP

Diluted EPS up \$0.44 or 51% from Q1 2019

Higher platform volume, platform ASP strength, lower period charges, NAND market recovery and improved unit cost, and lower shares outstanding, partially offset by higher platform unit cost and higher tax

## \$1.45

### non-GAAP<sup>2</sup>

Diluted EPS up \$0.56 or 63% from Q1 2019

## \$6.2B

### GAAP

Operating cash flow up \$1.2B or 24% from Q1 2019

Higher net income offset by working capital changes driven by other assets and liabilities and accounts receivable

## \$2.9B

### non-GAAP<sup>2</sup>

Free cash flow up \$1.3B or 76% from Q1 2019

## BUSINESS SUMMARY

- We introduced a broad, data-centric portfolio for 5G network infrastructure including the new Intel Atom® P5900, a 10nm SoC for wireless base stations; a next-generation structured ASIC for 5G network acceleration; and the launch of new 2nd Gen Intel® Xeon® Scalable processors.
- We announced the 10th Gen Intel® Core™ H-series mobile processors, a new family of mobile processors aimed at gamers and creators everywhere, which deliver faster performance with up to 5.3GHz Turbo, eight cores, and 16 threads.
- We experienced growth in most data-centric businesses. DCG grew across all segments and adjacencies continued to ramp. NSG grew with record revenue driven by NAND and Intel® Optane™ memory bit growth and higher ASP. Mobileye recognized record revenue with increasing ADAS adoption. IOTG declined on COVID-19 impact.
- PC-centric growth was driven by notebook demand strength as consumers and businesses are relying on PCs for working and learning at home.

<sup>1</sup> See "Key Terms" within Consolidated Condensed Financial Statements and Supplemental Details.

<sup>2</sup> See "Non-GAAP Financial Measures" within MD&A.

## CONSOLIDATED CONDENSED STATEMENTS OF INCOME

(In Millions, Except Per Share Amounts; Unaudited)	Three Months Ended	
	Mar 28, 2020	Mar 30, 2019
<b>Net revenue</b>	<b>\$ 19,828</b>	<b>\$ 16,061</b>
Cost of sales	7,812	6,972
<b>Gross margin</b>	<b>12,016</b>	<b>9,089</b>
Research and development	3,275	3,332
Marketing, general and administrative	1,541	1,583
Restructuring and other charges	162	—
<b>Operating expenses</b>	<b>4,978</b>	<b>4,915</b>
<b>Operating income</b>	<b>7,038</b>	<b>4,174</b>
Gains (losses) on equity investments, net	(111)	434
Interest and other, net	(313)	(61)
<b>Income before taxes</b>	<b>6,614</b>	<b>4,547</b>
Provision for taxes	953	573
<b>Net income</b>	<b>\$ 5,661</b>	<b>\$ 3,974</b>
<b>Earnings per share—basic</b>	<b>\$ 1.33</b>	<b>\$ 0.88</b>
<b>Earnings per share—diluted</b>	<b>\$ 1.31</b>	<b>\$ 0.87</b>
Weighted average shares of common stock outstanding:		
<b>Basic</b>	<b>4,266</b>	<b>4,492</b>
<b>Diluted</b>	<b>4,312</b>	<b>4,564</b>

See accompanying notes.

## CONSOLIDATED CONDENSED STATEMENTS OF COMPREHENSIVE INCOME

(In Millions; Unaudited)	Three Months Ended	
	Mar 28, 2020	Mar 30, 2019
<b>Net income</b>	<b>\$ 5,661</b>	<b>\$ 3,974</b>
Changes in other comprehensive income, net of tax:		
Net unrealized holding gains (losses) on derivatives	(268)	102
Actuarial valuation and other pension benefits (expenses), net	12	9
Translation adjustments and other	(5)	50
<b>Other comprehensive income (loss)</b>	<b>(261)</b>	<b>161</b>
<b>Total comprehensive income</b>	<b>\$ 5,400</b>	<b>\$ 4,135</b>

See accompanying notes.

## CONSOLIDATED CONDENSED BALANCE SHEETS

(In Millions)	Mar 28, 2020 (unaudited)	Dec 28, 2019
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 11,380	\$ 4,194
Short-term investments	1,296	1,082
Trading assets	8,127	7,847
Accounts receivable	8,455	7,659
Inventories	9,246	8,744
Other current assets	2,997	1,713
<b>Total current assets</b>	<b>41,501</b>	<b>31,239</b>
Property, plant and equipment, net of accumulated depreciation of \$75,686 (\$73,321 as of December 28, 2019)	56,770	55,386
Equity investments	3,880	3,967
Other long-term investments	2,943	3,276
Goodwill	26,276	26,276
Identified intangible assets, net	10,429	10,827
Other long-term assets	5,911	5,553
<b>Total assets</b>	<b>\$ 147,710</b>	<b>\$ 136,524</b>
<b>Liabilities, temporary equity, and stockholders' equity</b>		
Current liabilities:		
Short-term debt	\$ 3,464	\$ 3,693
Accounts payable	4,638	4,128
Accrued compensation and benefits	2,358	3,853
Other accrued liabilities	13,435	10,636
<b>Total current liabilities</b>	<b>23,895</b>	<b>22,310</b>
<b>Debt</b>	<b>36,455</b>	<b>25,308</b>
<b>Contract liabilities</b>	<b>1,353</b>	<b>1,368</b>
<b>Income taxes payable, non-current</b>	<b>4,651</b>	<b>4,919</b>
<b>Deferred income taxes</b>	<b>2,027</b>	<b>2,044</b>
<b>Other long-term liabilities</b>	<b>2,975</b>	<b>2,916</b>
<b>Contingencies (Note 12)</b>		
<b>Temporary equity</b>	<b>—</b>	<b>155</b>
Stockholders' equity:		
Preferred stock	—	—
Common stock and capital in excess of par value, 4,234 issued and outstanding (4,290 issued and outstanding as of December 28, 2019)	25,251	25,261
Accumulated other comprehensive income (loss)	(1,541)	(1,280)
Retained earnings	52,644	53,523
<b>Total stockholders' equity</b>	<b>76,354</b>	<b>77,504</b>
<b>Total liabilities, temporary equity, and stockholders' equity</b>	<b>\$ 147,710</b>	<b>\$ 136,524</b>

See accompanying notes.

## CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS

(In Millions; Unaudited)	Three Months Ended	
	Mar 28, 2020	Mar 30, 2019
<b>Cash and cash equivalents, beginning of period</b>	<b>\$ 4,194</b>	<b>\$ 3,019</b>
Cash flows provided by (used for) operating activities:		
Net income	5,661	3,974
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	2,623	2,229
Share-based compensation	449	389
Amortization of intangibles	427	396
(Gains) losses on equity investments, net	134	(274)
Changes in assets and liabilities:		
Accounts receivable	(796)	(235)
Inventories	(548)	(512)
Accounts payable	117	196
Accrued compensation and benefits	(1,500)	(1,620)
Prepaid supply agreements	(87)	(228)
Income taxes	753	440
Other assets and liabilities	(1,075)	204
Total adjustments	497	985
<b>Net cash provided by operating activities</b>	<b>6,158</b>	<b>4,959</b>
Cash flows provided by (used for) investing activities:		
Additions to property, plant and equipment	(3,268)	(3,321)
Purchases of available-for-sale debt investments	(513)	(872)
Maturities and sales of available-for-sale debt investments	625	948
Purchases of trading assets	(3,897)	(1,869)
Maturities and sales of trading assets	3,660	1,554
Sales of equity investments	20	1,077
Other investing	(363)	(239)
<b>Net cash used for investing activities</b>	<b>(3,736)</b>	<b>(2,722)</b>
Cash flows provided by (used for) financing activities:		
Increase (decrease) in short-term debt, net	—	1,682
Issuance of long-term debt, net of issuance costs	10,247	135
Repayment of debt and debt conversion	(1,075)	(861)
Proceeds from sales of common stock through employee equity incentive plans	503	290
Repurchase of common stock	(4,229)	(2,530)
Payment of dividends to stockholders	(1,408)	(1,414)
Other financing	726	596
<b>Net cash provided by (used for) financing activities</b>	<b>4,764</b>	<b>(2,102)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>7,186</b>	<b>135</b>
<b>Cash and cash equivalents, end of period</b>	<b>\$ 11,380</b>	<b>\$ 3,154</b>
Supplemental disclosures of noncash investing activities and cash flow information:		
Acquisition of property, plant, and equipment included in accounts payable and accrued liabilities	\$ 2,294	\$ 2,259
Cash paid during the period for:		
Interest, net of capitalized interest	\$ 67	\$ 109
Income taxes, net of refunds	\$ 211	\$ 125

See accompanying notes.



## CONSOLIDATED CONDENSED STATEMENTS OF STOCKHOLDERS' EQUITY

(In Millions, Except Per Share Amounts; Unaudited)	Common Stock and Capital in Excess of Par Value		Accumulated Other Comprehensive Income (Loss)	Retained Earnings	Total
	Shares	Amount			
<b>Three Months Ended</b>					
<b>Balance as of December 29, 2019</b>	<b>4,290</b>	<b>\$ 25,261</b>	<b>\$ (1,280)</b>	<b>\$ 53,523</b>	<b>\$ 77,504</b>
Net income	—	—	—	5,661	5,661
Other comprehensive income (loss)	—	—	(261)	—	(261)
Employee equity incentive plans and other	17	620	—	—	620
Share-based compensation	—	449	—	—	449
Temporary equity reduction	—	155	—	—	155
Convertible debt	—	(750)	—	—	(750)
Repurchase of common stock	(71)	(420)	—	(3,689)	(4,109)
Restricted stock unit withholdings	(2)	(64)	—	(32)	(96)
Cash dividends declared (\$0.66 per share)	—	—	—	(2,819)	(2,819)
<b>Balance as of March 28, 2020</b>	<b>4,234</b>	<b>\$ 25,251</b>	<b>\$ (1,541)</b>	<b>\$ 52,644</b>	<b>\$ 76,354</b>
<b>Balance as of December 28, 2018</b>	<b>4,516</b>	<b>\$ 25,365</b>	<b>\$ (974)</b>	<b>\$ 50,172</b>	<b>\$ 74,563</b>
Net income	—	—	—	3,974	3,974
Other comprehensive income (loss)	—	—	161	—	161
Employee equity incentive plans and other	11	372	—	—	372
Share-based compensation	—	389	—	—	389
Temporary equity reduction	—	145	—	—	145
Convertible debt	—	(592)	—	—	(592)
Repurchase of common stock	(49)	(278)	—	(2,172)	(2,450)
Restricted stock unit withholdings	(1)	(55)	—	(17)	(72)
Cash dividends declared (\$0.63 per share)	—	—	—	(2,829)	(2,829)
<b>Balance as of March 30, 2019</b>	<b>4,477</b>	<b>\$ 25,346</b>	<b>\$ (813)</b>	<b>\$ 49,128</b>	<b>\$ 73,661</b>

See accompanying notes.

## NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS

### NOTE 1 : BASIS OF PRESENTATION

We prepared our interim Consolidated Condensed Financial Statements that accompany these notes in conformity with U.S. GAAP, consistent in all material respects with those applied in our Form 10-K for the fiscal year ended December 28, 2019.

We have made estimates and judgments affecting the amounts reported in our Consolidated Condensed Financial Statements and the accompanying notes. The inputs into our judgments and estimates consider the economic implications of COVID-19 on our critical and significant accounting estimates. The actual results that we experience may differ materially from our estimates. The interim financial information is unaudited, and reflects all normal adjustments that are, in our opinion, necessary to provide a fair statement of results for the interim periods presented. This report should be read in conjunction with the Consolidated Financial Statements in our 2019 Form 10-K where we include additional information about our policies and the methods and assumptions used in our estimates.

### NOTE 2 : OPERATING SEGMENTS

We manage our business through the following operating segments:

- DCG
- IOTG
- Mobileye
- NSG
- PSG
- CCG

We derive a substantial majority of our revenue from platform products, which are our principal products and considered as one class of product. We offer platform products that incorporate various components and technologies, including a microprocessor and chipset, a stand-alone SoC, or a multichip package. Platform products are used in various form factors across our DCG, IOTG, and CCG operating segments. Our non-platform, or adjacent products, can be combined with platform products to form comprehensive platform solutions to meet customer needs.

DCG and CCG are our reportable operating segments. IOTG, Mobileye, NSG, and PSG do not meet the quantitative thresholds to qualify as reportable operating segments; however, we have elected to disclose the results of these non-reportable operating segments. Our Internet of Things portfolio, presented as Internet of Things, is comprised of IOTG and Mobileye operating segments.

We have an “all other” category that includes revenue, expenses, and charges such as:

- results of operations from non-reportable segments not otherwise presented;
- historical results of operations from divested businesses;
- results of operations of start-up businesses that support our initiatives, including our foundry business;
- amounts included within restructuring and other charges;
- a portion of employee benefits, compensation, and other expenses not allocated to the operating segments; and
- acquisition-related costs, including amortization and any impairment of acquisition-related intangibles and goodwill.

The CODM, who is our CEO, does not evaluate operating segments using discrete asset information. Operating segments do not record inter-segment revenue. We do not allocate gains and losses from equity investments, interest and other income, or taxes to operating segments. Although the CODM uses operating income to evaluate the segments, operating costs included in one segment may benefit other segments. Except for these differences, the accounting policies for segment reporting are the same as for Intel as a whole.

Net revenue and operating income (loss) for each period were as follows:

(In Millions)	Three Months Ended	
	Mar 28, 2020	Mar 30, 2019
<b>Net revenue:</b>		
<b>Data Center Group</b>		
Platform	\$ 6,427	\$ 4,482
Adjacent	566	420
	<b>6,993</b>	<b>4,902</b>
<b>Internet of Things</b>		
IOTG	883	910
Mobileye	254	209
	<b>1,137</b>	<b>1,119</b>
<b>Non-Volatile Memory Solutions Group</b>	<b>1,338</b>	<b>915</b>
<b>Programmable Solutions Group</b>	<b>519</b>	<b>486</b>
<b>Client Computing Group</b>		
Platform	8,712	7,824
Adjacent	1,063	762
	<b>9,775</b>	<b>8,586</b>
<b>All other</b>	<b>66</b>	<b>53</b>
<b>Total net revenue</b>	<b>\$ 19,828</b>	<b>\$ 16,061</b>
<b>Operating income (loss):</b>		
<b>Data Center Group</b>	<b>\$ 3,492</b>	<b>\$ 1,841</b>
<b>Internet of Things</b>		
IOTG	243	251
Mobileye	88	68
	<b>331</b>	<b>319</b>
<b>Non-Volatile Memory Solutions Group</b>	<b>(66)</b>	<b>(297)</b>
<b>Programmable Solutions Group</b>	<b>97</b>	<b>89</b>
<b>Client Computing Group</b>	<b>4,225</b>	<b>3,072</b>
<b>All other</b>	<b>(1,041)</b>	<b>(850)</b>
<b>Total operating income</b>	<b>\$ 7,038</b>	<b>\$ 4,174</b>

Disaggregated net revenue for each period was as follows:

(In Millions)	Three Months Ended	
	Mar 28, 2020	Mar 30, 2019
<b>Platform revenue</b>		
DCG platform	\$ 6,427	\$ 4,482
IOTG platform	795	825
CCG Desktop platform	2,840	2,886
CCG Notebook platform	5,857	4,926
CCG other platform <sup>1</sup>	15	12
	<b>15,934</b>	<b>13,131</b>
<b>Adjacent revenue<sup>2</sup></b>	<b>3,894</b>	<b>2,930</b>
<b>Total revenue</b>	<b>\$ 19,828</b>	<b>\$ 16,061</b>

<sup>1</sup> Includes our tablet and service provider revenue.

<sup>2</sup> Includes all of our non-platform products for DCG, IOTG, and CCG such as modem, Ethernet, and silicon photonics, as well as Mobileye, NSG, and PSG products.

### Planned Divestiture of our Home Gateway Platform Division

We signed a definitive agreement on April 5, 2020 to sell the majority of Home Gateway Platform, a division of CCG. The transaction contemplates the transfer of certain employees, equipment, and an on-going supply agreement for future units. We reclassified the assets and liabilities as held-for-sale within other current assets/liabilities. We expect to close the transaction in the third quarter of 2020.

## NOTE 3 : EARNINGS PER SHARE

We computed basic earnings per share of common stock based on the weighted average number of shares of common stock outstanding during the period. We computed diluted earnings per share of common stock based on the weighted average number of shares of common stock outstanding plus potentially dilutive shares of common stock outstanding during the period.

(In Millions, Except Per Share Amounts)	Three Months Ended	
	Mar 28, 2020	Mar 30, 2019
<b>Net income available to common stockholders</b>	\$ 5,661	\$ 3,974
<b>Weighted average shares of common stock outstanding—basic</b>	<b>4,266</b>	<b>4,492</b>
Dilutive effect of employee equity incentive plans	46	53
Dilutive effect of convertible debt	—	19
<b>Weighted average shares of common stock outstanding—diluted</b>	<b>4,312</b>	<b>4,564</b>
<b>Earnings per share—basic</b>	<b>\$ 1.33</b>	<b>\$ 0.88</b>
<b>Earnings per share—diluted</b>	<b>\$ 1.31</b>	<b>\$ 0.87</b>

Potentially dilutive shares of common stock from employee equity incentive plans are determined by applying the treasury stock method to the assumed exercise of outstanding stock options, the assumed vesting of outstanding RSUs, and the assumed issuance of common stock under the stock purchase plan.

In January 2020, we fully redeemed the remaining principal of our 2009 Debentures. We included our 2009 Debentures in the calculation of diluted earnings per share of common stock in 2019 by applying the treasury stock method because the average market price was above the conversion price.

Securities which would have been anti-dilutive are insignificant and are excluded from the computation of diluted earnings per share in all periods presented.

## NOTE 4 : CONTRACT LIABILITIES

(In Millions)	Mar 28, 2020	Dec 28, 2019
Prepaid supply agreements	\$ 1,718	\$ 1,805
Other	271	236
<b>Total contract liabilities</b>	<b>\$ 1,989</b>	<b>\$ 2,041</b>

Contract liabilities are primarily related to prepayments received from customers on long-term prepaid supply agreements toward future NSG product delivery. The short-term portion of contract liabilities is reported on the Consolidated Condensed Balance Sheets within other accrued liabilities.

The following table shows the changes in contract liability balances relating to long-term prepaid supply agreements during the first three months of 2020:

(In Millions)	
Prepaid supply agreements balance as of December 28, 2019	\$ 1,805
Prepayments utilized	(87)
Prepaid supply agreements balance as of March 28, 2020	<b>\$ 1,718</b>

If new long-term prepaid supply agreements are entered into and performance obligations are negotiated, this component of the contract liability balance will increase, and as customers purchase product and utilize their prepaid balances, the balance will decrease.

The timing and amount of future anticipated revenues from these agreements may vary from our expectations due to changes in supply, demand, and market pricing.

## NOTE 5 : OTHER FINANCIAL STATEMENT DETAILS

### INVENTORIES

(In Millions)	Mar 28, 2020	Dec 28, 2019
Raw materials	\$ 877	\$ 840
Work in process	6,654	6,225
Finished goods	1,715	1,679
<b>Total inventories</b>	<b>\$ 9,246</b>	<b>\$ 8,744</b>

### INTEREST AND OTHER, NET

The components of interest and other, net for each period were as follows:

(In Millions)	Three Months Ended	
	Mar 28, 2020	Mar 30, 2019
Interest income	\$ 93	\$ 135
Interest expense	(135)	(138)
Other, net	(271)	(58)
<b>Total interest and other, net</b>	<b>\$ (313)</b>	<b>\$ (61)</b>

Interest expense in the preceding table is net of \$83 million of interest capitalized in the first three months of 2020 (\$125 million in the first three months of 2019).



## NOTE 6 : RESTRUCTURING AND OTHER CHARGES

A restructuring program was approved in the first quarter of 2020 to further align our workforce with our continuing investments in the business and execute the planned divestiture of Home Gateway Platform, a division of CCG. We expect these actions to be substantially complete in the third quarter of 2020.

Restructuring and other charges by type for the period were as follows:

(In Millions)	Three Months Ended	
	Mar 28, 2020	
Employee severance and benefit arrangements	\$	105
Asset impairment and other charges		57
<b>Total restructuring and other charges</b>	<b>\$</b>	<b>162</b>

## NOTE 7 : INVESTMENTS

### DEBT INVESTMENTS

#### Trading Assets

Net losses related to trading assets still held at the reporting date were \$231 million in the first three months of 2020 (\$16 million of net gains in the first three months of 2019). Net gains on the related derivatives were \$100 million in the first three months of 2020 (\$2 million of net gains in the first three months of 2019).

#### Available-for-Sale Debt Investments

(In Millions)	March 28, 2020				December 28, 2019			
	Adjusted Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	Adjusted Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Corporate debt	\$ 3,656	\$ 46	\$ (9)	\$ 3,693	\$ 2,914	\$ 44	\$ —	\$ 2,958
Financial institution instruments	9,482	12	(2)	9,492	3,007	15	(1)	3,021
Government debt	748	11	(1)	758	560	4	—	564
<b>Total available-for-sale debt investments</b>	<b>\$ 13,886</b>	<b>\$ 69</b>	<b>\$ (12)</b>	<b>\$ 13,943</b>	<b>\$ 6,481</b>	<b>\$ 63</b>	<b>\$ (1)</b>	<b>\$ 6,543</b>

Government debt includes instruments such as non-U.S. government bonds and U.S. agency securities. Financial institution instruments include instruments issued or managed by financial institutions in various forms such as commercial paper, fixed and floating rate bonds, money market fund deposits, and time deposits. Substantially all time deposits were issued by institutions outside the U.S. as of March 28, 2020 and December 28, 2019.

The fair value of available-for-sale debt investments, by contractual maturity, as of March 28, 2020, was as follows:

(In Millions)	Fair Value
Due in 1 year or less	\$ 3,443
Due in 1–2 years	1,589
Due in 2–5 years	1,354
Due after 5 years	—
Instruments not due at a single maturity date	7,557
<b>Total</b>	<b>\$ 13,943</b>

## EQUITY INVESTMENTS

(In Millions)	Mar 28, 2020	Dec 28, 2019
Marketable equity securities	\$ 330	\$ 450
Non-marketable equity securities	3,522	3,480
Equity method investments	28	37
<b>Total</b>	<b>\$ 3,880</b>	<b>\$ 3,967</b>

We recognized \$143 million of impairment charges on our non-marketable portfolio in the first three months of 2020 based on our assessment of the impact of recent public and private market volatility and tightening of liquidity.

The components of gains (losses) on equity investments, net for each period were as follows:

(In Millions)	Three Months Ended	
	Mar 28, 2020	Mar 30, 2019
Ongoing mark-to-market adjustments on marketable equity securities	\$ (103)	\$ 253
Observable price adjustments on non-marketable equity securities	79	8
Impairment charges	(143)	(23)
Sale of equity investments and other <sup>1</sup>	56	196
<b>Total gains (losses) on equity investments, net</b>	<b>\$ (111)</b>	<b>\$ 434</b>

<sup>1</sup> Sale of equity investments and other includes realized gains (losses) on sales of non-marketable equity investments, our share of equity method investee gains (losses) and distributions, and initial fair value adjustments recorded upon a security becoming marketable.

Gains and losses for our marketable and non-marketable equity securities during the period were as follows:

(In Millions)	Three Months Ended	
	Mar 28, 2020	Mar 30, 2019
Net gains (losses) recognized during the period on equity securities	\$ (140)	\$ 263
Less: Net (gains) losses recognized during the period on equity securities sold during the period	(7)	(190)
<b>Unrealized gains (losses) recognized during the reporting period on equity securities still held at the reporting date</b>	<b>\$ (147)</b>	<b>\$ 73</b>

### IMFT

IMFT was formed in 2006 by Micron Technology, Inc. (Micron) and Intel to jointly develop NAND flash memory and 3D XPoint™ technology products. As of March 30, 2019, we had a carrying value of \$1.5 billion in IMFT and owned a 49% interest in the unconsolidated variable interest entity. We sold our non-controlling interest in IMFT to Micron in October 2019. We will continue to purchase product manufactured by Micron at the IMFT facility under supply agreements, which include the next generation of 3DXpoint technology.

## NOTE 8 : BORROWINGS

As of March 28, 2020, our short-term debt was \$3.5 billion, primarily comprised of the current portion of our long-term debt (\$3.7 billion as of December 28, 2019).

We have an ongoing authorization from our Board of Directors to borrow up to \$10.0 billion under our commercial paper program.

## LONG-TERM DEBT

(In Millions)	Mar 28, 2020		Dec 28, 2019
	Effective Interest Rate	Amount	Amount
Floating-rate senior notes:			
Three-month LIBOR plus 0.08%, due May 2020	1.93%	\$ 700	\$ 700
Three-month LIBOR plus 0.35%, due May 2022	2.19%	800	800
Fixed-rate senior notes:			
1.85%, due May 2020	1.88%	1,000	1,000
2.45%, due July 2020	2.47%	1,750	1,750
1.70%, due May 2021	1.77%	500	500
3.30%, due October 2021	2.96%	2,000	2,000
2.35%, due May 2022	1.95%	750	750
3.10%, due July 2022	2.68%	1,000	1,000
4.00%, due December 2022 <sup>1</sup>	3.61%	325	382
2.70%, due December 2022	2.27%	1,500	1,500
4.10%, due November 2023	3.20%	400	400
2.88%, due May 2024	2.30%	1,250	1,250
2.70%, due June 2024	2.12%	600	600
3.40%, due March 2025	3.46%	1,500	—
3.70%, due July 2025	3.81%	2,250	2,250
2.60%, due May 2026	2.28%	1,000	1,000
3.75%, due March 2027	3.80%	1,000	—
3.15%, due May 2027	2.84%	1,000	1,000
2.45%, due November 2029	2.45%	2,000	1,250
3.90%, due March 2030	3.94%	1,500	—
4.00%, due December 2032	2.82%	750	750
4.60%, due March 2040	4.63%	750	—
4.80%, due October 2041	3.75%	802	802
4.25%, due December 2042	3.00%	567	567
4.90%, due July 2045	3.78%	772	772
4.10%, due May 2046	3.04%	1,250	1,250
4.10%, due May 2047	3.00%	1,000	1,000
4.10%, due August 2047	2.58%	640	640
3.73%, due December 2047	3.30%	1,967	1,967
3.25%, due November 2049	3.22%	2,000	1,500
4.75%, due March 2050	4.77%	2,250	—
3.10%, due February 2060	3.12%	1,000	—
4.95%, due March 2060	5.02%	1,000	—
Oregon and Arizona bonds:			
2.40%-2.70%, due December 2035 - 2040	2.49%	423	423
5.00%, due March 2049	2.11%	138	138
5.00%, due June 2049	2.13%	438	438
Junior Subordinated Convertible Debentures:			
3.25%, due August 2039	—	—	372
<b>Total Senior Notes and Other Borrowings</b>		<b>38,572</b>	<b>28,751</b>
Unamortized Premium/Discount and Issuance Costs		(379)	(529)
Hedge Accounting Fair Value Adjustments		1,726	781
<b>Long-term debt</b>		<b>39,919</b>	<b>29,003</b>
Current portion of long-term debt		(3,464)	(3,695)
<b>Total long-term debt</b>		<b>\$ 36,455</b>	<b>\$ 25,308</b>

<sup>1</sup> To manage foreign currency risk associated with the Australian-dollar-denominated notes issued in 2015, we entered into currency interest rate swaps with an aggregate notional amount of \$396 million, which effectively converted these notes to U.S.-dollar-denominated notes. For further discussion on our currency interest rate swaps, see "Note 11: Derivative Financial Instruments."

In November 2019, we issued a notice of redemption for the remaining \$372 million of 2009 Debentures with a redemption date of January 9, 2020. During the fourth quarter of 2019, the closing stock price conversion right condition of the 2009 Debentures continued to be met and therefore the debentures were convertible at the option of the holders until January 6, 2020. All 2009 Debentures were either converted prior to January 6, 2020 or redeemed on the redemption date.

In the first three months of 2020, we issued a total of \$10.3 billion aggregate principal amount of senior notes. We intend to use the net proceeds from the offering for general corporate purposes, which may include refinancing outstanding debt, funding for working capital and capital expenditures, and repurchasing shares of our common stock.

Our senior floating rate notes pay interest quarterly and our senior fixed rate notes pay interest semiannually. We may redeem the fixed rate notes prior to their maturity at our option at specified redemption prices and subject to certain restrictions. The obligations under the notes rank equally in right of payment with all of our other existing and future senior unsecured indebtedness and effectively rank junior to all liabilities of our subsidiaries.

**NOTE 9 : FAIR VALUE****ASSETS AND LIABILITIES MEASURED AND RECORDED AT FAIR VALUE ON A RECURRING BASIS**

(In Millions)	March 28, 2020				December 28, 2019			
	Fair Value Measured and Recorded at Reporting Date Using				Fair Value Measured and Recorded at Reporting Date Using			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
<b>Assets</b>								
Cash equivalents:								
Corporate debt	\$ —	\$ 1,348	\$ —	\$ 1,348	\$ —	\$ 713	\$ —	\$ 713
Financial institution instruments <sup>1</sup>	7,557	600	—	8,157	1,064	408	—	1,472
Government debt <sup>2</sup>	—	199	—	199	—	—	—	—
Reverse repurchase agreements	—	1,150	—	1,150	—	1,500	—	1,500
Short-term investments:								
Corporate debt	—	493	—	493	—	347	—	347
Financial institution instruments <sup>1</sup>	—	803	—	803	—	724	—	724
Government debt <sup>2</sup>	—	—	—	—	—	11	—	11
Trading assets:								
Corporate debt	—	2,850	—	2,850	—	2,848	—	2,848
Financial institution instruments <sup>1</sup>	78	2,020	—	2,098	87	1,578	—	1,665
Government debt <sup>2</sup>	—	3,179	—	3,179	—	3,334	—	3,334
Other current assets:								
Derivative assets	5	372	—	377	50	230	—	280
Loans receivable <sup>3</sup>	—	339	—	339	—	—	—	—
Marketable equity securities	330	—	—	330	450	—	—	450
Other long-term investments:								
Corporate debt	—	1,852	—	1,852	—	1,898	—	1,898
Financial institution instruments <sup>1</sup>	—	532	—	532	—	825	—	825
Government debt <sup>2</sup>	—	559	—	559	—	553	—	553
Other long-term assets:								
Derivative assets	—	1,604	35	1,639	—	690	16	706
Loans receivable <sup>3</sup>	—	203	—	203	—	554	—	554
<b>Total assets measured and recorded at fair value</b>	<b>\$ 7,970</b>	<b>\$ 18,103</b>	<b>\$ 35</b>	<b>\$ 26,108</b>	<b>\$ 1,651</b>	<b>\$ 16,213</b>	<b>\$ 16</b>	<b>\$ 17,880</b>
<b>Liabilities</b>								
Other accrued liabilities:								
Derivative liabilities	\$ 190	\$ 614	\$ —	\$ 804	\$ 3	\$ 287	\$ —	\$ 290
Other long-term liabilities:								
Derivative liabilities	—	106	—	106	—	13	—	13
<b>Total liabilities measured and recorded at fair value</b>	<b>\$ 190</b>	<b>\$ 720</b>	<b>\$ —</b>	<b>\$ 910</b>	<b>\$ 3</b>	<b>\$ 300</b>	<b>\$ —</b>	<b>\$ 303</b>

<sup>1</sup> Level 1 investments consist of money market funds. Level 2 investments consist primarily of commercial paper, certificates of deposit, time deposits, and notes and bonds issued by financial institutions.

<sup>2</sup> Level 2 investments consist primarily of U.S. agency notes and non-U.S. government debt.

<sup>3</sup> The fair value of our loans receivable for which we elected the fair value option did not significantly differ from the contractual principal balance based on the contractual currency.

## ASSETS MEASURED AND RECORDED AT FAIR VALUE ON A NON-RECURRING BASIS

Our non-marketable equity securities, equity method investments, and certain non-financial assets, such as intangible assets and property, plant and equipment, are recorded at fair value only if an impairment or observable price adjustment is recognized in the current period. If an observable price adjustment or impairment is recognized on our non-marketable equity securities during the period, we classify these assets as Level 3 within the fair value hierarchy based on the nature of the fair value inputs.

## FINANCIAL INSTRUMENTS NOT RECORDED AT FAIR VALUE ON A RECURRING BASIS

Financial instruments not recorded at fair value on a recurring basis include non-marketable equity securities and equity method investments that have not been remeasured or impaired in the current period, grants receivable, loans receivable, reverse repurchase agreements, and issued debt.

As of March 28, 2020, the aggregate carrying value of grants receivable, loans receivable, and reverse repurchase agreements was \$534 million (\$543 million as of December 28, 2019). The estimated fair value of these financial instruments approximates their carrying value and is categorized as Level 2 within the fair value hierarchy based on the nature of the fair value inputs.

As of March 28, 2020, the fair value of our issued debt was \$41.3 billion (\$30.6 billion as of December 28, 2019). These liabilities are classified as Level 2 within the fair value hierarchy based on the nature of the fair value inputs.

## NOTE 10 : OTHER COMPREHENSIVE INCOME (LOSS)

The changes in accumulated other comprehensive income (loss) by component and related tax effects in the first three months of 2020 were as follows:

(In Millions)	Unrealized Holding Gains (Losses) on Derivatives	Actuarial Valuation and Other Pension Expenses	Translation Adjustments and Other	Total
<b>Balance as of December 29, 2019</b>	\$ 54	\$ (1,382)	\$ 48	\$ (1,280)
Other comprehensive income (loss) before reclassifications	(373)	3	(6)	(376)
Amounts reclassified out of accumulated other comprehensive income (loss)	68	14	—	82
Tax effects	37	(5)	1	33
<b>Other comprehensive income (loss)</b>	<b>(268)</b>	<b>12</b>	<b>(5)</b>	<b>(261)</b>
<b>Balance as of March 28, 2020</b>	<b>\$ (214)</b>	<b>\$ (1,370)</b>	<b>\$ 43</b>	<b>\$ (1,541)</b>

We estimate that we will reclassify approximately \$135 million (before taxes) of net derivative losses included in accumulated other comprehensive income (loss) into earnings within the next 12 months.

## NOTE 11 : DERIVATIVE FINANCIAL INSTRUMENTS

### VOLUME OF DERIVATIVE ACTIVITY

Total gross notional amounts for outstanding derivatives (recorded at fair value) at the end of each period were as follows:

(In Millions)	Mar 28, 2020	Dec 28, 2019
Foreign currency contracts	\$ 27,039	\$ 23,981
Interest rate contracts	13,859	14,302
Other	1,726	1,753
<b>Total</b>	<b>\$ 42,624</b>	<b>\$ 40,036</b>

### FAIR VALUE OF DERIVATIVE INSTRUMENTS

(In Millions)	March 28, 2020		December 28, 2019	
	Assets <sup>1</sup>	Liabilities <sup>2</sup>	Assets <sup>1</sup>	Liabilities <sup>2</sup>
Derivatives designated as hedging instruments:				
Foreign currency contracts <sup>3</sup>	\$ 10	\$ 465	\$ 56	\$ 159
Interest rate contracts	1,635	—	690	9
<b>Total derivatives designated as hedging instruments</b>	<b>1,645</b>	<b>465</b>	<b>746</b>	<b>168</b>
Derivatives not designated as hedging instruments:				
Foreign currency contracts <sup>3</sup>	362	135	179	78
Interest rate contracts	4	120	11	54
Equity contracts	5	190	50	3
<b>Total derivatives not designated as hedging instruments</b>	<b>371</b>	<b>445</b>	<b>240</b>	<b>135</b>
<b>Total derivatives</b>	<b>\$ 2,016</b>	<b>\$ 910</b>	<b>\$ 986</b>	<b>\$ 303</b>

<sup>1</sup> Derivative assets are recorded as other assets, current and non-current.

<sup>2</sup> Derivative liabilities are recorded as other liabilities, current and non-current.

<sup>3</sup> The majority of these instruments mature within 12 months.

## AMOUNTS OFFSET IN THE CONSOLIDATED CONDENSED BALANCE SHEETS

The gross amounts of our derivative instruments and reverse repurchase agreements subject to master netting arrangements with various counterparties, and cash and non-cash collateral posted under such agreements at the end of each period were as follows:

March 28, 2020						
(In Millions)	Gross Amounts Recognized	Gross Amounts Offset in the Balance Sheet	Net Amounts Presented in the Balance Sheet	Gross Amounts Not Offset in the Balance Sheet		
				Financial Instruments	Cash and Non-Cash Collateral Received or Pledged	Net Amount
<b>Assets:</b>						
Derivative assets subject to master netting arrangements	\$ 2,005	\$ —	\$ 2,005	\$ (457)	\$ (1,513)	\$ 35
Reverse repurchase agreements	1,500	—	1,500	—	(1,418)	82
<b>Total assets</b>	<b>\$ 3,505</b>	<b>\$ —</b>	<b>\$ 3,505</b>	<b>\$ (457)</b>	<b>\$ (2,931)</b>	<b>\$ 117</b>
<b>Liabilities:</b>						
Derivative liabilities subject to master netting arrangements	\$ 865	\$ —	\$ 865	\$ (457)	\$ (221)	\$ 187
<b>Total liabilities</b>	<b>\$ 865</b>	<b>\$ —</b>	<b>\$ 865</b>	<b>\$ (457)</b>	<b>\$ (221)</b>	<b>\$ 187</b>
December 28, 2019						
(In Millions)	Gross Amounts Recognized	Gross Amounts Offset in the Balance Sheet	Net Amounts Presented in the Balance Sheet	Gross Amounts Not Offset in the Balance Sheet		
				Financial Instruments	Cash and Non-Cash Collateral Received or Pledged	Net Amount
<b>Assets:</b>						
Derivative assets subject to master netting arrangements	\$ 974	\$ —	\$ 974	\$ (144)	\$ (808)	\$ 22
Reverse repurchase agreements	1,850	—	1,850	—	(1,850)	—
<b>Total assets</b>	<b>\$ 2,824</b>	<b>\$ —</b>	<b>\$ 2,824</b>	<b>\$ (144)</b>	<b>\$ (2,658)</b>	<b>\$ 22</b>
<b>Liabilities:</b>						
Derivative liabilities subject to master netting arrangements	\$ 262	\$ —	\$ 262	\$ (144)	\$ (72)	\$ 46
<b>Total liabilities</b>	<b>\$ 262</b>	<b>\$ —</b>	<b>\$ 262</b>	<b>\$ (144)</b>	<b>\$ (72)</b>	<b>\$ 46</b>

We obtain and secure available collateral from counterparties against obligations, including securities lending transactions and reverse repurchase agreements, when we deem it appropriate.

## DERIVATIVES IN CASH FLOW HEDGING RELATIONSHIPS

The before-tax net gains or losses attributed to cash flow hedges, recognized in other comprehensive income (loss), were \$373 million net losses in the first three months of 2020 (\$29 million net gains in the first three months of 2019). Substantially all of our cash flow hedges were foreign currency contracts for all periods presented.

During the first three months of 2020 and 2019, the amounts excluded from effectiveness testing were insignificant.

## DERIVATIVES IN FAIR VALUE HEDGING RELATIONSHIPS

The effects of derivative instruments designated as fair value hedges, recognized in interest and other, net for each period were as follows:

Three Months Ended (In Millions)	Gains (Losses) Recognized in Consolidated Condensed Statements of Income on Derivatives	
	Mar 28, 2020	Mar 30, 2019
Interest rate contracts	\$ 954	\$ 485
Hedged items	(954)	(485)
<b>Total</b>	<b>\$ —</b>	<b>\$ —</b>

The amounts recorded on the Consolidated Condensed Balance Sheets related to cumulative basis adjustments for fair value hedges for each period were as follows:

Line Item in the Consolidated Condensed Balance Sheet in Which the Hedged Item is Included  (In Millions)	Carrying Amount of the Hedged Item Asset/(Liabilities)		Cumulative Amount of Fair Value Hedging Adjustment Included in the Carrying Amount Assets/(Liabilities)	
	Mar 28, 2020	Dec 28, 2019	Mar 28, 2020	Dec 28, 2019
Long-term debt	\$ (13,632)	\$ (12,678)	\$ (1,635)	\$ (681)

The total notional amount of pay variable and receive fixed interest rate swaps was \$12.0 billion as of March 28, 2020 and as of December 28, 2019.

## DERIVATIVES NOT DESIGNATED AS HEDGING INSTRUMENTS

The effects of derivative instruments not designated as hedging instruments on the Consolidated Condensed Statements of Income for each period were as follows:

(In Millions)	Location of Gains (Losses) Recognized in Income on Derivatives	Three Months Ended	
		Mar 28, 2020	Mar 30, 2019
Foreign currency contracts	Interest and other, net	\$ 154	\$ 57
Interest rate contracts	Interest and other, net	(77)	(14)
Other	Various	(268)	146
<b>Total</b>		<b>\$ (191)</b>	<b>\$ 189</b>

## NOTE 12 : CONTINGENCIES

### LEGAL PROCEEDINGS

We are a party to various legal proceedings, including those noted in this section. Although management at present believes that the ultimate outcome of these proceedings, individually and in the aggregate, will not materially harm our financial position, results of operations, cash flows, or overall trends, legal proceedings and related government investigations are subject to inherent uncertainties, and unfavorable rulings or other events could occur. Unfavorable resolutions could include substantial monetary damages. In addition, in matters for which injunctive relief or other conduct remedies are sought, unfavorable resolutions could include an injunction or other order prohibiting us from selling one or more products at all or in particular ways, precluding particular business practices, or requiring other remedies. An unfavorable outcome may result in a material adverse impact on our business, results of operations, financial position, and overall trends. We might also conclude that settling one or more such matters is in the best interests of our stockholders, employees, and customers, and any such settlement could include substantial payments. Except as specifically described below, we have not concluded that settlement of any of the legal proceedings noted in this section is appropriate at this time.

## European Commission Competition Matter

In 2001, the EC commenced an investigation regarding claims by Advanced Micro Devices, Inc. (AMD) that we used unfair business practices to persuade customers to buy our microprocessors. We received numerous requests for information and documents from the EC and we responded to each of those requests. The EC issued a Statement of Objections in July 2007 and held a hearing on that Statement in March 2008. The EC issued a Supplemental Statement of Objections in July 2008. In May 2009, the EC issued a decision finding that we had violated Article 82 of the EC Treaty and Article 54 of the European Economic Area Agreement. In general, the EC found that we violated Article 82 (later renumbered as Article 102 by a new treaty) by offering alleged "conditional rebates and payments" that required our customers to purchase all or most of their x86 microprocessors from us. The EC also found that we violated Article 82 by making alleged "payments to prevent sales of specific rival products." The EC imposed a fine in the amount of €1.1 billion (\$1.4 billion as of May 2009), which we subsequently paid during the third quarter of 2009, and ordered us to "immediately bring to an end the infringement referred to in" the EC decision.

The EC decision contained no specific direction on whether or how we should modify our business practices. Instead, the decision stated that we should "cease and desist" from further conduct that, in the EC's opinion, would violate applicable law. We took steps, which are subject to the EC's ongoing review, to comply with that decision pending appeal. We had discussions with the EC to better understand the decision and to explain changes to our business practices.

We appealed the EC decision to the Court of First Instance (which has been renamed the General Court) in July 2009. The hearing of our appeal took place in July 2012. In June 2014, the General Court rejected our appeal in its entirety. In August 2014, we filed an appeal with the European Court of Justice. In November 2014, Intervener Association for Competitive Technologies filed comments in support of Intel's grounds of appeal. The EC and interveners filed briefs in November 2014, we filed a reply in February 2015, and the EC filed a rejoinder in April 2015. The Court of Justice held oral argument in June 2016. In October 2016, Advocate General Wahl, an advisor to the Court of Justice, issued a non-binding advisory opinion that favored Intel on a number of grounds. The Court of Justice issued its decision in September 2017, setting aside the judgment of the General Court and sending the case back to the General Court to examine whether the rebates at issue were capable of restricting competition. The General Court has appointed a panel of five judges to consider our appeal of the EC's 2009 decision in light of the Court of Justice's clarifications of the law. In November 2017, the parties filed initial "Observations" about the Court of Justice's decision and the appeal and were invited by the General Court to offer supplemental comments to each other's "Observations," which the parties submitted in March 2018. Responses to other questions posed by the General Court were filed in May and June 2018. The General Court heard oral argument in March 2020. Pending the final decision in this matter, the fine paid by Intel has been placed by the EC in commercial bank accounts where it accrues interest.

## Litigation Related to Security Vulnerabilities

In June 2017, a Google research team notified us and other companies that it had identified security vulnerabilities (now commonly referred to as "Spectre" and "Meltdown") that affect many types of microprocessors, including our products. As is standard when findings like these are presented, we worked together with other companies in the industry to verify the research and develop and validate software and firmware updates for impacted technologies. On January 3, 2018, information on the security vulnerabilities was publicly reported, before software and firmware updates to address the vulnerabilities were made widely available. Numerous lawsuits relating to the Spectre and Meltdown security vulnerabilities, as well as another variant of these vulnerabilities ("Foreshadow") that has since been identified, have been filed against Intel and, in certain cases, our current and former executives and directors, in U.S. federal and state courts and in certain courts in other countries.

As of April 22, 2020, consumer class action lawsuits relating to certain security vulnerabilities publicly disclosed in 2018 were pending in the U.S., Canada, and Israel. The plaintiffs, who purport to represent various classes of purchasers of our products, generally claim to have been harmed by Intel's actions and/or omissions in connection with the security vulnerabilities and assert a variety of common law and statutory claims seeking monetary damages and equitable relief. In the U.S., numerous individual class action suits filed in various jurisdictions were consolidated in April 2018 for all pretrial proceedings in the U.S. District Court for the District of Oregon. In March 2020, the court granted Intel's motion to dismiss the complaint in that consolidated action, but granted plaintiffs leave to file an amended complaint. In Canada, in one case pending in the Superior Court of Justice of Ontario, an initial status conference has not yet been scheduled. In a second case pending in the Superior Court of Justice of Quebec, the court has stayed the case until April 2020. In Israel, both consumer class action lawsuits were filed in the District Court of Haifa. In the first case, the District Court denied the parties' joint motion to stay filed in January 2019, but to date has deferred Intel's deadline to respond to the complaint in view of Intel's pending motion to dismiss in the consolidated proceeding in the U.S. Intel filed a motion to stay the second case pending resolution of the consolidated proceeding in the U.S., and a hearing on that motion has been scheduled for May 2020. Additional lawsuits and claims may be asserted seeking monetary damages or other related relief. We dispute the pending claims described above and intend to defend those lawsuits vigorously. Given the procedural posture and the nature of those cases, including that the pending proceedings are in the early stages, that alleged damages have not been specified, that uncertainty exists as to the likelihood of a class or classes being certified or the ultimate size of any class or classes if certified, and that there are significant factual and legal issues to be resolved, we are unable to make a reasonable estimate of the potential loss or range of losses, if any, that might arise from those matters.

In addition to these lawsuits, Intel stockholders filed multiple shareholder derivative lawsuits since January 2018 against certain current and former members of our Board of Directors and certain current and former officers, alleging that the defendants breached their duties to Intel in connection with the disclosure of the security vulnerabilities and the failure to take action in relation to alleged insider trading. The complaints sought to recover damages from the defendants on behalf of Intel. Some of the derivative actions were filed in the U.S. District Court for the Northern District of California and were consolidated, and the others were filed in the Superior Court of the State of California in San Mateo County and were consolidated. The federal court granted defendants' motion to dismiss the consolidated complaint in the federal action in August 2018 on the ground that plaintiffs failed to plead facts sufficient to show they were excused from making a pre-lawsuit demand on the Board. The federal court granted plaintiffs leave to amend their complaint, but subsequently dismissed the cases without prejudice in January 2019 at plaintiffs' request. In August 2018, the California Superior Court granted defendants' motion to dismiss the consolidated complaint in the state court action on the ground that plaintiffs failed to plead facts sufficient to show they were excused from making a pre-lawsuit demand on the Board, but granted plaintiffs leave to amend. The court subsequently granted defendants' motion to dismiss plaintiffs' first, second, and third amended complaints, on the same ground, and in March 2020 granted defendants' motion to dismiss plaintiffs' third amended complaint without granting plaintiffs leave to amend. Plaintiffs filed a motion for reconsideration of the court's final order of dismissal, which is scheduled for hearing in June 2020.

#### **Institute of Microelectronics, Chinese Academy of Sciences v. Intel China, Ltd., et al.**

In February 2018, the Institute of Microelectronics of the Chinese Academy of Sciences (IMECAS) sued Intel China, Ltd., Dell China, Ltd. (Dell) and Beijing JingDong Century Information Technology, Ltd. (JD) for patent infringement in the Beijing High Court. IMECAS alleges that Intel's Core series processors infringe Chinese patent CN 102956457 ('457 Patent). The complaint demands an injunction and damages of at least RMB 200,000,000 plus the cost of litigation. A trial date is not yet set. In March 2018, Dell tendered indemnity to Intel, which Intel granted in April 2018. JD also tendered indemnity to Intel, which Intel granted in October 2018. In March 2018, Intel filed an invalidation request on the '457 patent with the Chinese Patent Reexamination Board (PRB). The PRB held an oral hearing in September 2018 and in February 2019 upheld the validity of the challenged claims. In January 2020, Intel filed a second invalidation request on the '457 patent with the PRB. In September 2018 and March 2019, Intel filed petitions with the United States Patent & Trademark Office (USPTO) requesting institution of inter partes review (IPR) of U.S. Patent No. 9,070,719, the U.S. counterpart to the '457 patent. The USPTO denied institution of Intel's petitions in March and October 2019, respectively. In April 2019, Intel filed a request for rehearing and a petition for Precedential Opinion Panel (POP) in the USPTO to challenge the denial of its first IPR petition, and in November 2019 Intel filed a request for rehearing on the second IPR petition. In January 2020, the USPTO denied the rehearing and petition on the first IPR petition.

In October 2019, IMECAS filed second and third lawsuits, in the Beijing IP Court, alleging infringement of Chinese Patent No. CN 102386226 ('226 Patent) based on the manufacturing and sale of Intel's Core i3 microprocessors. Defendants in the second case are Lenovo (Beijing) Co., Ltd. (Lenovo) and Beijing Jiayun Huitong Technology Development Co. Ltd. (BJHT). Defendants in the third case are Intel Corp., Intel China Co., Ltd., the Intel China Beijing Branch, Beijing Digital China Co., Ltd. (Digital China), and JD. Both complaints demand injunctions plus litigation costs and reserve the right to claim damages in unspecified amounts. No proceedings have occurred or are yet scheduled in these lawsuits. In December 2019, Lenovo tendered indemnity to Intel, which Intel granted in March 2020. Given the procedural posture and the nature of these cases, the unspecified nature and extent of damages claimed by IMECAS, and uncertainty regarding the availability of injunctive relief under applicable law, we are unable to make a reasonable estimate of the potential loss or range of losses, if any, arising from these matters. We dispute IMECAS's claims and intend to vigorously defend against them.

## KEY TERMS

We use terms throughout our document that are specific to Intel or that are abbreviations that may not be commonly known or used. Below is a list of these terms used in our document.

TERM	DEFINITION
<b>2009 Debentures</b>	3.25% junior subordinated convertible debentures due 2039
<b>5G</b>	The next-generation mobile network, which is expected to bring dramatic improvements in network speeds and latency, and which we view as a transformative technology and opportunity for many industries
<b>ADAS</b>	Advanced driver-assistance systems
<b>Adjacent products</b>	All of our non-platform products for CCG, DCG, and IOTG, such as modem, Ethernet and silicon photonics, as well as Mobileye, Non-Volatile Memory Solutions Group (NSG), and Programmable Solutions Group (PSG) products. Combined with our platform products, adjacent products form comprehensive platform solutions to meet customer needs
<b>ASIC</b>	Application-specific integrated circuit
<b>ASP</b>	Average Selling Price
<b>CODM</b>	Chief operating decision maker
<b>COVID-19</b>	The infectious disease caused by the most recently discovered coronavirus (aka coronavirus 2 or SARS-CoV-2), which was declared a global pandemic by the World Health Organization
<b>CPU</b>	Processor or central processing unit
<b>Data-centric businesses</b>	Includes our Data Center Group (DCG), Internet of Things Group (IOTG), Mobileye, Non-Volatile Memory Solutions Group (NSG), Programmable Solutions Group (PSG), and all other businesses
<b>EC</b>	European Commission
<b>Edge</b>	Allocated resources that move, store, and process data closer to the source or point of service delivery
<b>Form 10-K</b>	Annual Report on Form 10-K
<b>Form 10-Q</b>	Quarterly Report on Form 10-Q
<b>FPGA</b>	Field-programmable gate array
<b>IMFT</b>	IM Flash Technologies, LLC
<b>Internet of Things</b>	Refers to the Internet of Things market in which we sell our IOTG and Mobileye products
<b>IP</b>	Intellectual property
<b>McAfee</b>	Business, post divestiture of Intel Security Group in Q2 2017, which we retained an interest in as part of our investment strategy
<b>MD&amp;A</b>	Management's Discussion & Analysis
<b>MG&amp;A</b>	Marketing, general and administrative
<b>NAND</b>	NAND flash memory
<b>nm</b>	Nanometer
<b>OEM</b>	Original equipment manufacturer
<b>PC-centric business</b>	Our Client Computing Group (CCG) business, including both platform and adjacent products
<b>Platform products</b>	A microprocessor (CPU) and chipset, a stand-alone SoC, or a multichip package, based on Intel® architecture. Platform products are primarily used in solutions sold through the CCG, DCG, and IOTG segments
<b>PRQ</b>	Product Release Qualification, which is the milestone when costs to manufacture a product are included in inventory valuation
<b>QLC</b>	Quad-level cell
<b>R&amp;D</b>	Research and development
<b>RSU</b>	Restricted stock unit
<b>SEC</b>	U.S. Securities and Exchange Commission
<b>SoC</b>	System-on-Chip
<b>SSD</b>	Solid-state drive
<b>TAM</b>	Total addressable market
<b>TLC</b>	Triple-level cell
<b>U.S. GAAP</b>	U.S. Generally Accepted Accounting Principles

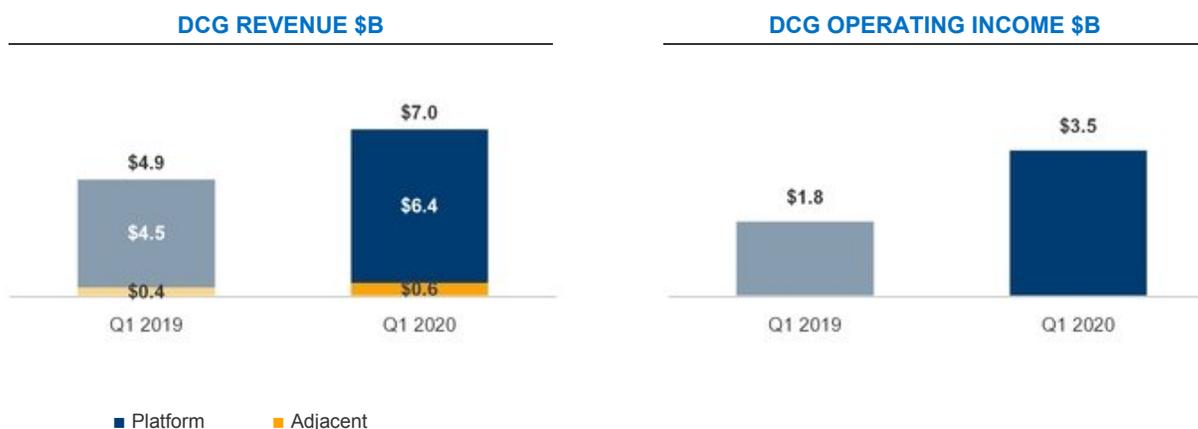


## MANAGEMENT'S DISCUSSION AND ANALYSIS

For additional key highlights of our results of operations, see "A Quarter in Review" and "Our Pandemic Response."

### DATA CENTER GROUP

DCG develops workload-optimized platforms for compute, storage, and network functions. Market segments include cloud service providers, enterprise and government, and communications service providers. We offer customers an unmatched, broad portfolio of platforms and technologies designed to provide workload-optimized performance across compute, storage, and network. These offerings span the full spectrum from the data center core to the network edge.



### REVENUE SUMMARY

Revenue in Q1 2020 was up 43% compared to Q1 2019 driven by increased volume and strong mix of platform products resulting in higher ASPs. In Q1 2020, revenue in the cloud service providers market segment was up 53% as cloud service providers added capacity to serve demand. The enterprise and government market segment was up 34%, and the communications service providers market segment was up 33% year over year.

We expect continued strength from cloud service providers and communications service providers in Q2 2020, and anticipate demand in the enterprise and government segment to weaken in the second half of 2020.

(Dollars in Millions)	Q1 2020 vs. Q1 2019	
	%	\$ Impact
Platform volume	up 27%	\$ 1,230
Platform ASP	up 13%	715
Adjacent products	up 35%	146
<b>Total change in revenue</b>		<b>\$ 2,091</b>

### OPERATING INCOME SUMMARY

Operating income in Q1 2020 increased 90% from Q1 2019, with an operating margin of 50%.

(In Millions)	
\$ 3,492	<b>Q1 2020 DCG Operating Income</b>
1,785	Higher gross margin from platform revenue
(80)	Higher operating expenses
(54)	Other
\$ 1,841	<b>Q1 2019 DCG Operating Income</b>

## INTERNET OF THINGS

As more intelligence is moving to the edge, more industries are harnessing the power of data to create business value, to innovate, and to grow. We are using our architecture, accelerators, and software assets, combined with scale and partners, to develop a growing Internet of Things portfolio. Our Internet of Things portfolio is comprised of our IOTG and Mobileye businesses.

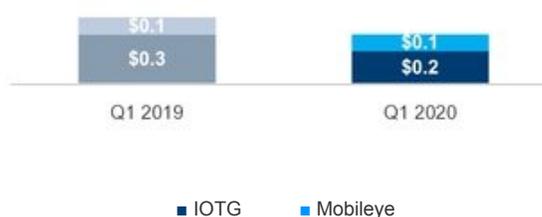
IOTG develops high-performance compute for targeted verticals and embedded markets. Our customers include retailers, manufacturers, health care providers, energy companies, automakers, and governments. We facilitate our customers creating, storing, and processing data generated by connected devices to accelerate business transformations.

Mobileye is the global leader in driving assistance and automation solutions. Our product portfolio employs a broad set of technologies, covering computer vision and machine learning-based sensing, data analysis, localization, mapping, and driving policy technology for ADAS and autonomous driving. Mobileye's ADAS products form the building blocks for higher levels of autonomy. Our customers and strategic partners include major global OEMs and Tier 1 automotive system integrators.

### INTERNET OF THINGS REVENUE \$B



### INTERNET OF THINGS OPERATING INCOME \$B



## REVENUE AND OPERATING INCOME SUMMARY

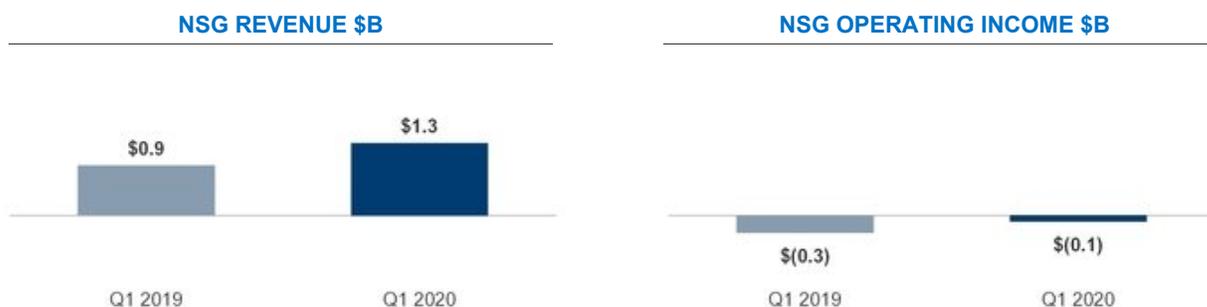
### Q1 2020 vs. Q1 2019

IOTG revenue was \$883 million, down \$27 million, driven by weaker demand for IOTG platform products in industrial and retail due to COVID-19. We expect this weakening to continue for the rest of the year. Operating income was \$243 million, down \$8 million year over year.

Mobileye recognized record revenue of \$254 million, up \$45 million, due to our growing market share and the increasing adoption of our ADAS solutions. Operating income was \$88 million, up \$20 million. We expect demand will soften in 2020 as the effects of COVID-19 continue to slow automotive production.

## NON-VOLATILE MEMORY SOLUTIONS GROUP

NSG is a technology leader in next-generation memory and storage products based on breakthrough Intel® Optane™ technology and Intel® 3D NAND technology. NSG is disrupting the memory and storage hierarchy with new tiers that balance capacity, performance, and cost. We offer 64-layer TLC and QLC NAND high-capacity SSDs, and unparalleled low latency and high performance with Intel® Optane™ technology—both available in innovative new form factors and densities to address the memory and storage challenges our customers face in a rapidly evolving technological landscape. Our customers include enterprise and cloud-based data centers, and users of business and consumer desktops and laptops.



### REVENUE AND OPERATING INCOME SUMMARY

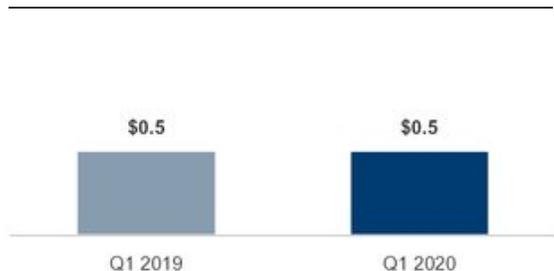
#### Q1 2020 vs. Q1 2019

NSG recognized record revenue of \$1.3 billion, up \$423 million from Q1 2019, driven by \$358 million higher volume due to strong demand for NAND products. Our lower operating loss of \$66 million in Q1 2020, was due to continued improvements in unit cost, market pricing recovery, and strong demand.

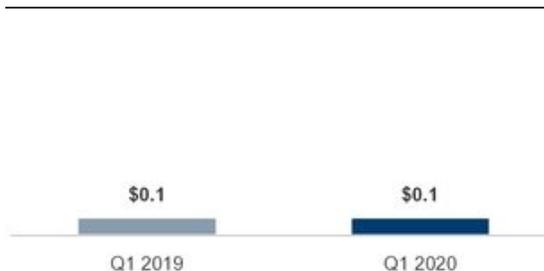
## PROGRAMMABLE SOLUTIONS GROUP

PSG offers programmable semiconductors, primarily FPGAs, structured ASICs, and related products, for a broad range of market segments, including communications, data center, industrial, and military. The PSG product portfolio delivers FPGA acceleration in tandem with Intel microprocessors and enables Intel to combine the benefits of its broad portfolio of technologies to allow more flexibility for systems to operate with increased efficiency and higher performance.

**PSG REVENUE \$B**



**PSG OPERATING INCOME \$B**



### REVENUE AND OPERATING INCOME SUMMARY

#### Q1 2020 vs. Q1 2019

Revenue was \$519 million, up \$33 million due to growth in the cloud and enterprise market segment, partially offset by weaker embedded and communications. PSG experienced growth in advanced products. Operating income was \$97 million, up \$8 million.

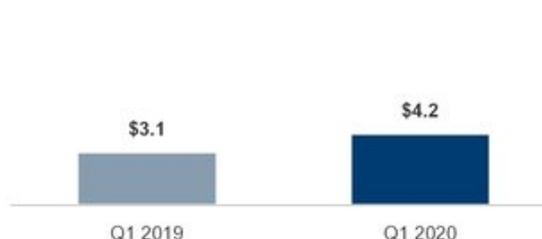
## CLIENT COMPUTING GROUP

As we evolve to deliver leading end-to-end products across architectures and workloads for the data explosion, CCG's contribution is the human touchpoint of this new data-centric era—the PC. As the largest business unit at Intel, CCG deploys platforms that connect people to data, allowing each person to focus, create, and engage in ways that unlock their individual potential. The PC market remains a critical facet of our business, providing an important source of IP, scale, and cash flow. Our mission is to continue to deliver leadership products in our PC business as well as our adjacent businesses. The PC is more essential than ever before with more people working and learning from home due to COVID-19-related shelter-in-place orders. We are dedicated to helping people around the world overcome this crisis.

### CCG REVENUE \$B



### CCG OPERATING INCOME \$B



### REVENUE SUMMARY

Revenue in Q1 2020 was up 14% compared to Q1 2019, driven by strong demand for notebook platform products and incremental LTE modem volume, offset slightly by lower ASPs due to increased small core mix. Strength in notebook platform products reflects the increased reliance on PCs as more people are working and learning from home due to COVID-19.

We expect this strength to continue for the first half of the year but anticipate PC TAM to decline in the second half of 2020.

(Dollars in Millions)	Q1 2020 vs. Q1 2019	
	%	\$ Impact
Desktop platform volume	down (4)%	\$ (143)
Desktop platform ASP	up 4%	97
Notebook platform volume	up 22%	1,100
Notebook platform ASP	down (3)%	(169)
Adjacent products and other		304
<b>Total change in revenue</b>		<b>\$ 1,189</b>

### OPERATING INCOME SUMMARY

Operating income in Q1 2020 increased 38% from Q1 2019, with an operating margin of 43%.

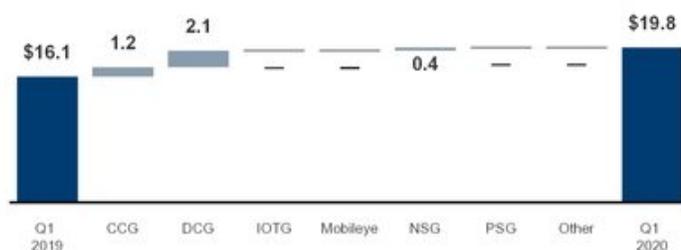
(In Millions)	
<b>\$ 4,225</b>	<b>Q1 2020 CCG Operating Income</b>
710	Higher gross margin from platform revenue
700	Lower period charges primarily due to 2019 reserved non-qualified platform product
305	Lower operating expenses driven by lower investments in modem
(590)	Higher platform unit cost due to ramp of 10nm products
28	Other
<b>\$ 3,072</b>	<b>Q1 2019 CCG Operating Income</b>

## CONSOLIDATED RESULTS OF OPERATIONS

(Dollars in Millions, Except Per Share Amounts)	Three Months Ended			
	Q1 2020		Q1 2019	
	Amount	% of Net Revenue	Amount	% of Net Revenue
<b>Net revenue</b>	<b>\$ 19,828</b>	<b>100.0 %</b>	<b>\$ 16,061</b>	<b>100.0 %</b>
Cost of sales	7,812	39.4 %	6,972	43.4 %
<b>Gross margin</b>	<b>12,016</b>	<b>60.6 %</b>	<b>9,089</b>	<b>56.6 %</b>
Research and development	3,275	16.5 %	3,332	20.7 %
Marketing, general and administrative	1,541	7.8 %	1,583	9.9 %
Restructuring and other charges	162	0.8 %	—	— %
<b>Operating income</b>	<b>7,038</b>	<b>35.5 %</b>	<b>4,174</b>	<b>26.0 %</b>
Gains (losses) on equity investments, net	(111)	(0.6)%	434	2.7 %
Interest and other, net	(313)	(1.6)%	(61)	(0.4)%
<b>Income before taxes</b>	<b>6,614</b>	<b>33.4 %</b>	<b>4,547</b>	<b>28.3 %</b>
Provision for taxes	953	4.8 %	573	3.6 %
<b>Net income</b>	<b>\$ 5,661</b>	<b>28.6 %</b>	<b>\$ 3,974</b>	<b>24.7 %</b>
<b>Earnings per share—diluted</b>	<b>\$ 1.31</b>		<b>\$ 0.87</b>	

## REVENUE

### SEGMENT REVENUE WALK \$B



### Q1 2020 vs. Q1 2019

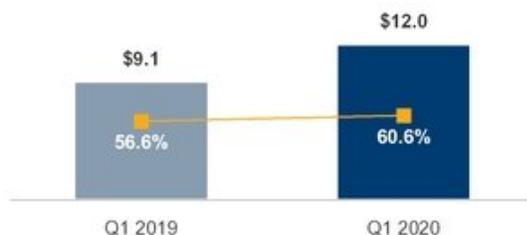
Our Q1 2020 revenue was \$19.8 billion, up \$3.8 billion or 23% from Q1 2019. Compared to a year ago, our data-centric businesses were collectively up 34% as demand from data center customers continued to strengthen as cloud service providers increased capacity to serve customer demand. We also saw higher volume from strong demand for NAND products and an offset from weaker demand in IOTG. Revenue in our PC-centric business was up 14% year over year driven by strong notebook platform demand resulting from an increase in working and learning from home, and incremental growth in LTE modem.

## GROSS MARGIN

We derived most of our overall gross margin from the sale of platform products in the CCG and DCG operating segments. Our overall gross margin dollars in Q1 2020 increased by \$2.9 billion, or 32.2% compared to Q1 2019.

### GROSS MARGIN \$B

(Percentages in chart indicate gross margin as a percentage of total revenue)



(In Millions)

<b>\$ 12,016</b>	<b>Q1 2020 Gross Margin</b>
2,470	Higher gross margin from platform revenue
770	Lower period charges primarily due to 2019 reserved non-qualified platform product
335	Higher gross margin from adjacent businesses primarily due to NAND
(585)	Higher platform unit cost primarily from increased mix of 10nm and performance products
(63)	Other
<b>\$ 9,089</b>	<b>Q1 2019 Gross Margin</b>

## OPERATING EXPENSES

Total R&D and MG&A expenses for Q1 2020 were \$4.8 billion, down 2% from Q1 2019. These expenses represent 24.3% of revenue for Q1 2020 and 30.6% of revenue for Q1 2019.

### RESEARCH AND DEVELOPMENT \$B

### MARKETING, GENERAL AND ADMINISTRATIVE \$B

(Percentages indicate expenses as a percentage of total revenue)



## RESEARCH AND DEVELOPMENT

### Q1 2020 vs. Q1 2019

R&D decreased by \$57 million, or 1.7%, driven by the following:

- Ramp down of 5G smartphone modem business
- + Investments in our PC and data-centric businesses
- + Investments in process technology
- + Profit dependent compensation

## MARKETING, GENERAL AND ADMINISTRATIVE

### Q1 2020 vs. Q1 2019

MG&A decreased by \$42 million, or 2.7%, driven by the following:

- Corporate spending efficiencies
- + Profit dependent compensation

## GAINS (LOSSES) ON EQUITY INVESTMENTS AND INTEREST AND OTHER, NET

(In Millions)	Q1 2020	Q1 2019
Ongoing mark-to-market adjustments on marketable equity securities	\$ (103)	\$ 253
Observable price adjustments on non-marketable equity securities	79	8
Impairment charges	(143)	(23)
Sale of equity investments and other	56	196
<b>Gains (losses) on equity investments, net</b>	<b>\$ (111)</b>	<b>\$ 434</b>
<b>Interest and other, net</b>	<b>\$ (313)</b>	<b>\$ (61)</b>

### Gains (losses) on equity investments, net

We recognized a \$103 million ongoing mark-to-market loss during the first three months of 2020, primarily related to our interest in Cloudera Inc. During the first three months of 2019, we recognized ongoing mark-to-market gains of \$253 million, primarily driven by our interest in ASML Holding N.V. (ASML).

We recognized \$143 million of impairment charges on our non-marketable portfolio in the first three months of 2020 based on our assessment of the impact of recent public and private market volatility and tightening of liquidity.

We recognized \$154 million of McAfee dividends during the first three months of 2019.

### Interest and other, net

For the three months ended March 28, 2020, we paid \$1.1 billion to satisfy conversion obligations for \$372 million of our \$2.0 billion 2009 Debentures and recognized a loss of \$109 million in interest and other, net and \$750 million as a reduction in stockholders' equity related to the conversion feature. For the three months ended March 30, 2019, we paid \$862 million to satisfy conversion obligations for \$337 million of our 2009 Debentures and recognized a loss of \$76 million in interest and other, net and \$593 million as a reduction in stockholders' equity related to the conversion feature.

## PROVISION FOR TAXES

(Dollars in Millions)	Q1 2020	Q1 2019
Income before taxes	\$ 6,614	\$ 4,547
Provision for taxes	\$ 953	\$ 573
Effective tax rate	14.4%	12.6%

The increase in effective tax rate was driven by a lower U.S. tax benefit derived from sales to non-U.S. customers and a one-time tax charge associated with a valuation allowance against a net operating loss deferred tax asset.

## LIQUIDITY AND CAPITAL RESOURCES

We consider the following when assessing our liquidity and capital resources:

(Dollars in Millions)	Mar 28, 2020	Dec 28, 2019
Cash and cash equivalents, short-term investments, and trading assets	\$ 20,803	\$ 13,123
Other long-term investments	\$ 2,943	\$ 3,276
Loans receivable and other	\$ 1,294	\$ 1,239
Reverse repurchase agreements with original maturities greater than three months	\$ 350	\$ 350
Total debt	\$ 39,919	\$ 29,001
Temporary equity	\$ —	\$ 155
Debt as percentage of permanent stockholders' equity	52.3%	37.4%

Cash generated by operations is our primary source of liquidity. When assessing our sources of liquidity, we include investments as shown in the preceding table. We maintain a diverse investment portfolio that we continually analyze based on issuer, industry, and country. Substantially all of our investments in debt instruments and financing receivables are in investment-grade securities.

Other potential sources of liquidity include our commercial paper program and our automatic shelf registration statement on file with the SEC, pursuant to which we may offer an unspecified amount of debt, equity, and other securities. Under our commercial paper program, we have an ongoing authorization from our Board of Directors to borrow up to \$10.0 billion. As of March 28, 2020, we had no outstanding commercial paper.

We believe we have sufficient financial resources to meet our business requirements in the next 12 months, including capital expenditures for worldwide manufacturing and assembly and test; working capital requirements; and potential acquisitions, strategic investments, and dividends. As we enter a period of economic uncertainty, we took actions this quarter that further strengthen our liquidity. During the first three months of 2020 we issued a total of \$10.3 billion aggregate principal amount of senior notes. Additionally, on March 24, 2020 we suspended the use of our financial resources for stock repurchases, having repurchased approximately \$7.6 billion of our planned \$20.0 billion repurchases announced in October 2019. The suspension of stock repurchases will not impact dividend payments to stockholders and the company has the ability to reinstate stock repurchases as circumstances warrant.

### CASH FROM OPERATIONS \$B



### CAPITAL EXPENDITURES \$B



### CASH TO STOCKHOLDERS \$B



■ Dividends ■ Buybacks

(In Millions)

	Three Months Ended	
	Mar 28, 2020	Mar 30, 2019
Net cash provided by operating activities	\$ 6,158	\$ 4,959
Net cash used for investing activities	(3,736)	(2,722)
Net cash provided by (used for) financing activities	4,764	(2,102)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>\$ 7,186</b>	<b>\$ 135</b>

## Operating Activities

Cash provided by operating activities is net income adjusted for certain non-cash items and changes in assets and liabilities.

For the first three months of 2020 compared to the first three months of 2019, the increase in cash provided by operations was due to higher net income offset by changes in working capital driven by other assets and liabilities and accounts receivable.

## Investing Activities

Investing cash flows consist primarily of capital expenditures; investment purchases, sales, maturities, and disposals; and proceeds from divestitures and cash used for acquisitions.

Cash used for investing activities was higher in the first three months of 2020 compared to the first three months of 2019 primarily due to decreased sales of equity investments (substantially all from ASML sales).

## Financing Activities

Financing cash flows consist primarily of repurchases of common stock, payment of dividends to stockholders, issuance and repayment of short-term and long-term debt, and proceeds from the sale of shares of common stock through employee equity incentive plans.

Cash was provided by financing activities in the first three months of 2020 compared to cash used for financing activities in the first three months of 2019 primarily due to increased long-term debt issuances offset by increased repurchases of common stock and reduced proceeds from short-term debt.

## CONTRACTUAL OBLIGATIONS

During Q1 2020, we issued a total of \$10.3 billion aggregate principal amount of senior notes. Our remaining total cash payments over the life of these long-term debt obligations are expected to be approximately \$19.1 billion. These payments include anticipated interest on fixed rate debt that is not recorded on the Consolidated Condensed Balance Sheets. For further information, see "Note 8: Borrowings" within the Consolidated Condensed Financial Statements and Supplemental Details.

## QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are affected by changes in currency exchange and interest rates, as well as equity and commodity prices. Our risk management programs are designed to reduce, but may not entirely eliminate, the impacts of these risks. We performed sensitivity analyses of these risks to our financial positions as of December 28, 2019, and updated that sensitivity analysis as of March 28, 2020, to determine whether material changes in market risks pertaining to currency and interest rates or equity and commodity prices have occurred as a result of the COVID-19 pandemic. No material revisions were noted since disclosing "Quantitative and Qualitative Disclosures About Market Risk" within MD&A, in our 2019 Form 10-K. Risks related to a slowdown or recession are described below under "Risk Factors."

## NON-GAAP FINANCIAL MEASURES

In addition to disclosing financial results in accordance with U.S. GAAP, this document contains references to the non-GAAP financial measures below. We believe these non-GAAP financial measures provide investors with useful supplemental information about the financial performance of our business, enable comparison of financial results between periods where certain items may vary independent of business performance, and allow for greater transparency with respect to key metrics used by management in operating our business and measuring our performance.

Our non-GAAP financial measures reflect adjustments based on one or more of the following items, as well as the related income tax effects where applicable. Income tax effects have been calculated using an appropriate tax rate for each adjustment. These non-GAAP financial measures should not be considered a substitute for, or superior to, financial measures calculated in accordance with U.S. GAAP, and the financial results calculated in accordance with U.S. GAAP and reconciliations from these results should be carefully evaluated.

Non-GAAP adjustment or measure	Definition	Usefulness to management and investors
Acquisition-related adjustments	Amortization of acquisition-related intangible assets consists of amortization of intangible assets such as developed technology, brands, and customer relationships acquired in connection with business combinations. Charges related to the amortization of these intangibles are recorded within both cost of sales and MG&A in our U.S. GAAP financial statements. Amortization charges are recorded over the estimated useful life of the related acquired intangible asset, and thus are generally recorded over multiple years.	We exclude amortization charges for our acquisition-related intangible assets for purposes of calculating certain non-GAAP measures because these charges are inconsistent in size and are significantly impacted by the timing and valuation of our acquisitions. These adjustments facilitate a useful evaluation of our current operating performance and comparison to our past operating performance and provide investors with additional means to evaluate cost and expense trends.
Restructuring and other charges	Restructuring charges are costs associated with a formal restructuring plan and are primarily related to employee severance and benefit arrangements. Other charges include asset impairments, pension charges, and costs associated with restructuring activity.	We exclude restructuring and other charges, including any adjustments to charges recorded in prior periods, for purposes of calculating certain non-GAAP measures because these costs do not reflect our current operating performance and are significantly impacted by the timing of restructuring activity. These adjustments facilitate a useful evaluation of our current operating performance and comparisons to past operating results and provide investors with additional means to evaluate expense trends.
Ongoing mark-to-market on marketable equity securities	After the initial mark-to-market adjustment is recorded upon a security becoming marketable, gains and losses are recognized from ongoing mark-to-market adjustments of our marketable equity securities.	We exclude these ongoing gains and losses for purposes of calculating certain non-GAAP measures because we do not believe this volatility correlates to our core operational performance. These adjustments facilitate a useful evaluation of our current operating performance and comparisons to past operating results.
Free cash flow	We reference a non-GAAP financial measure of free cash flow, which is used by management when assessing our sources of liquidity, capital resources, and quality of earnings. Free cash flow is operating cash flow adjusted to exclude additions to property, plant, and equipment.	This non-GAAP financial measure is helpful in understanding our capital requirements and provides an additional means to evaluate the cash flow trends of our business.

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

(In Millions, Except Per Share Amounts)	Three Months Ended	
	Mar 28, 2020	Mar 30, 2019
<b>Operating income</b>	\$ 7,038	\$ 4,174
Acquisition-related adjustments	339	331
Restructuring and other charges	162	—
<b>Non-GAAP operating income</b>	<b>\$ 7,539</b>	<b>\$ 4,505</b>
<b>Operating margin</b>	35.5%	26.0%
Acquisition-related adjustments	1.7%	2.1%
Restructuring and other charges	0.8%	—%
<b>Non-GAAP operating margin</b>	<b>38.0%</b>	<b>28.0%</b>
<b>Earnings per share—diluted</b>	\$ 1.31	\$ 0.87
Acquisition-related adjustments	0.08	0.07
Restructuring and other charges	0.04	—
Ongoing mark-to-market on marketable equity securities	0.03	(0.05)
Income tax effect	(0.01)	—
<b>Non-GAAP earnings per share—diluted</b>	<b>\$ 1.45</b>	<b>\$ 0.89</b>
<b>Net cash provided by operating activities</b>	\$ 6,158	\$ 4,959
Additions to property, plant and equipment	(3,268)	(3,321)
<b>Free cash flow</b>	<b>\$ 2,890</b>	<b>\$ 1,638</b>
<b>Net cash used for investing activities</b>	<b>\$ (3,736)</b>	<b>\$ (2,722)</b>
<b>Net cash provided by (used for) financing activities</b>	<b>\$ 4,764</b>	<b>\$ (2,102)</b>

## OTHER KEY INFORMATION

### RISK FACTORS

The risks described in "Risk Factors" within Other Key Information in our 2019 Form 10-K could materially and adversely affect our business, financial condition, and results of operations, and the trading price of our common stock could decline. In addition to our discussion in "Our Pandemic Response," MD&A, and other sections of this report to address effects of the COVID-19 pandemic, we have provided an additional risk factor regarding COVID-19 below and have updated the risk factors included in our 2019 Form 10-K titled "Global or regional conditions can harm our financial results" and "Catastrophic events can have a material adverse effect on our operations and financial results." As discussed below, the impact of COVID-19 can also exacerbate other risks discussed in the Risk Factors sections of our 2019 Form 10-K and this report, which could in turn have a material adverse effect on us. The Risk Factors section in our 2019 Form 10-K otherwise remains current in all material respects. These risk factors do not identify all risks that we face—our operations could also be affected by factors that are not presently known to us or that we currently consider to be immaterial to our operations. Due to risks and uncertainties, known and unknown, our past financial results may not be a reliable indicator of future performance and historical trends should not be used to anticipate results or trends in future periods.

**The COVID-19 pandemic could materially adversely affect our financial condition and results of operations.** The novel strain of the coronavirus identified in China in late 2019 (COVID-19) has globally spread throughout other areas such as Asia, Europe, the Middle East, and North America and has resulted in authorities imposing, and businesses and individuals implementing, numerous unprecedented measures to try to contain the virus, such as travel bans and restrictions, quarantines, shelter-in-place/stay-at-home and social distancing orders, and shutdowns. These measures have impacted and may further impact our workforce and operations, the operations of our customers, and those of our respective vendors, suppliers, and partners. We have significant manufacturing operations in the U.S., Ireland, Israel, China, Malaysia, and Vietnam, and each of these countries has been affected by the outbreak and taken measures to try to contain it. The ultimate impact and efficacy of government measures and potential future measures is currently unknown.

There is considerable uncertainty regarding the business impacts from such measures and potential future measures. While we have been able to operate our factories on a relatively normal basis to date, shelter-in-place orders and other measures, including work-from-home and social distancing policies implemented to protect employees, have resulted in reduced workforce availability at some of our sites, construction delays, and reduced capacity at some of our vendors and suppliers. Restrictions on our access to or operation of our manufacturing facilities or on our support operations or workforce, or similar limitations for our vendors and suppliers, can impact our ability to meet customer demand and could have a material adverse effect on our financial condition and results of operations, particularly if prolonged. Similarly, current and future restrictions or disruptions of transportation, such as reduced availability of air transport, port closures, and increased border controls or closures, can also impact our ability to meet demand and could materially adversely affect us. Our customers have experienced, and may continue to experience, disruptions in their operations and supply chains, which can result in delayed, reduced, or canceled orders, or collection risks, and which may adversely affect our results of operations. We have paused new construction projects at several of our manufacturing sites due to local government restrictions. Our current expectation that these interruptions will have a minimal impact on our product ramps and will not affect our timelines for process technology transitions could prove to be inaccurate, and it is possible our plans could be adversely affected to the extent these interruptions are prolonged, additional projects are paused, or other unexpected consequences impacting production occur.

The pandemic has significantly increased economic and demand uncertainty. It is likely that the current outbreak and continued spread of COVID-19 will cause an economic slowdown, and it is possible that it could cause a global recession. There is a significant degree of uncertainty and lack of visibility as to the extent and duration of any such slowdown or recession. Risks related to a slowdown or recession are described in our risk factor titled "Global or regional conditions can harm our financial results," below, and include the risk that demand for our products will be significantly harmed. We are currently seeing negative impacts on demand in some of our businesses, and are expecting slowing economic conditions to adversely affect those and certain other segments in the second half of 2020, as discussed in the "Our Pandemic Response" section of this report. Given the significant economic uncertainty and volatility created by the pandemic, it is difficult to predict the nature and extent of impacts on demand for our products. These expectations are subject to change without warning and investors are cautioned not to place undue reliance on them.

The pandemic has led to increased disruption and volatility in capital markets and credit markets. We issued over \$10 billion in new debt in Q1 2020 and announced the suspension of our stock repurchases on March 24, 2020 to strengthen our liquidity position given the uncertainty regarding the length and severity of the pandemic and ongoing economic uncertainty. Unanticipated consequences of the pandemic and resulting economic uncertainty could adversely affect our liquidity and capital resources in the future. Market volatility has negatively impacted, and may continue to negatively impact, our equity investment portfolio.

The spread of COVID-19 has caused us to modify our business practices (including employee travel, employee work locations, cancellation of physical participation in meetings, events and conferences, and social distancing measures), and we may take further actions as may be required by government authorities or that we determine are in the best interests of our employees, customers, partners, vendors, and suppliers. Work-from-home and other measures introduce additional operational risks, including cybersecurity risks, and have affected the way we conduct our product development, validation, and qualification, customer support, and other activities, which could have an adverse effect on our operations. There is no certainty that such measures will be sufficient to mitigate the risks posed by the virus, and illness and workforce disruptions could lead to unavailability of key personnel and harm our ability to perform critical functions.

The degree to which COVID-19 impacts our results will depend on future developments, which are highly uncertain and cannot be predicted, including, but not limited to, the duration and spread of the outbreak, its severity, the actions to contain the virus or treat its impact, other actions taken by governments, businesses, and individuals in response to the virus and resulting economic disruption, and how quickly and to what extent normal economic and operating conditions can resume. We are similarly unable to predict the degree to which the pandemic impacts our customers, suppliers, vendors, and other partners, and their financial conditions, but a material effect on these parties could also adversely affect us. The impact of COVID-19 can also exacerbate other risks discussed in the Risk Factors sections of our 2019 Form 10-K and this report, which could in turn have a material adverse effect on us. Developments related to COVID-19 have been rapidly changing, and additional impacts and risks may arise that we are not aware of or able to appropriately respond to currently.

**Global or regional conditions can harm our financial results.** We have manufacturing, assembly and test, R&D, sales, and other operations in many countries, and some of our business activities are concentrated in one or more geographic areas. Moreover, sales outside the U.S. accounted for approximately 78% of our revenue for the fiscal year ended December 28, 2019, with revenue from billings to China, including Hong Kong, contributing approximately 28% of our total revenue. As a result, our operations and our financial results, including our ability to manufacture, assemble and test, design, develop, or sell products, and the demand for our products, are at times adversely affected by a number of global and regional factors outside of our control.

Adverse changes in global or regional economic conditions, including recession or slowing growth, changes or uncertainty in fiscal, monetary, or trade policy, higher interest rates, tighter credit, inflation, lower capital expenditures by businesses including on IT infrastructure, increases in unemployment, and lower consumer confidence and spending, periodically occur. The COVID-19 pandemic has significantly increased economic and demand uncertainty. It is likely that the current outbreak and continued spread of COVID-19 will cause an economic slowdown, and it is possible that it could cause a global recession. Adverse changes in economic conditions, including as a result of the pandemic, can significantly harm demand for our products and make it more challenging to forecast our operating results and make business decisions, including regarding prioritization of investments in our business. An economic downturn or increased uncertainty may also lead to increased credit and collectability risks, higher borrowing costs or reduced availability of capital markets, reduced liquidity, adverse impacts on our suppliers, failures of counterparties including financial institutions and insurers, asset impairments, and declines in the value of our financial instruments.

International trade disputes at times result in increased tariffs, trade barriers, and other protectionist measures that can increase our manufacturing costs, make our products less competitive, reduce demand for our products, limit our ability to sell to certain customers, limit our ability to procure components or raw materials, or impede or slow the movement of our goods across borders. Increasing protectionism and economic nationalism may lead to further changes in trade policy, domestic sourcing initiatives, or other formal and informal measures that could make it more difficult to sell our products in, or restrict our access to, some markets.

Escalating trade tensions between the U.S. and China have led to increased tariffs and trade restrictions, including tariffs applicable to some of our products, and have affected customer ordering patterns. The U.S. has imposed restrictions on the export of U.S.-regulated products and technology to certain Chinese technology companies, including certain of our customers. These restrictions have reduced our sales, and continuing or future restrictions could adversely affect our financial results, result in reputational harm to us due to our relationship with such companies, or lead such companies to develop or adopt technologies that compete with our products. It is difficult to predict what further trade-related actions governments may take, which may include additional or increased tariffs and trade restrictions, and we may be unable to quickly and effectively react to such actions. For example, U.S. legislation has expanded the power of the U.S. Department of Commerce to restrict the export of “emerging and foundational technologies” yet to be identified, which could impact our current or future products.

Trade disputes and protectionist measures, or continued uncertainty about such matters, could result in declining consumer confidence and slowing economic growth or recession, and could cause our customers to reduce, cancel, or alter the timing of their purchases with us. Sustained trade tensions could lead to long-term changes in global trade and technology supply chains, which could adversely affect our business and growth prospects.

We can be adversely affected by other global and regional factors that periodically occur, including:

- geopolitical and security issues, such as armed conflict and civil or military unrest, political instability, human rights concerns, and terrorist activity, including, for example, geopolitical tensions and conflict affecting Israel, where our Mobileye business headquarters and certain of our fabrication facilities are located;
- natural disasters, public health issues (including the COVID-19 pandemic discussed further in the risk factor “The COVID-19 pandemic could materially adversely affect our financial condition and results of operations,” above), and other catastrophic events;
- inefficient infrastructure and other disruptions, such as supply chain interruptions and large-scale outages or unreliable provision of services from utilities, transportation, data hosting, or telecommunications providers;
- formal or informal imposition of new or revised export, import, or doing-business regulations, including trade sanctions, tariffs, and changes in the ability to obtain export licenses, which could be changed without notice;
- government restrictions on, or nationalization of, our operations in any country, or restrictions on our ability to repatriate earnings from a particular country;
- adverse changes relating to government grants, tax credits, or other government incentives;
- differing employment practices and labor issues;
- ineffective legal protection of our IP rights in certain countries;

- local business and cultural factors that differ from our current standards and practices;
- continuing uncertainty regarding social, political, immigration, and tax and trade policies in the U.S. and abroad, including as a result of the United Kingdom's withdrawal from the European Union;
- fluctuations in the market values of our domestic and international investments, which can be negatively affected by liquidity, credit deterioration or losses, interest rate changes, financial results, political risk, sovereign risk, or other factors; and
- uncertainty regarding LIBOR—certain of our interest rate derivatives and investments are based on LIBOR, and a portion of our indebtedness bears interest at variable interest rates, primarily based on LIBOR: LIBOR is the subject of recent national, international and other regulatory guidance and proposals for reform, which may cause LIBOR to disappear entirely after 2021 or to perform differently than in the past, and while we expect that reasonable alternatives to LIBOR will be implemented prior to the 2021 target date, we cannot predict the consequences and timing of these developments, and they could include an increase in our interest expense and/or a reduction in our interest income.

We are subject to laws and regulations worldwide that differ among jurisdictions, affecting our operations in areas including, but not limited to: IP ownership and infringement; tax; import and export requirements; anti-corruption; foreign exchange controls and cash repatriation restrictions; data privacy requirements; competition; advertising; employment; product regulations; environment, health, and safety requirements; and consumer laws. Compliance with such requirements can be onerous and expensive, and may otherwise impact our business operations negatively. For example, unfavorable developments with evolving laws and regulations worldwide related to 5G or autonomous driving technology may limit global adoption, impede our strategy, and negatively impact our long-term expectations for our investments in these areas. Expanding privacy legislation and compliance costs of privacy-related and data protection measures could adversely affect our customers and their products and services, particularly in cloud, Internet of Things, and AI applications, which could in turn reduce demand for our products used for those workloads.

Although we have policies, controls, and procedures designed to help ensure compliance with applicable laws, there can be no assurance that our employees, contractors, suppliers, or agents will not violate such laws or our policies. Violations of these laws and regulations can result in fines; criminal sanctions against us, our officers, or our employees; prohibitions on the conduct of our business; and damage to our reputation. The technology industry is subject to intense media, political, and regulatory scrutiny, which can increase our exposure to government investigations, legal actions, and penalties.

**Catastrophic events can have a material adverse effect on our operations and financial results.** Our operations and business, and those of our customers and suppliers, can be disrupted by natural disasters; industrial accidents; public health issues (including the COVID-19 pandemic discussed further in the risk factor “The COVID-19 pandemic could materially adversely affect our financial condition and results of operations,” above); cybersecurity incidents; interruptions of service from utilities, transportation, telecommunications, or IT systems providers; manufacturing equipment failures; or other catastrophic events. For example, we have at times experienced disruptions in our manufacturing processes as a result of power outages, improperly functioning equipment, and disruptions in supply of raw materials or components, including due to cybersecurity incidents affecting our suppliers. Our headquarters and many of our operations and facilities are in locations that are prone to earthquakes and other natural disasters. Global climate change can result in certain natural disasters occurring more frequently or with greater intensity, such as drought, wildfires, storms, sea-level rise, and flooding, and could disrupt the availability of water necessary for the operation of our fabrication facilities located in semi-arid regions. Catastrophic events could make it difficult or impossible to manufacture or deliver products to our customers, receive production materials from our suppliers, or perform critical functions, which could adversely affect our revenue and require significant recovery time and expenditures to resume operations. While we maintain business recovery plans that are intended to enable us to recover from natural disasters or other events that can be disruptive to our business, some of our systems are not fully redundant and we cannot be sure that our plans will fully protect us from all such disruptions. Furthermore, even if our operations are unaffected or recover quickly, if our customers cannot timely resume their own operations due to a catastrophic event, they may reduce or cancel their orders, which may adversely affect our results of operations.

We maintain a program of insurance coverage for a variety of property, casualty, and other risks. The types and amounts of insurance we obtain vary depending on availability, cost, and decisions with respect to risk retention. Some of our policies have large deductibles and broad exclusions. In addition, one or more of our insurance providers may be unable or unwilling to pay a claim. Losses not covered by insurance may be large, which could harm our results of operations and financial condition.

## CONTROLS AND PROCEDURES

### Inherent Limitations on Effectiveness of Controls

Our management, including the principal executive officer and principal financial officer, does not expect that our disclosure controls and procedures or our internal control over financial reporting will prevent or detect all errors and all fraud. A control system, no matter how well-designed and operated, can provide only reasonable, not absolute, assurance that the control system's objectives will be met. The design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Further, because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that misstatements due to error or fraud will not occur or that all control issues and instances of fraud, if any, have been detected.

### Evaluation of Disclosure Controls and Procedures

Due to the COVID-19 pandemic, a significant portion of our employees are now working from home, while also under shelter-in-place orders or other restrictions. Established business continuity plans were activated in order to mitigate the impact to our control environment, operating procedures, data and internal controls. The design of our processes and controls allow for remote execution with accessibility to secure data.

Based on management's evaluation (with the participation of our principal executive officer and principal financial officer), as of the end of the period covered by this report, our principal executive officer and principal financial officer have concluded that our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the Exchange Act)), are effective to provide reasonable assurance that information required to be disclosed by us in reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in SEC rules and forms, and is accumulated and communicated to management, including our principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure.

### Changes in Internal Control Over Financial Reporting

There were no changes to our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that occurred during the quarter ended March 28, 2020 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

## ISSUER PURCHASES OF EQUITY SECURITIES

We have an ongoing authorization, originally approved by our Board of Directors in 2005 and subsequently amended, to repurchase shares of our common stock in open market or negotiated transactions. On March 24, 2020, we suspended stock repurchases in light of the COVID-19 pandemic and we have the ability to reinstate repurchases as circumstances warrant. As of March 28, 2020, we were authorized to repurchase up to \$110.0 billion, of which \$19.7 billion remained available.

Common stock repurchase activity under our publicly announced stock repurchase program during the first quarter of 2020 was as follows:

Period	Total Number of Shares Purchased (In Millions)	Average Price Paid Per Share	Dollar Value of Shares That May Yet Be Purchased Under the Program (In Millions)
December 29, 2019 - January 25, 2020	17.9	\$ 60.39	\$ 22,687
January 26, 2020 - February 22, 2020	17.2	\$ 66.27	\$ 21,547
February 23, 2020 - March 28, 2020	36.2	\$ 52.11	\$ 19,658
<b>Total</b>	<b>71.3</b>		

We issue RSUs as part of our equity incentive plans. In our Consolidated Condensed Financial Statements, we treat shares of common stock withheld for tax purposes on behalf of our employees in connection with the vesting of RSUs as common stock repurchases because they reduce the number of shares that would have been issued upon vesting. These withheld shares of common stock are not considered common stock repurchases under our authorized common stock repurchase program and accordingly are not included in the common stock repurchase totals in the preceding table.

## EXHIBITS

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed or Furnished Herewith
		Form	File Number	Exhibit	Filing Date	
3.1	<a href="#">Third Restated Certificate of Incorporation of Intel Corporation, dated May 17, 2006</a>	8-K	000-06217	3.1	5/22/2006	
3.2	<a href="#">Intel Corporation Bylaws, as amended and restated on January 16, 2019</a>	8-K	000-06217	3.2	1/17/2019	
4.1	<a href="#">Fourteenth Supplemental Indenture, dated as of February 13, 2020, between Intel Corporation and Wells Fargo Bank, National Association, as successor trustee</a>	8-K	000-06217	4.1	2/13/2020	
4.2	<a href="#">Fifteenth Supplemental Indenture, dated as of February 13, 2020, between Intel Corporation and Wells Fargo Bank, National Association, as successor trustee</a>	8-K	000-06217	4.2	2/13/2020	
4.3	<a href="#">Sixteenth Supplemental Indenture, dated as of March 25, 2020, between Intel Corporation and Wells Fargo Bank, National Association, as successor trustee</a>	8-K	000-06217	4.1	3/25/2020	
10.1†	<a href="#">Intel Corporation Form of Restricted Stock Unit Grant Agreement under the 2006 Equity Incentive Plan (for performance-based RSUs granted to non-grandfathered executives on or after January 30, 2019)</a>					X
10.2†	<a href="#">Intel Corporation Executive Annual Performance Bonus Plan</a>	8-K	000-06217	10.1	1/22/2020	
10.3†	<a href="#">Intel Corporation Sheltered Employee Retirement Plan Plus, as amended and restated effective January 1, 2020</a>					X
31.1	<a href="#">Certification of the Chief Executive Officer pursuant to Rule 13a-14(a) of the Exchange Act</a>					X
31.2	<a href="#">Certification of the Chief Financial Officer pursuant to Rule 13a-14(a) of the Exchange Act</a>					X
32.1	<a href="#">Certification of the Chief Executive Officer and the Chief Financial Officer pursuant to Rule 13a-14(b) of the Exchange Act and 18 U.S.C. Section 1350</a>					X
101.INS	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document					X
101.SCH	XBRL Taxonomy Extension Schema Document					X
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document					X
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document					X
101.LAB	XBRL Taxonomy Extension Label Linkbase Document					X
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document					X
104	Cover Page Interactive Data File - formatted in Inline XBRL and included as Exhibit 101					X

† Management contracts or compensation plans or arrangements in which directors or executive officers are eligible to participate.

## FORM 10-Q CROSS-REFERENCE INDEX

Item Number	Item	
<b>Part I - Financial Information</b>		
Item 1.	Financial Statements	Pages <a href="#">6</a> - <a href="#">26</a>
Item 2.	Management's Discussion and Analysis of Financial Condition and Results of Operations:	
	Results of operations	Pages <a href="#">2</a> - <a href="#">5</a> , <a href="#">27</a> - <a href="#">35</a>
	Liquidity and capital resources	Pages <a href="#">36</a> - <a href="#">37</a>
	Off-balance sheet arrangements	(a)
	Contractual obligations	Page <a href="#">37</a>
Item 3.	Quantitative and Qualitative Disclosures About Market Risk	Page <a href="#">37</a>
Item 4.	Controls and Procedures	Page <a href="#">43</a>
<b>Part II - Other Information</b>		
Item 1.	Legal Proceedings	Pages <a href="#">23</a> - <a href="#">25</a>
Item 1A.	Risk Factors	Pages <a href="#">40</a> - <a href="#">42</a>
Item 2.	Unregistered Sales of Equity Securities and Use of Proceeds	Page <a href="#">43</a>
Item 3.	Defaults Upon Senior Securities	Not applicable
Item 4.	Mine Safety Disclosures	Not applicable
Item 5.	Other Information	Not applicable
Item 6.	Exhibits	Page <a href="#">44</a>
<b>Signatures</b>		Page <a href="#">46</a>

(a) As of March 28, 2020, we did not have any significant off-balance sheet arrangements, as defined in Item 303(a)(4)(ii) of SEC Regulation S-K.

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

INTEL CORPORATION  
(Registrant)

Date: April 23, 2020

By: /s/ GEORGE S. DAVIS

George S. Davis

Executive Vice President, Chief Financial Officer and Principal Financial Officer

Date: April 23, 2020

By: /s/ KEVIN T. MCBRIDE

Kevin T. McBride

Vice President of Finance, Corporate Controller and Principal Accounting Officer



**INTEL CORPORATION  
2006 EQUITY INCENTIVE PLAN**

**RESTRICTED STOCK UNIT AGREEMENT  
(for Performance-Based Restricted Stock Units (or “PSUs”) with Age 60 and 5 and Rule of 75 definitions of Retirement)**

1. Terms of Restricted Stock Unit. This Restricted Stock Unit Agreement, including any appendix attached hereto (this Restricted Stock Unit Agreement and such appendix, together, this “**Agreement**”), the Restricted Stock Unit Notice of Grant delivered online by logging into the E\*TRADE Financial Corporation website (the “**Notice of Grant**”) and the Intel Corporation 2006 Equity Incentive Plan (the “**2006 Plan**”), as such may be amended from time to time, constitute the entire understanding between you and Intel Corporation (the “**Corporation**”) regarding the Restricted Stock Units (“**RSUs**”) identified in your Notice of Grant. The RSUs granted to you are effective as of the grant date set forth in the Notice of Grant (the “**Grant Date**”). If there is any conflict between the terms in this Agreement and the 2006 Plan, the terms of the 2006 Plan will control. Capitalized terms not explicitly defined in this Agreement or in the Notice of Grant but defined in the 2006 Plan will have the same definitions as in the 2006 Plan.

2. Acceptance. If you are instructed by the administrators of the 2006 Plan to accept this Agreement and you fail to do so in the manner specified by the administrators within 180 days of the Grant Date, the RSUs identified in your Notice of Grant will be cancelled, except as otherwise determined by the Corporation in its sole discretion.

3. Vesting of RSUs. Provided that you remain continuously employed by the Corporation or a Subsidiary from the Grant Date specified in the Notice of Grant through the vesting date specified in the Notice of Grant, the RSUs will vest and be converted into the right to receive the number of shares of the Corporation’s Common Stock, \$.001 par value (the “**Common Stock**”), determined by multiplying the target number of shares as specified in the Notice of Grant (the “**Target Number of Shares**”) by the conversion multiplier as set forth below, and except as otherwise provided in this Agreement. If a vesting date falls on a weekend or any other day on which the Nasdaq Global Select Market (“**Nasdaq**”) is not open, affected RSUs will vest on the next following Nasdaq business day. The number of shares of Common Stock into which RSUs convert as specified in the Notice of Grant will be adjusted for stock splits and similar matters as specified in and pursuant to the 2006 Plan.

RSUs will vest to the extent provided in and in accordance with the terms of the Notice of Grant and this Agreement. If your status as an Employee terminates for any reason except death, Disablement (defined below) or Retirement (defined below), prior to the vesting dates set forth in your Notice of Grant, your unvested RSUs will be cancelled.

---

4. Conversion of RSUs.

(a) The conversion multiplier for converting RSUs into the right to receive a number of shares of Common Stock will be determined by combining two equally weighted components at the end of the Performance Period (as defined below), subject to a maximum conversion multiplier of 200% and certification of the conversion multiplier by the Committee (as defined below). Those components, as explained below in this Section 4 are: (i) the Intel Relative TSR and (ii) Intel EPS Growth. The maximum percentage for each component is 200%. In the event that the conversion multiplier results in the right to receive a partial share of Common Stock, the partial share will be rounded down to zero.

(b) The “**Intel Relative TSR**” component is 50% of: 100% plus four times the difference in percentage points of the Intel TSR minus the S&P 500 IT TSR.

i. “**Intel TSR**” is a percentage (to the third decimal point) derived by:

- (1) A numerator that is the difference of the average closing sale price of Common Stock during the 3 months prior to and including the last day of the Performance Period (the “**INTC Ending Average Price**”) minus the average closing sale price of Common Stock during the 3 months following and including the first day of the Performance Period (the “**INTC Beginning Average Price**”).
- (2) A denominator that is the INTC Beginning Average Price.
- (3) The percentage will be adjusted to reflect that any dividends paid or payable with respect to an ex-dividend date that occurs during the Performance Period shall be treated as though they had been reinvested in the Common Stock as of such ex-dividend date based on the closing sale price of Common Stock on such date.
- (4) Any dividend paid in securities with a readily ascertainable fair market value will be valued at the market value of the securities as of the ex-dividend date. Any dividend paid in other property will be valued based on the value assigned to such dividend by the paying company for tax purposes.
- (5) The Compensation Committee may adjust Intel TSR for equity restructuring transactions including, but not limited to, a stock split, combination of shares, extraordinary dividend of cash and/or assets, recapitalization or reorganization.

ii. “**S&P 500 IT TSR**” is a percentage (to the third decimal point) derived by:

---

(1) A numerator that is the difference of the average closing sale price of the total return index for the Standard & Poor's 500 Information Technology Index during the 3 months prior to and including the last day of the Performance Period (the "**S&P Ending Average Price**") minus the average closing sale price of the total return index for the Standard & Poor's 500 Information Technology Index (which measure assumes reinvestment of dividends paid on the Standard & Poor's 500 Information Technology Index) during the 3 months following and including the first day of the Performance Period (the "**S&P Beginning Average Price**").

(2) A denominator that is S&P Beginning Average Price.

(3) The total return index for the Standard & Poor's 500 Information Technology Index shall be as reported by S&P Capital IQ (or such other reporting service as the Committee may designate from time to time). For the avoidance of doubt, the companies included in the Standard & Poor's 500 Information Technology Index during the S&P Beginning Average Price period may be different from the companies included in the index during the S&P Ending Average Price period as a result of changes in the composition of the index made by Standard & Poor's (or its successor).

(c) The "**Intel EPS Growth**" component is 50% of the EPS Growth Payout.

i. The "**EPS Growth Payout**" will be determined in accordance with following:

(1) If EPS Growth Percentage is equal to the EPS Growth Target (as set forth in your Notice of Grant), the EPS Growth Payout is 100%.

(2) If EPS Growth Percentage is greater than the EPS Growth Target, the EPS Growth Payout is 100% plus: the difference of the EPS Growth Percentage minus the EPS Growth Target, times the fraction of 100/4.5 (i.e.,  $(\text{EPS Growth Percentage} - \text{EPS Growth Target}) * 100/4.5$ ).

(3) If EPS Growth Percentage is less than the EPS Growth Target, the EPS Growth Payout is 100% plus: the difference of the EPS Growth minus the EPS Growth Target, times the fraction of 100/9.1 (i.e.,  $(\text{EPS Growth Percentage} - \text{EPS Growth Target}) * 100/9.1$ ).

ii. EPS Growth Percentage is the percentage (to the third decimal point) derived from the following, minus 100:

(1) A numerator that is the sum of the annual Non-GAAP earnings per share ("**Non-GAAP EPS**") amounts of each of the three fiscal years of the Corporation of the Performance Period.

---

(2) A denominator that is the sum of the annual Non-GAAP EPS amounts of the fiscal year of the Corporation immediately before the Performance Period and the first and second fiscal years of the Corporation of the Performance Period.

(3) The Compensation Committee may adjust the final EPS Growth Payout to eliminate the impact of certain unbudgeted, unusual, or infrequent events or occurrences during the Performance Period, as specified by the Compensation Committee in its sole discretion.

(d) “**Performance Period**” is three successive fiscal years of the Corporation, beginning with the first day of fiscal year of the Grant Date and ending on the last day of the fiscal year of the second anniversary of the Grant Date.

5. Settlement into Common Stock. Any shares of Common Stock issuable upon the vesting and conversion of the RSUs, as described in Sections 3 and 4, will be issued or become free of restrictions as soon as practicable following the vesting date of the RSUs (or, in the event of vesting acceleration for death, Disablement, Retirement, the original vesting date, as specified in the Notice of Grant), provided that you have satisfied your tax withholding obligations as specified under Section 11 of this Agreement and you have completed, signed and returned any documents and taken any additional action that the Corporation deems appropriate to enable it to accomplish the delivery of the shares of Common Stock. The shares of Common Stock will be issued in your name (or may be issued to your executor or personal representative, in the event of your death or Disablement), and may be effected by recording shares on the stock records of the Corporation or by crediting shares in an account established on your behalf with a brokerage firm or other custodian, in each case as determined by the Corporation. In no event will the Corporation be obligated to issue a fractional share.

Notwithstanding the foregoing, (i) the date on which shares are issued or credited to your account will follow certification of performance results by the Committee (as defined below) and, following Committee certification, may include a delay in order to calculate and address tax withholding and to address other administrative matters, and (ii) the Corporation will not be obligated to deliver any shares of the Common Stock during any period when the Corporation determines that the conversion of a RSU or the delivery of shares hereunder would violate any laws of the United States or your country of residence and/or employment and/or may issue shares subject to any restrictive legends that, as determined by the Corporation’s counsel, is necessary to comply with securities or other regulatory requirements.

6. Suspension or Termination of RSU for Misconduct. If at any time the Committee of the Board of Directors of the Corporation established pursuant to the 2006 Plan (the “**Committee**”), including any Subcommittee or “**Authorized Officer**” (as defined in Section 8(b)(vi) of the 2006 Plan) notifies the Corporation that they reasonably believe that you have committed an act of misconduct as described in Section 8(b)(vi) of the 2006 Plan (embezzlement, fraud, dishonesty, nonpayment of any obligation owed to the Corporation, breach of fiduciary duty or deliberate disregard of Corporation rules resulting in loss, damage or injury to the Corporation, an unauthorized disclosure of any Corporation trade secret or confidential information, any conduct

---

constituting unfair competition, inducing any customer to breach a contract with the Corporation or inducing any principal for whom the Corporation acts as agent to terminate such agency relationship), the vesting of your RSUs may be suspended pending a determination of whether an act of misconduct has been committed. If the Corporation determines that you have committed an act of misconduct, all RSUs not vested as of the date the Corporation was notified that you may have committed an act of misconduct will be cancelled and neither you nor any beneficiary will be entitled to any claim with respect to the RSUs whatsoever. Any determination by the Committee or an Authorized Officer with respect to the foregoing will be final, conclusive, and binding on all interested parties.

7. Termination of Employment. Except as expressly provided otherwise in this Agreement, if your employment by the Corporation or any Subsidiary terminates for any reason, other than on account of death, Disablement (defined below) or Retirement (defined below), all RSUs will be cancelled on the date of employment termination, regardless of whether such employment termination is as a result of a divestiture or otherwise. For purposes of this Section 7, your employment with any partnership, joint venture or corporation not meeting the requirements of a Subsidiary in which the Corporation or a Subsidiary is a party will be considered employment for purposes of this provision if either (a) the entity is designated by the Committee as a Subsidiary for purposes of this provision or (b) you are specifically designated as an employee of a Subsidiary for purposes of this provision.

For purposes of this provision, your employment is not deemed terminated if, prior to 60 days after the date of termination from the Corporation or a Subsidiary, you are rehired by the Corporation or a Subsidiary on a basis that would make you eligible for future Intel RSU grants under the Corporation's human resources grant policies and matrices. In addition, your transfer from the Corporation to any Subsidiary or from any one Subsidiary to another, or from a Subsidiary to the Corporation is not deemed a termination of employment.

8. Death. Except as expressly provided otherwise in this Agreement, if you die while employed by the Corporation or any Subsidiary, your RSUs will become 100% vested. RSUs subject to vesting acceleration due to death will settle as described in Section 5.

9. Disablement. Except as expressly provided otherwise in this Agreement, if your employment terminates as a result of Disablement, your RSUs will become 100% vested upon the later of the date of your termination of employment due to your Disablement or the date of determination of your Disablement. RSUs subject to vesting acceleration due to Disablement will settle as described in Section 5.

For purposes of this Section 9, "Disablement" will be determined in accordance with the standards and procedures of the then-current Long Term Disability Plan maintained by the Corporation or the Subsidiary that employs you, and in the event you are not a participant in a then-current Long Term Disability Plan maintained by the Corporation or the Subsidiary that employs you, "**Disablement**" will have the same meaning as disablement is defined in the Intel Long Term Disability Plan, which is generally a physical condition arising from an illness or injury that causes

---

you to be unable to perform the duties you are normally required to perform in the occupation you routinely perform.

10. Retirement. For purposes of this Agreement, “Retirement” will mean either Age 60 and 5 (as defined below) or the Rule of 75 (as defined below). Upon your Retirement, vesting acceleration of your RSUs will depend on the date of your Retirement relative to the Performance Period. Your vesting acceleration percentage for Retirement will equal the number of full calendar months in the Performance Period you were an employee of the Corporation or a Subsidiary divided by 36. Your last month of employment will count as a full calendar month if your last day as an employee occurs between the 15th and the last day of the month; however, it will not count if your last day as employee occurs between the 1st and 14th day of the month. RSUs subject to Retirement vesting acceleration will settle as described in Section 5. For purposes of this Section 10, “**Retirement**” will mean:

(a) You terminate employment with the Corporation and its Subsidiaries at or after age 60 with at least 5 years of service with the Corporation or a Subsidiary (“**Age 60 and 5**”); or

(b) You terminate employment with the Corporation and its Subsidiaries and, as of your termination date, your age plus years of service (in each case measured in complete, whole years) equals or exceeds 75 (“**Rule of 75**”); and

(c) Notwithstanding the foregoing, if there has been a change in the Applicable Law or the Corporation becomes aware of a legal judgment and/or legal development in the jurisdiction(s) applicable to you that likely would result in the favorable treatment that applies to the RSUs under this Section 10 being deemed unlawful and/or discriminatory, the provisions of this Section 10 regarding the treatment of the RSUs upon your Retirement shall not be applicable to you.

11. Tax Withholding.

(a) To the extent RSUs are subject to tax withholding obligations, the taxable amount generally will be based on the Market Value on the date of the taxable event. RSUs are taxable in accordance with the existing or future tax laws of the country or countries in which you are subject to tax such as the country or countries in which you reside and/or are employed on the Grant Date, vest dates, or during the vesting period. Your RSUs may be taxable in more than one country, based on your country of citizenship and/or the countries in which you resided or were employed on the Grant Date, vest date or during the vesting or other relevant period.

(b) You will make arrangements satisfactory to the Corporation (or the Subsidiary that employs you, if your Subsidiary is involved in the administration of the 2006 Plan) for the payment and satisfaction of any income tax, social security tax, payroll tax, social taxes, applicable national or local taxes, or payment on account of other tax related to withholding obligations that arise by reason of granting or vesting of RSUs or sale of Common Stock shares from vested RSUs (whichever is applicable).

---

(c) The Corporation will not be required to issue or lift any restrictions on shares of the Common Stock pursuant to your RSUs or to recognize any purported transfer of shares of the Common Stock until such obligations are satisfied.

(d) Unless provided otherwise by the Committee, these obligations will be satisfied by the Corporation withholding a number of shares of Common Stock that would otherwise be issued under the RSUs that the Corporation determines has a Market Value sufficient to meet the tax withholding obligations. In the event that the Committee provides that these obligations will not be satisfied under the method described in the previous sentence, you authorize E\*TRADE Financial Corporate Services, Inc. and E\*TRADE Securities LLC (“E\*Trade”), or any successor plan administrator, to sell a number of shares of Common Stock that are issued under the RSUs, which the Corporation determines is sufficient to generate an amount that meets the tax withholding obligations plus additional shares to account for rounding and market fluctuations, and to pay such tax withholding to the Corporation for remittance to the appropriate tax authorities. The shares may be sold as part of a block trade with other participants of the 2006 Plan in which all participants receive an average price. For this purpose, “**Market Value**” will be calculated as the average of the highest and lowest sales prices of the Common Stock as reported by Nasdaq on the day your RSUs vest. The future value of the underlying shares of Common Stock is unknown and cannot be predicted with certainty.

(e) You are ultimately liable and responsible for all taxes owed by you in connection with your RSUs, regardless of any action the Corporation takes or any transaction pursuant to this Section 11 with respect to any tax withholding obligations that arise in connection with the RSUs. The Corporation makes no representation or undertaking regarding the treatment of any tax withholding in connection with the grant, issuance, vesting or settlement of the RSUs or the subsequent sale of any of the shares of Common Stock underlying the RSUs that vest. The Corporation does not commit and is under no obligation to structure the RSU program to reduce or eliminate your tax liability.

12. Rights as Stockholder. Your RSUs may not be otherwise transferred or assigned, pledged, hypothecated or otherwise disposed of in any way, whether by operation of law or otherwise, and may not be subject to execution, attachment or similar process. Any attempt to transfer, assign, hypothecate or otherwise dispose of your RSUs other than as permitted above, will be void and unenforceable against the Corporation.

You will have the rights of a stockholder only after shares of the Common Stock have been issued to you following vesting of your RSUs and satisfaction of all other conditions to the issuance of those shares as set forth in this Agreement. RSUs will not entitle you to any rights of a stockholder of Common Stock and there are no voting or dividend rights with respect to your RSUs. RSUs will remain terminable pursuant to this Agreement at all times until they vest and convert into shares. As a condition to having the right to receive shares of Common Stock pursuant to your RSUs, you acknowledge that unvested RSUs will have no value for purposes of any aspect of your employment relationship with the Corporation or a Subsidiary.

13. Disputes. Any question concerning the interpretation of this Agreement, your Notice of Grant, the RSUs or the 2006 Plan, any adjustments required to be made thereunder, and any

---

controversy that may arise under this Agreement, your Notice of Grant, the RSUs or the 2006 Plan will be determined by the Committee (including any person(s) to whom the Committee has delegated its authority) in its sole and absolute discretion. Such decision by the Committee will be final and binding unless determined pursuant to Section 16(e) to have been arbitrary and capricious.

14. Amendments. The 2006 Plan and RSUs may be amended or altered by the Committee or the Board of Directors of the Corporation to the extent provided in the 2006 Plan.

15. Data Privacy. *You explicitly and unambiguously consent to the collection, use and transfer, in electronic or other form, of your personal data as described in this document and any other RSU grant materials (“Data”) by and among, as applicable, the Corporation, the Subsidiary that employs you (the “Employer”) and any other Subsidiary for the exclusive purpose of implementing, administering and managing your participation in the 2006 Plan.*

*You hereby understand that the Corporation holds certain personal information about you, including, but not limited to, your name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any shares of stock or directorships held in the Corporation, details of all RSUs or any other entitlement to shares of stock awarded, canceled, exercised, vested, unvested or outstanding in your favor for the purpose of implementing, administering and managing the 2006 Plan. You hereby understand that Data will be transferred to E\*TRADE Financial Corporate Services, Inc. and E\*TRADE Securities LLC (“E\*Trade”) and any other third parties assisting in the implementation, administration and management of the 2006 Plan, that these recipients may be located in your country or elsewhere, and that the recipient’s country (e.g., the United States) may have different data privacy laws and protections than your country. You hereby understand that you may request a list with the names and addresses of any potential recipients of the Data by contacting your local human resources representative. You authorize the Corporation, E\*Trade and any other possible recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for the exclusive purpose of implementing, administering and managing your participation in the 2006 Plan, including any requisite transfer of such Data as may be required to another broker or other third party with whom you may elect to deposit any shares of Common Stock acquired under your RSUs. You hereby understand that Data will be held only as long as is necessary to implement, administer and manage your participation in the 2006 Plan. You hereby understand that you may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing your local human resources representative.*

*Further, you understand that you are providing the consents herein on a purely voluntary basis. If you do not consent, or if you later seek to revoke your consent, your employment status or service with the Employer will not be affected; the only consequence of refusing or withdrawing your consent is that the Corporation would not be able to grant you RSUs or other equity awards or administer or maintain such awards. Therefore, you hereby understand that refusing or withdrawing your consent may affect your ability to participate in the 2006 Plan. For*

---

*more information on the consequences of your refusal to consent or withdrawal of consent, you hereby understand that you may contact the human resources representative responsible for your country at the local or regional level.*

*Finally, upon request of the Corporation or the Employer, you agree to provide an executed data privacy consent form (or any other agreements or consents) that the Corporation and/or the Employer may deem necessary to obtain from you for the purpose of administering your participation in the 2006 Plan in compliance with the data privacy laws in your country, either now or in the future. You understand and agree that you will not be able to participate in the 2006 Plan if you fail to provide any such consent or agreement requested by the Corporation and/or the Employer.*

16. The 2006 Plan and Other Terms.

(a) Any prior agreements, commitments or negotiations concerning the RSUs are superseded by this Agreement and your Notice of Grant. You hereby acknowledge that a copy of the 2006 Plan has been made available to you.

(b) The grant of RSUs to an employee in any one year, or at any time, does not obligate the Corporation or any Subsidiary to make a grant in any future year or in any given amount and should not create an expectation that the Corporation or any Subsidiary might make a grant in any future year or in any given amount.

(c) Notwithstanding any other provision of this Agreement, if any changes in law or the financial or tax accounting rules applicable to the RSUs covered by this Agreement will occur, the Corporation may, in its sole discretion, (i) modify this Agreement to impose such restrictions or procedures with respect to the RSUs (whether vested or unvested), the shares issued or issuable pursuant to the RSUs and/or any proceeds or payments from or relating to such shares as it determines to be necessary or appropriate to comply with applicable law or to address, comply with or offset the economic effect to the Corporation of any accounting or administrative matters relating thereto, or (ii) cancel and cause a forfeiture with respect to any unvested RSUs at the time of such determination.

(d) Nothing contained in this Agreement creates or implies an employment contract or term of employment upon which you may rely.

(e) Because this Agreement relates to terms and conditions under which you may be issued shares of Common Stock, an essential term of this Agreement is that it will be governed by the laws of the State of Delaware, without regard to choice of law principles of Delaware or other jurisdictions. Any action, suit, or proceeding relating to this Agreement or the RSUs granted hereunder will be brought in the state or federal courts of competent jurisdiction in the State of California.

(f) Notwithstanding anything to the contrary in this Agreement or the applicable Notice of Grant, your RSUs are subject to reduction by the Corporation if you change your employment classification from a full-time employee to a part-time employee.

---

(g) RSUs are not part of your employment contract (if any) with the Corporation or any Subsidiary, your salary, your normal or expected compensation, or other remuneration for any purposes, including for purposes of computing severance pay or other termination compensation or indemnity.

(h) In consideration of the grant of RSUs, no claim or entitlement to compensation or damages will arise from termination of your RSUs or diminution in value of the RSUs or Common Stock acquired through vested RSUs resulting from termination of your active employment by the Corporation (for any reason whatsoever and whether or not in breach of local labor laws) and you hereby release the Corporation from any such claim that may arise; if, notwithstanding the foregoing, any such claim is found by a court of competent jurisdiction to have arisen, then you will be deemed irrevocably to have waived your entitlement to pursue such claim.

(i) Notwithstanding any terms or conditions of the 2006 Plan to the contrary, in the event of involuntary termination of your employment (whether or not in breach of local labor laws), your right to receive the RSUs and vest in RSUs under the 2006 Plan, if any, will terminate effective as of the date that you are no longer actively employed and will not be extended by any notice period mandated under local law (e.g., active employment would not include a period of “garden leave” or similar period pursuant to local law); furthermore, in the event of involuntary termination of employment (whether or not in breach of local labor laws), your right to sell shares of Common Stock that converted from vested RSUs after termination of employment, if any, will be measured by the date of termination of your active employment and will not be extended by any notice period mandated under local law.

(j) Notwithstanding any provision of this Agreement, the Notice of Grant or the 2006 Plan to the contrary, if, at the time of your termination of employment with the Corporation, you are a “specified employee” as defined in Section 409A of the Internal Revenue Code (“Code”), and one or more of the payments or benefits received or to be received by you pursuant to the RSUs would constitute deferred compensation subject to Section 409A, no such payment or benefit will be provided under the RSUs until the earliest of (A) the date which is six (6) months after your “separation from service” for any reason, other than death or “disability” (as such terms are used in Section 409A(a)(2) of the Code), (B) the date of your death or “disability” (as such term is used in Section 409A(a)(2)(C) of the Code) or (C) the effective date of a “change in the ownership or effective control” of the Corporation (as such term is used in Section 409A(a)(2)(A)(v) of the Code). The provisions of this Section 14(e) will only apply to the extent required to avoid your incurrence of any penalty tax or interest under Section 409A of the Code or any regulations or Treasury guidance promulgated thereunder. In addition, if any provision of the RSUs would cause you to incur any penalty tax or interest under Section 409A of the Code or any regulations or Treasury guidance promulgated thereunder, the Corporation may reform such provision to maintain to the maximum extent practicable the original intent of the applicable provision without violating the provisions of Section 409A of the Code.

(k) Copies of Intel Corporation's Annual Report to Stockholders for its latest fiscal year and Intel Corporation's latest quarterly report are available, without charge, at the Corporation's business office.

---

(l) The Corporation is not providing any tax, legal or financial advice, nor is the Corporation making any recommendations regarding your participation in the 2006 Plan, or his or her acquisition or sale of the underlying shares of Common Stock. You understand and agree that you should consult with your own personal tax, legal and financial advisors regarding your participation in the 2006 Plan before taking any action related to the 2006 Plan.

(m) In the event that any provision in this Agreement will be held invalid or unenforceable, such provision will be severable from, and such invalidity or unenforceability will not be construed to have any effect on, the remaining provisions of this Agreement.

(n) You acknowledge that a waiver by the Corporation of breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this agreement, or of any subsequent breach of this Agreement.

17. Appendix. The RSUs and the shares of Common Stock acquired under the 2006 Plan shall be subject to any special terms and conditions for your country set forth in the Appendix to this Agreement. Moreover, if you relocate to one of the countries included in the Appendix, the special terms and conditions for such country will apply to you, to the extent that the Corporation determines that application of such terms and conditions is necessary or advisable for legal or administrative reasons. The Appendix constitutes part of this Agreement.

18. Imposition of Other Requirements. The Corporation reserves the right to impose other requirements on the RSUs and on any shares of Common Stock acquired upon vesting of the RSUs, to the extent that the Committee determines it is necessary for legal or administrative reasons, and to require you to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

\* \* \* \* \*

By acknowledging this grant of awards or your acceptance of this Agreement in the manner specified by the administrators, you and Intel Corporation agree that the RSUs identified in your Notice of Grant are governed by the terms of this Agreement, the Notice of Grant and the 2006 Plan. You further acknowledge that you have read and understood the terms of the RSUs set forth in this Agreement, the Grant Notice and the 2006 Plan.

---

**APPENDIX TO THE**  
**INTEL CORPORATION**  
**2006 EQUITY INCENTIVE PLAN**  
**RESTRICTED STOCK UNIT AGREEMENT**

Capitalized terms used and not defined in this Appendix will have the meaning given to them in the Restricted Stock Unit Agreement (the “**Agreement**”) and/or the Intel Corporation 2006 Equity Incentive Plan (the “**2006 Plan**”), as applicable.

***Terms and Conditions***

This Appendix, which is part of the Agreement, contains additional or different terms and conditions that govern the RSUs if you are residing and/or employed outside of the United States. The terms and conditions in **Part A** apply to all participants outside of the United States. The country-specific terms and conditions in **Part B** apply to participants located in any of the countries listed in Part B.

If you are a citizen or resident of a country other than the one in which you are currently residing and/or working, transfer employment and/or residency to another country after the RSUs are granted to you or are considered a resident of another country for local law purposes, the Corporation will determine to what extent the terms and conditions herein will apply to you.

***Notifications***

This Appendix also includes information regarding securities laws and certain other issues of which you should be aware with respect to your participation in the 2006 Plan. The information is based on the securities, exchange control and other laws in effect in the respective countries as of July 2018. Such laws are often complex and change frequently. As a result, the Corporation strongly recommends that you not rely on the information noted herein as the only source of information relating to the consequences of your participation in the 2006 Plan because the information may be out of date at vesting and settlement of the RSUs, upon the subsequent sale of the shares of Common Stock or upon the receipt of any dividends.

In addition, the information is general in nature and may not apply to your particular situation, and the Corporation is not in a position to assure you of any particular result. Accordingly, you are advised to seek appropriate professional advice as to how the relevant laws in your country may apply to your situation.

A. **NON-U.S. PROVISIONS**

1. **Nature of Grant**. The following provision supplements Section 18 of the Restricted Stock Unit Agreement. In accepting the RSUs, you acknowledge, understand and agree that:

---

(a) the 2006 Plan is established voluntarily by the Corporation, is discretionary in nature and may be modified, amended, suspended or terminated by the Corporation at any time, to the extent permitted by the 2006 Plan;

(b) the grant of the RSUs is voluntary and occasional and does not create any contractual or other right to receive future grants of restricted stock units, or benefits in lieu of restricted stock units, even if restricted stock units have been granted in the past;

(c) all decisions with respect to future restricted stock units or other grants, if any, will be at the sole discretion of the Corporation;

(d) the grant of RSUs and your participation in the 2006 Plan shall not create a right to employment or be interpreted as forming an employment or service contract with the Corporation, the Employer, or any parent or Subsidiary and shall not interfere with the ability of the Corporation, the Employer, or any parent or Subsidiary to terminate your employment;

(e) you are voluntarily participating in the 2006 Plan;

(f) the RSUs and the shares of Common Stock subject to the RSUs are not intended to replace any pension rights or compensation;

(g) the RSUs and the shares of Common Stock subject to the RSUs, and the income from and value of the same, are not part of normal or expected compensation or salary for any purposes, including, but not limited to, calculation of any severance, resignation, termination, redundancy, dismissal, end-of-service payments, bonuses, long-service awards, pension or retirement or welfare benefits or similar mandatory payments;

(h) the future value of the underlying shares of Common Stock is unknown, indeterminable and cannot be predicted with certainty;

(i) notwithstanding any terms or conditions of the 2006 Plan to the contrary, for purposes of your RSUs, your employment will be considered terminated as of the date you are no longer actively providing services to the Corporation or any Subsidiary (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where you are providing service or the terms of your service agreement, if any) and will not be extended by any notice period (e.g., your period of service would not include any contractual notice period or any period of “garden leave” or similar period mandated under employment laws in the jurisdiction where you are providing service or the terms of your service agreement, if any). The Committee (as defined below) shall have the exclusive discretion to determine when you are no longer actively providing services for purposes of your RSU grant (including whether you may still be considered to be providing services while on a leave of absence); and

(j) neither the Corporation nor the Employer nor any parent or Subsidiary will be liable for any foreign exchange rate fluctuation between your local currency and the United States Dollar

---

that may affect the value of the RSUs or of any amounts due to you pursuant to the RSUs or the subsequent sale of any shares of Common Stock subject to the RSUs acquired under the 2006 Plan.

2. Language. You acknowledge that you are proficient in the English language, or have consulted with an advisor who is sufficiently proficient in English, so as to allow you to understand the terms and conditions of this Agreement. If you have received this Agreement or any other document related to the RSUs translated into a language other than English and if the meaning of the translated version differs from the English version, the English version shall control.

3. Electronic Delivery and Participation. The Corporation may, in its sole discretion, decide to deliver any documents related to RSUs granted under the 2006 Plan or future RSUs that may be granted under the 2006 Plan by electronic means or request your consent to participate in the 2006 Plan by electronic means. You hereby consent to receive such documents by electronic delivery and agree to participate in the 2006 Plan through any on-line or electronic system established and maintained by the Corporation or a third party designated by the Corporation.

4. Insider Trading Restrictions/Market Abuse Laws. You acknowledge that you may be subject to insider trading restrictions and/or market abuse laws based on the exchange on which the shares of Common Stock are listed and in applicable jurisdictions, including the United States, your country and the broker's country, which may affect your ability to accept, acquire, sell or otherwise dispose of shares of Common Stock, rights to shares of Common Stock (e.g., RSUs) or rights links to the value of shares of Common Stock under the 2006 Plan during such times as you considered to have "inside information" regarding the Corporation (as defined by the laws in the applicable jurisdictions). Local insider trading laws and regulations may prohibit the cancellation or amendment of orders you placed before you possessed inside information. Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Corporation insider trading policy. You acknowledge that it is your responsibility to comply with any applicable restrictions and that you should speak to your personal advisor on this matter.

5. Exchange Control, Foreign Asset/Account and/or Tax Reporting Requirements. You acknowledge that there may be certain exchange control, foreign asset/account and/or tax reporting requirements which may affect your ability to acquire or hold shares of Common Stock or cash received from participating in the 2006 Plan (including the proceeds from the sale of shares of Common Stock and the receipt of any dividends) in a brokerage or bank account outside your country. You may be required to report such accounts, assets or related transactions to the tax or other authorities in your country. You also may be required to repatriate sale proceeds or other funds received as a result of participating in the 2006 Plan to your country within a certain time after receipt. You acknowledge that it is your responsibility to comply with such regulations and that you should speak to your personal advisor on this matter.

---

## **B. COUNTRY-SPECIFIC PROVISIONS**

### **ARGENTINA**

#### ***Notifications***

Securities Law Information. Neither the RSUs nor the underlying shares of Common Stock are publicly offered or listed on any stock exchange in Argentina and, as a result, have not been and will not be registered with the Argentine Securities Commission (*Comisión Nacional de Valores*, “**CNV**”). The offer is private and not subject to the supervision of any Argentine governmental authority. Neither this nor any other offering material related to the RSUs nor the underlying shares of Common Stock may be utilized in connection with any general offering to the public in Argentina. Argentine residents who acquire RSUs under the 2006 Plan do so according to the terms of a private offering made from outside Argentina.

### **AUSTRALIA**

#### ***Terms and Conditions***

Australian Offer Document. Additional details regarding the offer of the RSUs are set forth in the Offer to Australian Resident Employees.

Tax Information. The 2006 Plan is a plan to which Subdivision 83A-C of the Income Tax Assessment Act 1997 (Cth) applies (subject to conditions in the Act).

### **BRAZIL**

#### ***Terms and Conditions***

Compliance with the Law. By accepting the RSUs, you acknowledge your agreement to comply with applicable Brazilian laws and to pay any and all applicable taxes.

Nature of Grant. This provision supplements Section 18 of the Agreement and Section 1 of Part A of this Appendix:

By accepting the RSUs, you agree that (i) you are making an investment decision, (ii) the RSUs will vest only if the vesting conditions are met, and (iii) the value of the underlying shares of Common Stock is not fixed and may increase or decrease over the vesting period without compensation to you.

### **CANADA**

#### ***Terms and Conditions***

Termination. The following provision replaces Section 16(i) of the Agreement and Section 1(i) of Part A of this Appendix:

Notwithstanding any terms or conditions of the 2006 Plan to the contrary, for purposes of your RSUs, your employment will be considered terminated the earliest of: (a) the date that your

---

employment or service relationship with the Corporation and its Subsidiaries is terminated; (b) the date that you receive notice of termination of your employment or service relationship with the Corporation and its Subsidiaries, regardless of any notice period or period of pay in lieu of such notice required under applicable employment law in the jurisdiction where you are employed or providing services or the terms of your employment agreement, if any; and (c) the date that you are no longer actively providing services to the Corporation and its Subsidiaries. The Committee shall have the exclusive discretion to determine when you are no longer actively providing services for purposes of your RSU grant (including whether you may still be considered to be providing services while on a leave of absence).

**The following terms and conditions apply to employees resident in Quebec:**

Language Consent. The parties acknowledge that it is their express wish that this Agreement, as well as all documents, notices and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be drawn up in English.

*Consentement Relatif à la Langue. Les parties reconnaissent avoir expressément souhaité que la convention « Agreement » ainsi que tous les documents, avis et procédures judiciaires, exécutés, donnés ou intentés en vertu de, ou lié, directement ou indirectement à la présente convention, soient rédigés en langue anglaise.*

Data Privacy. You hereby authorize the Corporation and the Corporation's representatives to discuss with and obtain all relevant information from all personnel, professional or non-professional, involved in the administration and operation of the 2006 Plan. You further authorize the Corporation, any Subsidiary, the Committee, as well as a third party stock plan service provider, to disclose and discuss the 2006 Plan with their advisors and to record all relevant information and keep such information in your employee file.

***Notifications***

Securities Law Information. You are permitted to sell or dispose of shares of Common Stock acquired under the 2006 Plan through E\*Trade (or such other broker designated under the 2006 Plan), provided that the sale or disposal takes place outside of Canada on the facilities of a stock exchange on which the shares of Common Stock are traded (*i.e.*, the Nasdaq).

**CHILE**

***Notifications***

Securities Law Information. The offer of RSUs constitutes a private offering of securities in Chile effective as of the Grant Date. This offer of RSUs is made subject to general ruling N° 336 of the Chilean Commission of the Financial Market ("CMF"). The offer refers to securities not registered at the Securities Registry or at the Foreign Securities Registry of the CMF, and, therefore, such securities are not subject to oversight of the CMF. Given that the RSUs are not registered in Chile, the Corporation is not required to provide public information about the RSUs or the shares of Common Stock in Chile. Unless the RSUs and/or the shares of Common Stock are registered with the CMF, a public offering of such securities cannot be made in Chile.

---

*Esta oferta de Unidades de Acciones Restringidas (“RSU”) constituye una oferta privada de valores en Chile y se inicia en la Fecha de la Concesión. Esta oferta de RSU se acoge a las disposiciones de la Norma de Carácter General N° 336 (“NCG 336”) de la Comisión para el Mercado Financiero de Chile (“CMF”). Esta oferta versa sobre valores no inscritos en el Registro de Valores o en el Registro de Valores Extranjeros que lleva la CMF, por lo que tales valores no están sujetos a la fiscalización de ésta. Por tratarse los RSU de valores no registrados en Chile, no existe obligación por parte de la Compañía de entregar en Chile información pública respecto de los RSU o sus Acciones. Estos valores no podrán ser objeto de oferta pública en Chile mientras no sean inscritos en el Registro de Valores correspondiente.*

## CHINA

### ***Terms and Conditions***

Sale of Shares of Common Stock. If you are employed in and a citizen of the People’s Republic of China, you authorize the Corporation to instruct E\*Trade, or any successor plan administrator, to sell all of your shares of Common Stock that are issued under the RSUs, and are in your brokerage account established with E\*Trade, or any successor plan administrator on the 90th day following your termination of employment or as soon as administratively feasible after the 90th day, including termination of employment due to death, Disablement or Retirement, or such other time as the Corporation determines is necessary or advisable to facilitate compliance with local exchange control requirements. The shares may be sold as part of a block trade with other participants in which all participants receive an average price.

Exchange Control Information and Consent. You understand and agree that, due to exchange control laws in China, you will be required to immediately repatriate to China any funds (e.g., proceeds from the sale of shares of Common Stock) received pursuant to the RSUs. You further understand that such repatriation of the funds may need to be effected through a special exchange control account established by the Corporation or a Subsidiary. You hereby consent and agree that any funds received pursuant to the RSUs may be transferred to such special account prior to being delivered to your personal account. You also understand that the Corporation will deliver the funds to you as soon as possible, but there may be delays in distributing the funds to you due to exchange control requirements in China. Funds may be paid to you in U.S. Dollars or local currency at the Corporation’s discretion. If the funds are paid to you in U.S. Dollars, you will be required to set up a U.S. Dollar bank account in China so that the funds may be deposited into this account. If the funds are paid to you in local currency, the Corporation is under no obligation to secure any particular exchange conversion rate and the Corporation may face delays in converting the funds to local currency due to exchange control restrictions. You further agree to comply with any other requirements that may be imposed by the Corporation in the future in order to facilitate compliance with exchange control requirements in China.

## COLOMBIA

### ***Terms and Conditions***

Nature of Grant. This provision supplements Section 16 of the Agreement and Section 1 of Part A of this Appendix:

---

You acknowledge that, pursuant to Article 128 of the Colombian Labor Code, the RSUs and related benefits do not constitute a component of your “salary” for any legal purpose. Therefore, the RSUs and related benefits will not be included and/or considered for purposes of calculating any and all labor benefits, such as legal/fringe benefits, vacations, indemnities, payroll taxes, social insurance contributions and/or any other labor-related amount which may be payable.

***Notifications***

Securities Law Information. The shares of Common Stock are not and will not be registered with the Colombian registry of publicly traded securities (Registro Nacional de Valores y Emisores) and therefore the shares of Common Stock may not be offered to the public in Colombia. Nothing in the Agreement should be construed as making a public offer of securities in Colombia.

**DENMARK**

***Terms and Conditions***

Stock Option Act. You acknowledge that you have received an Employer Statement in Danish (attached at the end of this section) which sets forth additional terms of the RSUs, to the extent that the Danish Stock Option Act applies to the RSUs.

**INTEL CORPORATION  
2006 EQUITY INCENTIVE PLAN**

---

## EMPLOYER STATEMENT

Pursuant to Section 3(1) of the Act on Stock Options in employment relations (the "Stock Option Act"), you are entitled to receive the following information regarding the Intel Corporation (the "Corporation") 2006 Equity Incentive Plan, as amended (the "Plan") in a separate written statement.

This statement contains only the information mentioned in the Stock Option Act, while the other terms and conditions of your grant of restricted stock units ("RSUs") are described in detail in the Plan, the Plan prospectus and the Restricted Stock Unit Agreement (the "Agreement"), which have been made available to you. In the event of a conflict between a provision contained in this Employer Statement and provisions contained in the Plan Documents, this Employer Statement shall prevail. Capitalized terms used but not defined herein shall have the same meaning ascribed to them in the Plan or the Agreement.

It is stated in Section 1 of the Stock Option Act that the Stock Option Act only applies to employees. Employees are defined in Section 2 of the Stock Option Act as persons who receive remuneration for their personal services in an employment relationship. Persons, including managers, who are not regarded as employees under the Stock Option Act, will not be subject to the Stock Option Act. If you are not an employee within the meaning of the Stock Option Act, the Company has no obligation to issue an employer information statement to you and you will not be able to rely on this statement for legal purposes.

### 1. Grant Date of RSUs

The Grant Date of your RSUs is the date that the Board of Directors (the "Board") or the compensation committee of the Board of Directors of the Company (the "Committee"), or a delegate of the Board or the Committee, approved a grant for you.

### 2. Terms or Conditions for RSU Grant

The grant of RSUs under the Plan is made at the sole discretion of the Board or the Committee. The Committee has very broad powers to determine who will receive awards and when, and to set the terms of awards. The Company may decide, in its sole discretion, not to make any grants of RSUs or other awards to you in the future. Under the terms of the Plan and the Agreement, you have no entitlement or claim to receive future RSUs.

### 3. Vesting Period

Your RSUs shall vest over a period of time ("vesting period"), provided you remain employed by or in the service of the Company or an affiliate and any performance or other vesting conditions set forth in the Plan and the Agreement are satisfied, unless the RSUs are vested or terminated earlier for the reasons set forth in the Plan and the Agreement and subject to Section 5 of this statement. Your RSUs shall be converted into an equivalent number of shares of Common Stock of the Company upon each applicable vesting date.

### 4. Exercise Price

No exercise price is payable upon the conversion of your RSUs into shares in accordance with the vesting and settlement schedule described in the Agreement.

## ARBEJDSGIVERERKLÆRING

I henhold til § 3, stk. 1, i lov om brug af køberet eller tegningsret mv. i ansættelsesforhold ("Aktieoptionsloven") er du berettiget til i en særskilt skriftlig erklæring at modtage følgende oplysninger om den for Intel Corporation ("Selskabet") gældende 2006 Equity Incentive Plan, med senere ændringer ("Planen").

Denne erklæring indeholder kun de oplysninger, der er nævnt i Aktieoptionsloven, mens de øvrige vilkår og betingelser for din tildeling af "restricted stock units" ("RSU'er") er nærmere beskrevet i Planen, i prospektet og i Restricted Stock Unit Agreement ("Aftalen"), som du har fået udleveret. I tilfælde af uoverensstemmelser mellem en bestemmelse i denne Arbejdsgivererklæring og bestemmelserne i Plandokumenterne har denne Arbejdsgivererklæring forrang. Begreber, der står med stort begyndelsesbogstav i denne arbejdsgivererklæring, men som ikke er defineret heri, har samme betydning som i Planen eller Aftalen.

Det fremgår af Aktieoptionslovens § 1, at loven kun gælder for lønmodtagere. Lønmodtagere er defineret i Aktieoptionslovens § 2 som personer, der modtager vederlag for personligt arbejde i tjenesteforhold. Personer, herunder ledere, som ikke anses for at være lønmodtagere i Aktieoptionslovens forstand, er ikke omfattet af Aktieoptionsloven. Hvis du ikke er lønmodtager i Aktieoptionslovens forstand, er Selskabet derfor ikke forpligtet til at udstede en arbejdsgivererklæring til dig, og du vil ikke i juridisk henseende kunne henholde dig til denne arbejdsgivererklæring.

### 1. Tildelingstidspunktet for RSU'er

Tildelingstidspunktet for dine RSU'er er den dato, hvor Selskabets bestyrelse ("Bestyrelsen") eller bestyrelsens vederlagsudvalg ("Udvalget") eller en repræsentant fra Bestyrelsen eller Udvalget godkendte din tildeling og besluttede, at den skulle træde i kraft.

### 2. Kriterier og betingelser for tildelingen af RSU'er

Tildelingen af RSU'er i henhold til Planen sker alene efter Bestyrelsens eller Udvalgets skøn. Udvalget har meget vide beføjelser til at bestemme, hvem der skal modtage tildelinger og hvornår, og til at fastsætte betingelserne herfor. Selskabet kan frit vælge fremover ikke at give dig nogen RSU'er eller andre tildelinger. I henhold til Planen og Aftalen har du hverken ret til eller krav på fremover at modtage RSU'er.

### 3. Modningsperiode

Dine RSU'er modnes over en periode ("modningsperioden"), forudsat at du fortsat er ansat i eller arbejder for Selskabet eller et associeret selskab, og forudsat at alle de i Planen og Aftalen beskrevne performance- og modningsbetingelser er opfyldt, medmindre RSU'erne modnes eller bortfalder på et tidligere tidspunkt som følge af de i Planen og Aftalen anførte årsager og med forbehold for pkt. 5 i denne erklæring. Dine RSU'er vil på hver af de pågældende modningstidspunkter blive konverteret til et tilsvarende antal ordinære aktier i Selskabet.

### 4. Udnyttelseskurs

Der skal ikke betales nogen udnyttelseskurs i forbindelse med konverteringen af dine RSU'er til aktier i overensstemmelse med den i Aftalen beskrevne modningsplan.

## 5. Your Rights upon Termination of Employment

Pursuant to the Stock Option Act, the treatment of your RSUs upon termination of employment will be determined under Sections 4 and 5 of the Stock Option Act unless the terms contained in the Plan and the Agreement are more favorable to you than Sections 4 and 5 of the Stock Option Act. If the terms contained in the Plan and the Agreement are more favorable to you, then such terms will govern the treatment of your RSUs upon termination of employment.

## 6. Financial Aspects of Participating in the Plan

The grant of RSUs has no immediate financial consequences for you. The value of the RSUs is not taken into account when calculating holiday allowances, pension contributions or other statutory consideration calculated on the basis of salary.

Shares in the capital of a company are financial instruments and investing in shares will always have financial risk. The possibility of profit when you sell your shares will depend not only on the Company's financial performance, but also on the general performance of the stock market, among other factors. Accordingly, there can be no assurance that the trading price of the shares will not decrease in the future, including below any applicable exercise price.

Intel Corporation

## 5. Din retsstilling i forbindelse med fratræden

I henhold til Aktieoptionsloven vil dine RSU'er i tilfælde af din fratræden blive behandlet i overensstemmelse med Aktieoptionslovens §§ 4 og 5, medmindre bestemmelserne i Planen og Aftalen er mere fordelagtige for dig end Aktieoptionslovens §§ 4 og 5. Hvis bestemmelserne i Planen og Aftalen er mere fordelagtige for dig, vil det være disse bestemmelser, der er gældende for, hvordan dine RSU'er behandles i forbindelse med din fratræden.

## 6. Økonomiske aspekter ved at deltage i Planen

Tildelingen af RSU'er har ingen umiddelbare økonomiske konsekvenser for dig. Værdien af RSU'erne indgår ikke i beregningen af feriepenge, pensionsbidrag eller andre lovpligtige vederlag beregnet på baggrund af lønnen.

Aktier i en virksomhed er finansielle instrumenter, og investering i aktier vil altid være forbundet med en økonomisk risiko. Muligheden for at opnå en gevinst, når du sælger dine aktier, afhænger ikke kun af Selskabets økonomiske resultater, men blandt andet også af den generelle udvikling på aktiemarkedet. Der kan således ikke gives nogen garanti for, at handelskursen for aktierne ikke vil kunne falde, endda til under den til enhver tid gældende udnyttelseskurs.

Intel Corporation

---



## FRANCE

### ***Terms and Conditions***

**Type of Grant.** The RSUs are granted as “French-qualified” RSUs and are intended to qualify for the specific tax and social security treatment applicable to shares granted for no consideration under Sections L. 225-197-1 to L. 225-197-6 of the French Commercial Code, as amended. The RSUs are granted subject to the terms and conditions of the French subplan to the 2006 Plan, effective as of August 1, 2017 (the “**Amended French Subplan**”).

**Minimum Mandatory Holding Period.** You may not sell or transfer any shares of Common Stock issued at vesting until the second anniversary of the Grant Date, or such other period as is required to comply with the minimum mandatory holding period applicable to shares of Common Stock underlying French-qualified RSUs under Section L. 225-197-1 of the French Commercial Code, as amended, or by the French Tax Code or the French Social Security Code, as amended, to benefit from the favorable tax and social security regime in France.

**Consent to Receive Information in English.** By accepting the RSUs, you confirm having read and understood the 2006 Plan and Agreement which were provided in the English language. You accept the terms of those documents accordingly.

**Consentement Relatif à l' Utilisation de la Langue Anglaise.** *En acceptant l' attribution («RSUs»), vous confirmez avoir lu et compris le 2006 Plan et le Contrat d'Attribution («Agreement»), qui ont été communiqués en langue anglaise. Vous acceptez les termes de ces documents en connaissance de cause.*

## HONG KONG

### ***Terms and Conditions***

**Vesting of RSUs.** The following provision supplements Section 3 of the Agreement:

Shares of Common Stock acquired pursuant to the RSUs are accepted as a personal investment. If, for any reason, shares of Common Stock are issued to you within six months of the Grant Date, you agree that you will not offer to the public or otherwise dispose of any such share of Common Stock prior to the six-month anniversary of the Grant Date.

### ***Notifications***

**Securities Law Information.** *WARNING: The RSUs and the shares of Common Stock subject to the RSUs do not constitute a public offering of securities under Hong Kong law and are available only to employees of the Corporation and its Subsidiaries. The 2006 Plan, the Agreement, including this Appendix, and other incidental communication materials related to the RSUs have not been prepared in accordance with and are not intended to constitute a ‘prospectus’ for a public offering of securities under the applicable companies and securities legislation in Hong Kong, and the documents have not been reviewed by any regulatory authority in Hong Kong. The 2006 Plan, the Agreement, including this Appendix, and the incidental communication materials are intended only*

---

*for your personal use and not for distribution to any other persons. If you have any questions or concerns about any of the contents of the 2006 Plan, the Agreement or any other incidental communication materials, you should obtain independent professional advice.*

## INDONESIA

### ***Terms and Conditions***

Language Consent and Notification. A translation of the documents relating to this grant into Bahasa Indonesia can be provided to you upon request. By accepting the RSUs, you (i) confirm having read and understood the documents relating to this grant (i.e., the 2006 Plan and the Agreement) which were provided in the English language, (ii) accept the terms of those documents accordingly, and (iii) agree not to challenge the validity of this document based on Law No. 24 of 2009 on National Flag, Language, Coat of Arms and National Anthem or the implementing Presidential Regulation (when issued).

Persetujuan dan Pemberitahuan Bahasa. *Terjemahan dari dokumen-dokumen terkait dengan pemberian ini ke Bahasa Indonesia dapat disediakan untuk anda berdasarkan permintaan kepada. Dengan menekan tombol “Saya menerima” atau dengan menandatangani dan mengembalikan dokumen ini (yaitu, 2006 Program dan Perjanjian) yang memuat syarat dan ketentuan pemberian anda, (i) anda mengkonfirmasi bahwa anda telah membaca dan mengerti isi dokumen yang terkait dengan pemberian ini yang disediakan untuk anda dalam bahasa Inggris, (ii) Anda menerima syarat dari dokumen-dokumen tersebut, dan (iii) anda setuju bahwa anda tidak akan mengajukan keberatan atas keberlakuan dokumen ini berdasarkan Undang-Undang No. 24 tahun 2009 tentang Bendera, Bahasa dan Lambang Negara serta Lagu Kebangsaan atau Peraturan Presiden pelaksana (ketika diterbitkan).*

## ITALY

### ***Terms and Conditions***

Plan Document Acknowledgment. By accepting the RSUs, you acknowledge that you have received a copy of the 2006 Plan, the Agreement and the Notice of Grant and have reviewed the 2006 Plan, the Agreement, including this Appendix, and the Notice of Grant in their entirety and fully understand and accept all provisions of the 2006 Plan, the Agreement, including this Appendix, and the Notice of Grant.

You further acknowledge that you have read and specifically and expressly approve the following provisions of the Agreement: (i) Suspension or Termination for Misconduct; (ii) Termination of Employment; (iii) Tax Withholding; (iv) Rights as a Stockholder; (v) the 2006 Plan and Other Terms; (vi) Data Privacy; and (v) the Nature of Grant Section in this Appendix.

## MEXICO

### ***TERMS AND CONDITIONS***

**Plan Document Acknowledgement.** By accepting the RSUs, you acknowledge that you have received a copy of the 2006 Plan, the Notice of Grant, and the Agreement, including this Appendix, which you have reviewed. You acknowledge further that you accept all the provisions of the 2006

---

Plan, the Notice of Grant, and the Agreement, including this Appendix. You also acknowledge that you have read and specifically and expressly approve the terms and conditions set forth in Section 16 of the Agreement and Section 1 of Part A of this Appendix, which clearly provides as follows:

- (1) Your participation in the 2006 Plan does not constitute an acquired right;
- (2) The 2006 Plan and your participation in it are offered by the Corporation on a wholly discretionary basis;
- (3) Your participation in the 2006 Plan is voluntary; and
- (4) None of the Corporation, the Employer or any Subsidiary is responsible for any decrease in the value of any shares of Common Stock acquired at vesting of the RSUs.

**Labor Law Policy and Acknowledgment.** This provision supplements Section 16 of the Agreement and Section 1 of Part A of this Appendix:

By accepting the RSUs, you expressly recognize that the Corporation, with its principal operating offices at 2200 Mission College Boulevard, Santa Clara, California 95054 U.S.A., is solely responsible for the administration of the 2006 Plan and that your participation in the 2006 Plan and acquisition of shares of Common Stock under the 2006 Plan do not constitute an employment relationship between you and the Corporation since you are participating in the 2006 Plan on a wholly commercial basis and your sole employer is a Mexican legal entity that employs you and to which you are subordinated (*i.e.*, the Employer). Based on the foregoing, you expressly recognize that the 2006 Plan and the benefits that you may derive from participating in the 2006 Plan do not establish any rights between you and the Employer and do not form part of the employment conditions and/or benefits provided by the Employer and any modification of the 2006 Plan or its termination shall not constitute a change or impairment of the terms and conditions of your employment.

You further understand that your participation in the 2006 Plan is as a result of a unilateral and discretionary decision of the Corporation; therefore, the Corporation reserves the absolute right to amend and/or discontinue your participation in the 2006 Plan at any time without any liability to you.

Finally, you hereby declare that you do not reserve any action or right to bring any claim against the Corporation for any compensation or damages regarding any provision of the 2006 Plan or the benefits derived under the 2006 Plan, and you therefore grant a full and broad release to the Corporation, and its Subsidiaries, affiliates, branches, representation offices, shareholders, trustees, directors, officers, employees, agents, or legal representatives with respect to any such claim that may arise.

***Reconocimiento de Documento.*** *Al aceptar el Premio, Usted reconoce que ha recibido una copia del 2006 Plan, incluyendo este Apéndice por país, mismos que ha revisado. Usted reconoce, además, que acepta todas las disposiciones del 2006 Plan, el Convenio, incluyendo este Apéndice. Usted*

---

también reconoce que ha leído y que específicamente aprueba de forma expresa los términos y condiciones establecidos en la Sección 15 del Convenio y la Sección 2 de la Parte A de este Apéndice:

- (1) Su participación en el 2006 Plan no constituye un derecho adquirido;
- (2) El 2006 Plan y su participación en el 2006 Plan se ofrecen por la Compañía de manera totalmente discrecional;
- (3) Su participación en el 2006 Plan es voluntaria; y
- (4) Ninguna de las empresas subsidiarias de la Compañía ni su Patrón son responsables de ninguna disminución en el valor de las Acciones adquiridas al momento de tener el derecho respecto a las Unidades de Acciones Restringidas.

**Política Laboral y Reconocimiento.** Esta disposición suplementa la Sección 15 del Convenio y la Sección 2 de la Parte A de este Apéndice:

Al aceptar el Premio, Usted expresamente reconoce que la Compañía, con domicilio de operaciones ubicado en 2200 Mission College Boulevard, Santa Clara, California 95054 U.S.A, es el único responsable de la administración del 2006 Plan y que su participación en el 2006 Plan y la adquisición de Acciones no constituyen una relación de trabajo entre Usted y la Compañía, ya que Usted participa en el 2006 Plan de una manera totalmente comercial y su único Patrón es una empresa Mexicana a quien se encuentra subordinado. Derivado de lo anterior, Usted expresamente reconoce que el 2006 Plan y los beneficios que le pudieran derivar de la participación en el 2006 Plan no establecen derecho alguno entre Usted y su Patrón y no forman parte de las condiciones de trabajo y/o las prestaciones otorgadas por el Patrón y que cualquier modificación al Plan o su terminación no constituye un cambio o menoscabo de los términos y condiciones de su relación de trabajo.

Asimismo, Usted reconoce que su participación en el 2006 Plan es resultado de una decisión unilateral y discrecional de la Compañía; por lo tanto, la Compañía se reserva el derecho absoluto de modificar y/o discontinuar su participación en cualquier momento y sin responsabilidad alguna frente Usted.

Finalmente, Usted por este medio declara que no se reserva derecho o acción alguna en contra de la Compañía por cualquier compensación o daños y perjuicios en relación con cualquier disposición del 2006 Plan o de los beneficios derivados del 2006 Plan y, por lo tanto, otorga el más amplio finiquito que en derecho proceda a favor de la Compañía, y sus afiliadas, sucursales, oficinas de representación, accionistas, fiduciarios, directores, funcionarios, empleados, agentes o representantes legales en relación con cualquier demanda o reclamación que pudiera surgir.

## **PHILIPPINES**

### **Notifications**

---

Securities Law Information. The grant of the RSUs, is being made pursuant to an exemption from registration under Section 10.2 of the Philippines Securities Regulation Code that has been approved by the Philippines Securities and Exchange Commission.

The risks of participating in the 2006 Plan include (without limitation) the risk of fluctuation in the price of the Common Stock on the Nasdaq and the risk of currency fluctuations between the U.S. Dollar and your local currency. The value of any shares of Common Stock you may acquire under the 2006 Plan may decrease below the value of the shares of Common Stock at vesting and fluctuations in foreign exchange rates between your local currency and the U.S. Dollar may affect the value any amounts due to you pursuant to the subsequent sale of any shares of Common Stock acquired upon vesting. The Corporation is not making any representations, projections or assurances about the value of the shares of Common Stock now or in the future.

For further information on risk factors impacting the Corporation's business that may affect the value of the shares of Common Stock, you may refer to the risk factors discussion in the Corporation's Annual Report on Form 10-K and Quarterly Reports on Form 10-Q, which are filed with the U.S. Securities and Exchange Commission and are available online at [www.sec.gov/](http://www.sec.gov/), as well as on the Corporation's website at <https://www.intc.com/investor-relations/default.aspx>. In addition, you may receive, free of charge, a copy of the Corporation's Annual Report, Quarterly Reports or any other reports, proxy statements or communications distributed to the Corporation's stockholders by contacting Investor Relations at Intel Corporation 2200 Mission College Boulevard, Santa Clara, California 95054 U.S.A.

You acknowledge that you are permitted to sell shares of Common Stock acquired under the 2006 Plan through the designated broker appointed by the Corporation (or such other broker to whom you transfer your shares of Common Stock), provided that such sale takes place outside of the Philippines through the facilities of the Nasdaq on which the shares are listed.

## **PORTUGAL**

### ***Terms and Conditions***

Language Consent. You hereby expressly declare that you have full knowledge of the English language and have read, understood and fully accept and agree with the terms and conditions established in the 2006 Plan and the Agreement.

*Consentimento de Língua Inglesa. O beneficiário pelo presente declara expressamente que tem pleno conhecimento da língua Inglesa e que leu, compreendeu e totalmente aceitou e concordou com os termos e condições estabelecidas no 2006 Plano e no Acordo.*

## **ROMANIA**

### ***Terms and Conditions***

Language Consent. By accepting the grant of RSUs, you acknowledge that you are proficient in reading and understanding English, and have read and acknowledge that you have fully understood the terms of the documents related to the grant (the Notice of Grant, the Agreement and the 2006

---

Plan), which were provided in the English language. You accept the terms of these documents accordingly.

*Consimtamant cu privire la limba. Prin acceptarea acordarii de RSU-uri, confirmati ca aveti un nivel adecvat de cunoastere in ce priveste cititirea si intelegerea limbii engleze, si ati citit si confirmati ca ati inteles pe deplin termenii documentelor referitoare la acordare (anuntul, Acordul si 2006 Planul), care au fost furnizate in limba engleza. Acceptati termenii acestor documente in consecinta.*

---

## **RUSSIA**

### ***Notifications***

**Securities Law Information.** This Appendix, the Notice of Grant, the Agreement, the 2006 Plan and all other materials that you may receive regarding the 2006 Plan, do not constitute advertising or an offering of securities in Russia. The issuance of securities pursuant to the 2006 Plan has not and will not be registered in Russia; hence, the securities described in any 2006 Plan-related documents may not be used for offering or public circulation in Russia.

## **SAUDI ARABIA**

### ***Notifications***

**Securities Law Information.** The Agreement may not be distributed in the Kingdom of Saudi Arabia except to such individuals as are permitted under the Rules on the Offer of Securities and Continuing Obligations issued by the Capital Market Authority.

The Capital Market Authority does not make any representation as to the accuracy or completeness of the Agreement, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of the Agreement. You should conduct your own due diligence on the accuracy of the information relating to the securities. If you do not understand the contents of the Agreement you should consult an authorized financial adviser.

## **SINGAPORE**

### ***Terms and Conditions***

**Sale Restriction.** The grant of RSUs and the issuance of shares of Common Stock under the 2006 Plan (if any) are being made in reliance on the “Qualifying Person” exemption under section 273(1)(f) of the Securities and Futures Act (Chapter 289, 2006 Ed.) (“SFA”). The 2006 Plan has not been lodged or registered as a prospectus with the Monetary Authority of Singapore. You should note that the RSUs are subject to section 257 of the SFA and you will not be able to make (i) any subsequent sale of the shares of Common Stock in Singapore or (ii) any offer of such subsequent sale of the shares of Common Stock subject to the RSUs in Singapore, unless such sale or offer in is made (i) after six months from the Grant Date or (ii) pursuant to the exemptions under Part XIII Division 1 Subdivision (4) (other than section 280) of the SFA or pursuant to, and in accordance with the conditions of, any other applicable provisions of the SFA.

## **SOUTH AFRICA**

### ***Terms and Conditions***

**Tax Withholding.** The following provisions supplements Section 11 of the Agreement:

By accepting the RSUs, you agree to notify the Employer of the amount of any gain realized when the RSUs vests and shares of Common Stock are issued to you. If you fail to advise the Employer of the gain realized when the RSUs vests and shares of Common Stock are issued, you may be liable for a fine.

## **SPAIN**

### ***Terms and Conditions***

---

Nature of Grant. The following provision supplements Section 16 of the Agreement and Section 2 of Part A of this Appendix:

In accepting the RSUs, you consent to participation in the 2006 Plan and acknowledge that you have received a copy of the 2006 Plan.

You understand that the Corporation has unilaterally, gratuitously and discretionally decided to grant RSUs under the 2006 Plan to individuals who may be employees of the Corporation or its Subsidiaries throughout the world. This decision is a limited decision that is entered into upon the express assumption and condition that any grant will not bind the Corporation or any of its Subsidiaries other than as expressly set forth in the 2006 Plan and the Agreement. Consequently, you understand that the RSUs are granted on the assumption and condition that the RSUs and any shares of Common Stock issued upon vesting of the RSUs are not a part of any employment contract (either with the Corporation or any Subsidiary) and shall not be considered a mandatory benefit, salary for any purposes (including severance compensation) or any other right whatsoever.

Further, you understand and agree that, unless otherwise expressly provided for by the Corporation or set forth in the Agreement, the RSUs will be cancelled without entitlement to any shares of Common Stock if your employment is terminated for any reason, including, but not limited to: resignation, retirement, disciplinary dismissal adjudged to be with cause, disciplinary dismissal adjudged or recognized to be without good cause (*i.e.*, subject to a “despido improcedente”), material modification of the terms of employment under Article 41 of the Workers’ Statute, relocation under Article 40 of the Workers’ Statute, Article 50 of the Workers’ Statute, or under Article 10.3 of Royal Decree 1382/1985. The Corporation, in its sole discretion, shall determine the date when your employment has terminated for purposes of the RSUs.

In addition, you understand that this grant would not be made to you but for the assumptions and conditions referred to above; thus, you acknowledge and freely accept that should any or all of the assumptions be mistaken or should any of the conditions not be met for any reason, then any grant of, or right to, the RSUs shall be null and void.

### ***Notifications***

Securities Law Information. No “offer of securities to the public,” as defined under Spanish law, has taken place or will take place in the Spanish territory in connection with the RSUs. The Agreement has not been, nor will it be, registered with the *Comisión Nacional del Mercado de Valores*, and does not constitute a public offering prospectus.

## **SWITZERLAND**

### ***Notifications***

Securities Law Information. The RSUs are not intended to be publicly offered in or from Switzerland. Because the offer of RSUs is considered a private offering, it is not subject to registration in Switzerland. Neither this document nor any other materials relating to the RSUs constitutes a prospectus as such term is understood pursuant to article 652a of the Swiss Code of

---

Obligations, and neither this document nor any other materials relating to the RSUs may be publicly distributed nor otherwise made publicly available in Switzerland. Neither this document nor any other offering or marketing materials relating to the RSUs has been or will be filed with, approved or supervised by any Swiss regulatory authority (in particular, the Swiss Financial Supervisory Authority (FINMA)).

### **TAIWAN**

#### ***Notifications***

**Securities Law Information.** The offer of participation in the 2006 Plan is available only for employees of the Corporation and its Subsidiaries. The offer of participation in the 2006 Plan is not a public offer of securities by a Taiwanese company.

### **TURKEY**

#### ***Notifications***

**Securities Law Information.** Turkish residents are not permitted to sell shares of Common Stock acquired under the 2006 Plan in Turkey. The shares of Common Stock are currently traded on the Nasdaq, which is located outside of Turkey, under the ticker symbol "INTC" and the shares of Common Stock may be sold through this exchange.

### **UNITED ARAB EMIRATES**

#### ***Notifications***

**Securities Law Information.** The offer of the RSUs is available only for select employees of the Corporation and its Subsidiaries and is in the nature of providing employees incentives in the United Arab Emirates. The 2006 Plan and the Agreement are intended for distribution only to such employees and must not be delivered to, or relied on by any other person. Prospective acquirers of securities should conduct their own due diligence.

The Emirates Securities and Commodities Authority has no responsibility for reviewing or verifying any documents in connection with this statement, including the 2006 Plan and the Agreement, or any other incidental communication materials distributed in connection with the RSUs. Further, neither the Ministry of Economy nor the Dubai Department of Economic Development has approved this statement nor taken steps to verify the information set out in it, and has no responsibility for it. Residents of the United Arab Emirates who have any questions regarding the contents of the 2006 Plan and the Agreement should obtain independent professional advice.

### **UNITED KINGDOM**

#### ***Terms and Conditions***

**Tax Withholding.** The following provisions supplements Section 11 of the Agreement:

Without limitation to Section 11 of the Restricted Stock Unit Agreement, you agree that you are liable for all taxes and hereby covenant to pay all such taxes, as and when requested by the Corporation or the Employer or by Her Majesty's Revenue and Customs ("HMRC") (or any other tax authority or any other relevant authority). You also agree to indemnify and keep indemnified the Corporation and the Employer against any taxes that they are required to pay or withhold or

---

have paid or will pay to HMRC (or any other tax authority or any other relevant authority) on your behalf.

Notwithstanding the foregoing, if you are a director or executive officer of the Company (within the meaning of Section 13(k) of the Exchange Act), you understand that you may not be able to indemnify the Corporation for the amount of any taxes not collected from or paid by you, if the indemnification could be considered to be a loan. In this case, the taxes not collected or paid within 90 days of the end of the U.K. tax year in which the event giving rise to the taxes occurs may constitute a benefit to you on which additional income tax and National Insurance contributions (“NICs”) may be payable. You understand that you will be responsible for reporting and paying any income tax due on this additional benefit directly to HMRC under the self-assessment regime and for paying to the Corporation and/or the Employer (as appropriate) the amount of any NICs due on this additional benefit.

## VIETNAM

### *Terms and Conditions*

Settlement and Sale of Shares of Common Stock. Due to local regulatory requirements, the Corporation may require you to sell any shares of Common Stock issued to you within 90 days of your termination of employment, death, Disablement and/or Retirement. You agree that the Corporation is authorized to instruct its designated broker to assist with the mandatory sale of such shares of Common Stock (on your behalf pursuant to this authorization), after your termination of employment, death, Disablement and/or Retirement, and you expressly authorize the Corporation’s designated broker to complete the sale of such shares of Common Stock. You acknowledge that the Corporation’s designated broker is under no obligation to arrange for the sale of shares of Common Stock at any particular price. Upon the sale of shares of Common Stock, the Corporation agrees to pay you the cash proceeds from the sale of shares of Common Stock, less any brokerage fees or commissions and subject to any obligation to satisfy tax related obligations. You acknowledge that you are not aware of any material non-public information with respect to the Corporation or any securities of the Corporation as of the date of the Agreement.

Termination of Employment. The second paragraph of Section 7 of the Agreement (pertaining to being rehired within 60 days of termination) does not apply to you.

Exchange Control Information and Consent. All cash proceeds from the sale of shares of Common Stock as described above must be immediately repatriated to Vietnam. You understand that, under local law, such repatriation of the proceeds will be effectuated through a special exchange control account established by the Corporation or a Subsidiary, and you hereby consent and agree that any proceeds received in connection with the 2006 Plan will be transferred to such special account prior to being delivered to you. You agree to bear any currency fluctuation risk between the date the RSUs vest and the shares of Common Stock are sold and the time that (i) the Tax-Related Items are converted to local currency and remitted to the tax authorities, and (ii) net proceeds are converted to local currency and distributed to you. You acknowledge that the Corporation and any Subsidiary cannot be held liable for any delay in delivering the proceeds to you. You agree to sign any agreements, forms and/or consents that may be reasonably requested by the Corporation (or the Corporation’s designated broker) to effectuate any of the remittances, transfers, conversions or other processes affecting the proceeds. Finally, you agree to comply with any other requirements that

---

may be imposed by the Corporation in the future in order to facilitate compliance with exchange control requirements in Vietnam.

**INTEL CORPORATION**  
**SHELTERED EMPLOYEE RETIREMENT PLAN PLUS**  
(As Amended and Restated Effective January 1, 2020)

---

**INTEL CORPORATION**  
**SHELTERED EMPLOYEE RETIREMENT PLAN PLUS**  
**(As Amended and Restated Effective January 1, 2020)**

SECTION 1. ESTABLISHMENT AND PURPOSE OF THE PLAN. 1  
SECTION 2. DEFINITIONS. 2  
SECTION 3. ELIGIBILITY AND PARTICIPATION. 6  
SECTION 4. EARNINGS DEFERRALS. 7  
SECTION 5. INTEL CONTRIBUTIONS. 8  
SECTION 6. WITHDRAWAL OF EARNINGS DEFERRALS. 9  
SECTION 7. VESTING AND FORFEITURES. 10  
SECTION 8. AMOUNT AND DISTRIBUTION OF PLAN BENEFITS. 12  
SECTION 9. GENERAL PROVISIONS. 15  
SECTION 10. INVESTMENT AND ACCOUNTS. 17  
SECTION 11. ADMINISTRATION OF THE PLAN. 18  
SECTION 12. CLAIMS AND REVIEW PROCEDURES. 18  
SECTION 13. AMENDMENT OR TERMINATION. 21  
SECTION 14. EXECUTION AND EFFECTIVE DATE. 22

---

**INTEL CORPORATION**  
**SHELTERED EMPLOYEE RETIREMENT PLAN PLUS**  
(As Amended and Restated Effective January 1, 2020)

**SECTION 1. ESTABLISHMENT AND PURPOSE OF THE PLAN.**

(a) The Intel Corporation Sheltered Employee Retirement Plan Plus (“SERPLUS”) is intended to enhance the opportunity of Eligible Employees to increase savings for retirement on a tax deferred basis. The Plan is intended to be an unfunded plan maintained primarily for the purpose of providing deferred compensation to a select group of management or highly compensated employees as described in Section 401(a)(1) of the Employee Retirement Income Security Act of 1974, as amended (ERISA). Certain capitalized terms used in the text of this Plan are defined in Section 2; other capitalized terms are defined in the sections to which they apply.

SERPLUS was initially established effective December 1, 1991 to permit certain discretionary employer contributions in excess of the tax limits applicable to the Intel Corporation Profit Sharing Retirement Plan and to permit certain deferrals of earnings in excess of the limit imposed by Section 402(g)(1) of the Code. Effective November 1, 1995, SERPLUS was amended and restated in its entirety to permit deferral of bonuses by a select group of management or highly compensated employees.

Effective July 15, 1996, SERPLUS was amended and restated to create two separate plans: the Bonus Deferral Plan and the Excess Plan, and to account for bonus deferrals separately on the Company’s SERPLUS records and Participants were permitted to make separate distribution elections for the Bonus Deferral Plan and the Excess Plan.

Effective April 1, 2000, SERPLUS was amended and restated in its entirety to combine the accounts of the Bonus Deferral Plan and the Excess Plan under a single SERPLUS Plan, and to make other design and administrative changes.

Effective January 1, 2004, but conditioned upon the receipt of a favorable determination letter from the Internal Revenue Service applicable to the Pension Plan as amended and restated effective January 1, 2004, SERPLUS was amended and restated to provide that the distribution of the SERPLUS account of a participant entitled to receive a supplemental (“QSERP”) benefit from the Pension Plan shall be reduced by the amount of the QSERP benefit payable as a Lump Sum Distribution, as defined in the Pension Plan, together with other conforming changes. Technical amendments were also made to comply with the requirements of Section 409A of the Code and NASDAQ registration requirements.

Effective January 1, 2006, SERPLUS was amended to permit newly hired Eligible Employees to make deferral elections within 30 days of their date of hire; to make SERPLUS salary deferral elections independent of an election under the Intel 401(k) Savings Plan; and

---

to require that new SERPLUS salary deferral and Employee Bonus deferral elections be made for each Plan Year.

Effective January 1, 2007, SERPLUS was amended to modify the vesting schedule by providing a shorter vesting schedule for those Participants who are Employees on or after December 31, 2007, allow certain active participants to make a new one-time distribution election in 2007 with respect to all Plan accounts for amounts to be distributed on or after January 1, 2008. SERPLUS was further amended to allow Participants to elect to receive lump sum distributions either at termination or in the year following termination and to make other technical changes and clarifications.

Effective January 1, 2008, SERPLUS was amended to allow Participants to elect alternative distribution options for deferrals made on or after January 1, 2008, including In-Service Distributions, change the definition of Eligible Employee to include only those Grade 10-20 or 86-89 (or the equivalent) and the change the definition of Employee Bonus to exclude the Employee Cash Bonus Plan and include Commissions and Intel Capital Bonus Plan for services performed on or after January 1, 2008. SERPLUS was further amended to provide that small Plan Benefits (\$5000 or less) and QDRO distributions to Alternative Payees will be paid out as cash lump sum as soon as administratively feasible.

Effective January 1, 2009, SERPLUS was amended to add Grade 85 Employees to the definition of Eligible Employees and to change the eligibility date of New Hires to 14 days after the date of hire.

Effective January 1, 2019, SERPLUS was amended to provide employees greater flexibility with respect to Employee Bonus deferral elections.

Effective January 1, 2020, SERPLUS was amended to provide for the contribution of Company Matching Contributions, revise the terms applicable to the contribution of Discretionary Intel Contributions, and make other technical changes and clarifications.

(b) This amended and restated plan document describes the Plan, a nonqualified deferred compensation plan. This Plan is intended to comply with Section 409A of the Code and shall be administered and construed consistent with Section 409A of the Code.

## **SECTION 2. DEFINITIONS.**

Capitalized terms not otherwise defined herein shall have the meaning defined in the Qualified Plan.

(a) “Accounts” means any of the accounts described in Section 10(a) or any combination of such accounts, as the context may require.

(b) “Affiliate” means any entity (whether corporation, partnership, joint venture or otherwise) an eighty percent (80%) equity interest of which is owned by the Company, by

---

one or more Subsidiaries, or by the Company together with one or more Subsidiaries and which has been designated by the Company as an Affiliate for purposes of this Plan.

(c) “Affiliated Group” means the Company, each Subsidiary and each Affiliate.

(d) “Beneficiary” means the person or persons determined under Section 9(e) of this Plan, who are to receive the Participant’s Plan Benefit in the event of his or her death prior to the complete distribution thereof.

(e) “Code” means the Internal Revenue Code of 1986, as amended from time to time.

(f) “Commission” means compensation paid to an Employee and classified as a commission on the applicable payroll records.

(g) “Company” means Intel Corporation, a Delaware corporation.

(h) “Company Contribution Account” means the account listed in Section 10(a)(3) of this Plan, which is maintained on the books of the Company and which, with respect to each Participant, reflects the accumulated balance of amounts determined pursuant to Section 5 of this Plan and any other contributions that are not Earnings Deferrals, including any gains or losses thereon. The Company Contribution Account was previously known as the Profit Sharing Account.

(i) “Company Matching Contributions” means the amounts contributed by the Company to this Plan on behalf of an Eligible Employee pursuant to Section 5(b).

(k) “Discretionary Intel Contributions” means the profit-sharing contributions made by the Company for Plan Years prior to 2020.

(l) “Earnings” mean Earnings as defined in the Qualified Plan,

(i) determined without regard to the limit imposed by Section 401(a)(17) of the Code,

(ii) plus amounts deferred into an Eligible Employee’s Salary Deferral Account or Employee Bonus Account,

(iii) excluding any compensation for periods in which an individual is not an Eligible Employee, and

(iv) excluding Quarterly Profit Bonus (“QPB”) payments.

(m) “Earnings Deferral(s)” means amounts elected by the Participant to be credited to this Plan on his or her behalf pursuant to Section 4(a).

(n) “Earnings Deferral Account” means the account or accounts described in Sections 10(a)(1) and 10(a)(2) of this Plan.

---

(o) “Eligible Employee” means any Employee of a Participating Company who is classified by the Company as eligible to participate in this Plan as a member of a select group of management or highly compensated employees. For the 2020 Plan Year, The Company has classified Employees in Grades 10-20, 25-28, 46-49 and 85-90 (or the equivalent grade as classified by the Company) as Eligible Employees. The following Employees shall not be considered to be Eligible Employees:

- (1) An Employee whose employment is covered by a collective-bargaining agreement (unless such agreement expressly provides for participation in the Plan);
- (2) An Employee who is a nonresident alien with respect to the United States and who derives no earned income from a United States source (unless such Employee has been individually designated as an Eligible Employee by the Company);
- (3) Any Employee or group of Employees designated by the Company as ineligible to participate in the Plan; and
- (4) Any Employee who is classified as a leased employee within the meaning of Section 414(n) of the Code and who is providing services to any member of the Affiliated Group.
- (5) Any person designated in Company records as an independent contractor or other non-Employee classification, without regard to whether the person is or may be a common law employee;
- (6) Any Employee designated in Company records as an intern; and
- (7) Any Employee who is not on the Company’s US payroll system.

(p) “Employee” means any individual employed by a member of the Affiliated Group as a common-law employee and any individual who is a leased employee within the meaning of Section 414(n) of the Code and who is providing services to any member of the Affiliated Group.

(q) “Employee Bonus” means, for any Plan Year, the bonus earned under the Company’s Annual Performance Bonus Plan (“APB”), the Intel Capital Equity Carried Interest Bonus Program (“ICAP Bonus”), or any successor to such plans or programs, for services performed during such Plan Year. Employee Bonus for a Plan Year also includes Commissions earned for services performed during such Plan Year. Employee Bonus does not include Quarterly Profit Bonus or any other bonus payment not specifically referenced above. Notwithstanding the above, Employee Bonus does not include (1) the APB paid to a Participant for a Plan Year unless the Participant is an Eligible Employee on January 31 of the year in which the APB is paid, or (2) the ICAP Bonus or any Commission paid to a Participant unless the Participant is an Eligible Employee on the date the payment process

---

is initiated, as determined by the Company in its sole discretion. Nothing herein contained shall be deemed to constitute a guaranty that an Employee Bonus will be paid to any or all Participants in any particular Plan Year.

(r) “Employee Bonus Account” means the account listed in Section 10(a)(1) of this Plan which is maintained on the books of the Company and which, with respect to each Participant, reflects the accumulated balance of amounts determined pursuant to Section 4(b)(1) of this Plan, including gains or losses thereon.

(s) “Employment Relationship” means, with respect to an Employee, the period which begins on the date on which the Employee first works for compensation with a member of the Affiliated Group and which ends on the Employee’s Termination Date.

(t) “Excess Earnings” means, for any Plan Year, (A) plus (B) minus (C), where (A) is the Eligible Employee’s Earnings for the Plan Year, (B) is the Eligible Employee’s Quarterly Profit Bonus (“QPB”) payments received during the Plan Year, and (C) is the Eligible Employee’s Earnings under the Qualified Plan for the Plan Year.

(u) “In-Service Distribution” means the pre-Termination Date distribution, pursuant to a properly executed distribution election under Section 8(c) of this plan, of all or a portion of a Participant’s benefits.

(v) “New Hire Eligibility Date” means the earlier of the January 1 or July 1 immediately following the date on which an Employee initially qualifies as an Eligible Employee. At the Company’s sole discretion, the New Hire Eligibility Date for an Employee who initially qualifies as an Eligible Employee shortly before January 1 or July 1 may be delayed for an additional six months. The New Hire Eligibility Date for a rehired Employee shall be January 1 following the date on which the Employee again qualifies as an Eligible Employee, except to the extent the Company determines, in its sole discretion, that a July 1 New Hire Eligibility Date will not trigger a violation of Code Section 409A.

(w) “Participant” means an individual who participates in the Plan pursuant to Section 3.

(x) “Participating Company” means the Company and each member of the Affiliated Group which has been designated as a Participating Company by the Company.

(y) “Permanently and Totally Disabled” means, effective January 1, 2019, a disability that is covered under the Intel Corporation Long Term Disability Plan, provided that the Participant is no longer an Employee on the applicable payroll records.

(z) “Plan” means the Intel Corporation Sheltered Employee Retirement Plan Plus, as amended from time to time.

---

(aa) “Plan Benefit” means a benefit to which the Participant is entitled under Section 8(a).

(bb) “Plan Year” means the calendar year.

(cc) “Qualified Plan” means the Intel 401(k) Savings Plan.

(dd) “QSERP Offset” means the amount of the supplemental benefit provided under Section 4(a) and Appendix D of the Intel Minimum Pension Plan as amended from time to time, payable as a Lump Sum Distribution as provided in Section 5(a)(v) of such Plan.

(ee) “Salary Deferral Account” means the account listed in Section 10(a)(2) of this Plan which is maintained on the books of the Company and which, with respect to each Participant, reflects the accumulated balance of amounts determined pursuant to Section 4(b)(2) of this Plan, including gains or losses thereon.

(ff) “Separation from Service” has the meaning assigned to such term in Section 409A of the Code and the regulations thereunder.

(gg) “Subsidiary” means any corporation with respect to which the Company, one or more Subsidiaries, or the Company together with one or more Subsidiaries own not less than 80% of the total combined voting power of all classes of stock entitled to vote or not less than 80% of the total value of all shares of all classes of stock.

(hh) “Supplemental Contributions” means the amounts contributed by the Company to this Plan on behalf of an Eligible Employee pursuant to Section 5(a).

(ii) “Termination Date” means the date an Employee has a Separation from Service with the Affiliated Group.

(jj) “Valuation Date” means any business day or such other days as may be determined by the Company.

(kk) “Year of Service” means a Year of Service as determined by the provisions of the Qualified Plan.

### **SECTION 3. ELIGIBILITY AND PARTICIPATION.**

(a) Participation - General. An Eligible Employee shall become eligible to participate in the Plan as of his or her New Hire Eligibility Date.

(b) Participation - Matching Contributions. In the case of contributions made pursuant to Section 5(b) of this Plan, an Eligible Employee shall be eligible to receive a Matching Contribution for a Plan Year only if the Eligible Employee (1) is eligible to receive a “true-up” Match Contribution for such Plan Year under the Qualified Plan (without regard

---

to the requirement that such contribution does not cause the Qualified Plan to fail nondiscrimination testing requirements) and (2) is eligible for, and makes, Earnings Deferrals during the Plan Year.

(c) Participation - Earnings Deferrals. In the case of Earnings Deferrals, an Eligible Employee may participate in the Plan for a Plan Year by filing an election in compliance with the provisions of Section 4. The ability to make any Earnings Deferrals will be suspended for any period in which an Employee is not an Eligible Employee as of the date by which an election under Section 4 must be made.

(d) Participation – Supplemental Contributions. The Company may also allocate Supplemental Contributions to any Eligible Employee following his or her New Hire Eligibility Date.

(e) Termination of Participation. A Participant's participation in this Plan shall terminate as of the earliest of (i) the date on which such Participant's entire Plan Benefit has been distributed, (ii) the date of such Participant's death or (iii) on the Participant's Termination Date in the event that such Participant's Termination Date occurs at a time when he or she is not entitled to any Plan Benefit.

#### **SECTION 4. EARNINGS DEFERRALS.**

(a) Elections to Participate.

(1) An Eligible Employee may file an election to defer Earnings not later than the June 30 or December 31, as applicable (or such earlier deadline prescribed by the Company) immediately preceding his or her New Hire Eligibility Date. Such election shall be applicable only to Earnings for services performed after the New Hire Eligibility Date. For all subsequent years, an Eligible Employee may make an election to defer Earnings for services performed during a Plan Year at such time and in such manner as the Company may establish, provided that the time for filing an election shall not be later than December 31 of the year preceding such Plan Year.

(2) An election made pursuant to this section 4(a) shall be effective only with respect to the Plan Year for which it is made.

(b) Earnings Deferrals. A Participant who has elected participation under paragraph (a) of this Section 4 may make two separate elections with respect to the deferral of Earnings.

(1) Bonus Deferrals. A Participant may elect to defer 1%-75% of his or her Employee Bonus in increments of 1%.

---

(2) Salary Deferrals. Other than for amounts eligible for deferral under (b)(1) above, a Participant may elect to have his or her Earnings reduced and the corresponding Earnings Deferrals credited to this Plan on his or her behalf in an amount equal to the percentage of his or her Earnings which such Participant has elected to defer under this Plan. The percentage that the Participant elects to defer under this Plan may not exceed the maximum percentage established by the Company for the applicable Plan Year. If a Participant's Earnings for a Plan Year include state-mandated short-term disability benefits, the Participant's Earnings Deferrals for the Plan Year under this paragraph (b)(2) may not exceed (a) minus (b), where (a) is the total Earnings otherwise eligible for deferral under this paragraph and (b) is the portion of such Earnings that consists of state-mandated short-term disability benefits.

(c) Selection and Change of Rate by Participant. The designation of deferral rate(s) under this Section 4 shall be made pursuant to procedures prescribed by the Company. No Participant shall be permitted to increase or decrease the rate of deferral or stop the deferral during or after the Plan Year to which the election relates.

(d) Other Methods. The Company reserves the right to select other procedures for determining Earnings Deferral rates pursuant to this Section 4, provided that such other procedures are communicated to affected Participants, are uniformly applied and do not cause the Plan or the Qualified Plan to violate any tax rules governing deferral elections including, but not limited to, Section 409A of the Code.

(e) Manner of Credit. Earnings Deferrals shall be made through payroll deductions from the Participant's Earnings. An amount equal to the Participant's payroll deduction shall be credited to the Earnings Deferral Account maintained by the Company with respect to the Participant.

(f) Effect of Election. A Participant's election to commence Earnings Deferrals shall constitute an election (for federal tax purposes, and wherever permitted for state, local and foreign tax purposes) to have his or her taxable compensation reduced by the amount of all Earnings Deferrals. A Participant's Earnings Deferrals shall be credited to his or her Salary Deferral Account and or Employee Bonus Account, as appropriate.

## **SECTION 5. INTEL CONTRIBUTIONS.**

(a) Supplemental Contributions. In its sole discretion, the Company may make Supplemental Contributions in any amount to the Company Contribution Account of any Eligible Employee. The Company shall designate the Eligible Employees, if any, who are entitled to share in any Supplemental Contributions.

---

(b) Matching Contributions. For each Plan Year beginning with the 2020 Plan Year, the Company shall make Matching Contributions under this Plan in the amount determined under Section 5(b)(1) below.

(1) Matching Formula. An Eligible Employee's Matching Contribution for each Plan Year shall equal five percent of the Eligible Employee's Excess Earnings for the Plan Year; provided that an Eligible Employee's Matching Contribution for a Plan Year shall not exceed the Earnings Deferrals credited to the Eligible Employee with respect to Earnings paid during such Plan Year (in the case of Matching Contributions for the 2020 Plan Year, two times the Earnings Deferrals credited to the Eligible Employee with respect to Earnings paid during the Plan Year).

(2) Crediting of Matching Contributions. The Matching Contribution under this Section 5(b) for any Plan Year shall be credited to the Participant's Company Contribution Account as soon as reasonably practicable after the end of the Plan Year for which the Matching Contribution is made.

(c) Limitation for Executive Officers. Notwithstanding any other provision of this Section 5, the allocation which would otherwise be made for a Participant who is an executive officer of the Company whose compensation is required to be reported to the Company's stockholders pursuant to the Securities Exchange Act of 1934 may be reduced or eliminated in the sole discretion of the Compensation Committee of the Company's Board of Directors.

## **SECTION 6. WITHDRAWAL OF EARNINGS DEFERRALS.**

(a) Withdrawals Limited to Financial Hardship. A Participant who incurs a Financial Hardship (as defined in subsection (b) below) may request a withdrawal from his or her Earnings Deferral Account up to the amount necessary to satisfy the Financial Hardship, including amounts necessary to pay any Federal, state, local, or foreign income taxes or penalties reasonably anticipated to result from the withdrawal. Such withdrawal shall be requested in the manner prescribed by the Company.

(b) Financial Hardship Defined. A "Financial Hardship" will be considered to exist in the case of an unforeseeable emergency resulting from one or more of the following events, as determined in the sole discretion of the Company:

- (1) A sudden and unexpected illness or accident of the Participant or a dependent (as defined in Section 152(a) of the Code) of the Participant;
  - (2) A loss of the Participant's property due to casualty; or
  - (3) Other similar and extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant.
-

(c) Limit on Amount of Hardship. The circumstances which constitute a Financial Hardship under Section 6(b) will depend on the facts of each case, but, in any case, payment may not be made to the extent that such hardship is or may be relieved:

- (1) Through reimbursement or compensation by insurance or otherwise; or
- (2) By liquidation of the Participant's assets, to the extent the liquidation of such assets would not itself cause severe Financial Hardship.

(d) Payment of Withdrawals. Any withdrawal pursuant to this Section 6 shall be paid within 90 days (or such additional period as is reasonably required) after the Valuation Date next following the Company's receipt and approval of the withdrawal request.

(e) Limitation on Withdrawals.

- (1) No Participant shall make more than one withdrawal pursuant to this Section 6 during any 12-month period unless approved by the Company in its sole discretion.
- (2) No earnings which may have been credited to the Earnings Deferral Account due to investment allocations made pursuant to Section 10 of this Plan shall be eligible for withdrawal under this Section.
- (3) No withdrawal shall exceed an amount equal to the difference between the total values of all of the Participant's Accounts minus the value of the QSERP Offset, measured as of the date of the withdrawal.

## **SECTION 7. VESTING AND FORFEITURES.**

(a) Vesting in Earnings Deferral Account. A Participant shall always have a 100% vested interest in his or her Earnings Deferral Account, and the portion of his or her Company Contribution Account that is attributable to Company Matching Contributions and Supplemental Contributions, including related earnings.

(b) Vesting in Company Contribution Accounts. A Participant's entire interest in the portion of his or her Company Contribution Account that is not described in subsection (a) shall become 100% vested when the earliest of the following occurs:

- (1) Attainment of Age 60. Such Participant is an Employee after he or she has attained age 60;
  - (2) Death. Such Participant dies while an Employee; or
  - (3) Permanently and Totally Disabled. Such Participant is Permanently and Totally Disabled.
-

(c) Deferred Vesting in Company Contribution Accounts.

(1) A Participant who is not otherwise 100% vested in his or her Company Contribution Account pursuant to Section 7(b) shall become vested (if at all) under this Section (7)(c).

(2) The percentage of a Participant's Company Contribution Account vested under this subparagraph shall be determined under the applicable vesting schedule set forth in (1) or (2) below, as applicable.

(A) The vesting schedule for each Participant who is an Employee on or after December 31, 2007 shall be as follows:

Completed Years Of Service	Nonforfeitable Percentage
Less than 2	0 (Percent)
2 but less than 3	20 (Percent)
3 but less than 4	40 (Percent)
4 but less than 5	60 (Percent)
5 but less than 6	80 (Percent)
6 or more	100 (Percent)

(B). The vesting schedule for each Participant who is not described in (A) above shall be as follows:

Completed Years Of Service	Nonforfeitable Percentage
Less than 3	0 (Percent)
3 but less than 4	20 (Percent)
4 but less than 5	40 (Percent)
5 but less than 6	60 (Percent)
6 but less than 7	80 (Percent)
7 or more	100 (Percent)

(d) Vesting Rules.

(1) If a Participant's Termination Date occurs before he or she is 100% vested, amounts which are not vested shall be forfeited to the Company and shall be deleted from the Company Contribution Account. If a Participant is reemployed after forfeiting amounts in the Company Contribution Account balances, the forfeited amount shall not be reinstated.

(2) Re-employment. If a Participant is reemployed by the Company before incurring a "permanent service break" as that term is described in the Qualified Plan, the

---

service before the break shall count for purposes of determining “Years of Service” under this Section for purposes of vesting in contributions made to the Company Contribution Account for periods following reemployment. If a Participant is reemployed by the Company after his or her Termination Date, the Company will continue to pay out those Plan Benefits under the Participant’s original Distribution election.

(3) Job Elimination. If a Participant is the subject of a Job Elimination (as defined in the Qualified Plan) which results in termination of employment as an Employee, and such Participant becomes fully vested in his or her Accounts under the Qualified Plan, then such Participant shall become fully vested in his or her Company Contribution Account under this Plan. If a Participant whose Account becomes fully vested as a result of this paragraph is subsequently rehired, such Participant’s vested percentage in future contributions shall be determined without regard to the effect of any prior Job Elimination.

## **SECTION 8. AMOUNT AND DISTRIBUTION OF PLAN BENEFITS.**

(a) Amount of Plan Benefits. A Participant’s Plan Benefit shall consist of the value of such Participant’s Accounts, to the extent vested, minus the value of the QSERP Offset. The value of the Participant’s Plan Benefit (including the value of the QSERP Offset) shall be determined as of a Valuation Date, selected by the Company based on administrative considerations that precedes the Participant’s benefit commencement date.

(b) Form and Time of Distribution: General Rule. Unless the Participant has elected a distribution under Section 8(c) pursuant to procedures prescribed by the Company, the distribution of the Participant’s Accounts shall be made as follows:

(1) The portion of a Participant’s Accounts that is attributable to contributions made for periods before January 1, 2020 shall be paid in a cash lump sum as soon as reasonably practicable after the Participant’s Termination Date.

(2) The portion of a Participant’s Account that is attributable to contributions made for periods on and after January 1, 2020 shall be paid in a cash lump sum in March (or as soon as reasonably practicable thereafter) of the Plan Year immediately following the Plan Year in which the Participant’s Termination Date occurs.

(c) Alternative Distribution Options. A Participant shall select alternative distribution options in this subsection in a manner acceptable to the Company, and no later than the applicable deadline for Earnings Deferral elections. Effective from April 1, 2000, each new Eligible Employee may irrevocably select one distribution option covering all plan accounts. From July 15, 1996 to April 1, 2000, all Eligible Employees may irrevocably select two distributions options: one governing amounts deferred into an Employee Bonus Account (i.e., amounts deferred under Section 4(a)(1)) and a second option governing

---

amounts deferred into a Salary Deferral Account or allocated to a Company Contribution Account (i.e., amounts deferred under Section 4(a)(2) and Section 5).

Participants who have made distribution elections prior to July 15, 1996 had the option to make a new distribution election with respect to amounts deferred into an Employee Bonus Account by submitting a new election form to the Company no later than September 30, 1996. Any such new election superseded prior elections but would not take effect prior to January 1, 1998. Until January 1, 1998, the prior election would remain in effect. Distribution elections which were made prior to July 15, 1996 shall continue in effect with respect to all amounts in Salary Deferral Accounts or Company Contribution Accounts and may not be amended or rescinded as a result of this amendment of the Plan.

Participants who were active employees as of August 31, 2007 had the option to make a new one-time distribution election from among the available options with respect to all Plan accounts by submitting a new election form to the Company no later than August 31, 2007. Any such new election supersedes prior elections, is irrevocable as to pre-2008 accounts and will take effect as of August 31, 2007 for amounts to be distributed on or after January 1, 2008. In the event a Participant makes such election and terminates employment prior to January 1, 2008, the new election will be effective provided that it does not violate Section 409A of the Code, as determined in the Company's sole discretion.

A Participant may make separate distribution elections for amounts credited to the Participant's Earnings Deferral Account and Company Contribution Account for the Plan Year, including related earnings, and may make separate distribution elections for any subsequent Plan Year. Under each of the alternative distribution options, any amount which remains undistributed to such Participant shall continue to be credited with investment gains and losses in accordance with the investment allocations determined under this Plan until the Valuation Date which precedes payment of such amounts. Payments shall be made in March of each year to which payment has been deferred, or as soon as reasonably practicable thereafter. The Company, in its sole discretion, may also accelerate the date payments would otherwise be made, provided that the acceleration does not violate Section 409A of the Code:

- (1) Lump Sum Deferral. A Participant may elect to receive his or her Plan Benefit as a cash lump sum either (A) as soon as reasonably practicable following the Participant's Termination Date (notwithstanding the March payment date that applies to other payment elections) or (B) in the year following the year in which the Participant's Termination Date occurs.
  - (2) Installment Distribution (5 or 10 Years). A Participant may elect a distribution of his or her Plan Benefit in annual cash installments over either a five-year or a ten-year period commencing in the year following the year in which such Participant's Termination Date occurs. Account balances, adjusted for applicable investment gains and losses, shall be divided by the number of years remaining under the election to determine the amount of each annual installment.
-

(3) In-Service Distribution Election Option: A Participant may choose to receive an In-Service Distribution of the benefits in his or her Accounts by electing among the lump sum and installment forms of payment described in Section 8(c)(1) and (c)(2), with payments beginning in March of the Plan Year for which the Participant elects to begin payment (the “In-Service Distribution Date”), instead of the Plan Year following his or her Termination Date. The distribution date must be at least three calendar years after the beginning of the Plan Year in which the services that generated the Earnings were performed. A QSERP Offset valuation will be determined as of the date of an In-Service Distribution. For purposes of this paragraph 8(c)(3) only, the QSERP Offset shall first be applied to the portion of the Participant’s Account that is not eligible for In-Service Distributions, and then to the portion of the Participant’s Account that is eligible for In-Service Distributions. The In-Service Distribution shall not exceed the amount remaining in the latter category after the QSERP Offset has been taken into account pursuant to this calculation.

(A) Limitations on In-Service Distribution Elections. In-Service Distribution elections are available only for deferrals made on or after January 1, 2008. Additionally, In-Service Distribution elections are not available for benefits in the Company Contribution Account that are attributable to contributions made for periods before January 1, 2020. For elections made with respect to contributions for periods before January 1, 2020, if a Participant’s Termination Date precedes the In-Service Distribution Date (taking into account any re-deferral pursuant to Section 8(c)(3)(B)) and the Participant elected annual installments, the distribution will begin in the Plan Year that follows the Participant’s Termination Date and not on the later In-Service Distribution Date; if a Participant’s Termination Date precedes the In-Service Distribution Date (taking into account any re-deferral pursuant to Section 8(c)(3)(B)) and the Participant elected a lump sum payment, the lump sum will be paid out as soon as reasonably practicable after the Participant’s Termination Date and not on the later In-Service Distribution Date. The previous two sentences shall not apply to In-Service Distribution elections made with respect to contributions for periods on or after January 1, 2020.

(B) Re-deferral of In-Service Distribution Elections: While still Employees, Participants may elect to further defer the date (but not change the method) of In-Service Distributions provided that (i) the new election is made at least twelve (12) months before the first distribution was originally due and (ii) the distribution is re-deferred for at least five (5) years beyond the original distribution date.

(4) Delayed Payments to Specified Employees. Notwithstanding any other provision in this Section, if a Participant is a specified employee within the meaning of Section 409A(a)(2)(B)(i) of the Code and a payment is triggered by the Participant’s Termination Date, the initial payment shall be made in accordance with the following rules:

---

(A) If the initial payment is scheduled to be made in March of the year following the year of the Participant's Termination Date and the Termination Date is on or before September 1, the initial payment shall be made as scheduled.

(B) If the initial payment is scheduled to be made in March of the year following the year of the Participant's Termination Date and the Termination Date is after September 1, the initial payment shall be delayed by one year.

(C) If the initial payment is scheduled to be made as soon as reasonably practicable following the Participant's Termination Date, the initial payment shall be made on the first day of the month following the six-month anniversary of the Termination Date.

Any subsequent installment payments shall be made in each ensuing Plan Year.

(5) QDRO: Amounts due to an Alternative Payee pursuant to a QDRO (as described in Section 9(j) of this Plan) will be distributed as a cash lump sum as soon as administratively feasible following the qualification of the QDRO and segregation of the Alternate Payee's award, pursuant to the administrative procedures established for the Plan. No alternative distribution elections are available.

(5) Small Benefits Rule: In the event that the Participant's Plan Benefit is \$5,000 or less, then the distribution of the Participant's Plan Benefit shall be made in a cash lump sum as soon as reasonably practicable after the Participant's Termination date, regardless of outstanding elections.

## **SECTION 9. GENERAL PROVISIONS.**

(a) Participant's Rights Unsecured. The right of a Participant or his designated Beneficiary to receive a distribution hereunder shall be an unsecured claim against the general assets of the Company, and neither the Participant nor a designated Beneficiary shall have any rights in or against any specific assets of the Company. Notwithstanding the previous sentence, the Company reserves the right to establish a grantor trust, the assets of which shall remain subject to claims of creditors of the Company, to which Company assets may be invested to fund some or all of the liabilities represented by this Plan. This Plan shall not be construed to require the Company to fund any of the benefits payable under this Plan.

(b) No Guarantee of Benefits. Nothing contained in this Plan shall constitute a guaranty by the Company or any other person or entity that the assets of the Company will be sufficient to pay any benefit hereunder.

---

(c) No Right to Employment. The establishment of this Plan, the granting of benefits and any action of any member of the Affiliated Group or any other person shall not be held or construed to confer upon any person any right to be continued as an Employee, or, upon dismissal, to confer any right or interest in this Plan other than as provided herein. No provision of this Plan shall restrict the right of any member of the Affiliated Group to discharge any Employee at any time and for any reason.

(d) No Guarantee of Investment Earnings. In determining investment yields by reference to corresponding funds in the Qualified Plan, Intel does not endorse any of the investment funds and does not guarantee that Participants will receive a positive return on the investment of SERPLUS Accounts by measuring performance in such manner.

(e) Beneficiary. A Participant's Beneficiary or Beneficiaries under this Plan shall be as specified by the Participant on an approved beneficiary designation form which applies to the SERPLUS Plan, or if there is no such form, as specified in the most recent generic beneficiary form executed prior to January 1, 2001 and which applies to the Intel Corporation Profit Sharing Plan and the Intel Corporation 401(k) Savings Plan. If the Company has no record of a Beneficiary having been named or if the named Beneficiary is not living when payment is to be made, then (i) the spouse of the deceased Participant shall be the Beneficiary or (ii) if the Participant has no spouse living at the time of death, then the living children of the deceased Participant shall be the Beneficiaries in equal shares; if the Participant has neither spouse nor children living at the time of death, then the estate of the Participant shall be the default Beneficiary. A Beneficiary shall continue to receive payment in installments under Section 8(c)(2) of this Plan unless the Company, in its sole discretion, decides that any remaining balance be paid in a cash lump sum.

(f) Incapacity. If in the Company's opinion, a Participant or Beneficiary for any reason is unable to handle properly any property distributable to him or her under the Plan, then the Company may make such arrangements which it determines to be beneficial to such Participant or Beneficiary for the distribution of such property, including (without limitation) the distribution of such property to the guardian, conservator, spouse or dependent(s) of such Participant or Beneficiary.

(g) Effect of Subsequent Changes in the Plan. All benefits to which any Participant or Beneficiary may be entitled hereunder shall be determined under the Plan as in effect when the Participant's employment in the Affiliated Group terminates and shall not be affected by any subsequent changes in the Plan, unless the Participant is reemployed, in which case his or her benefit shall be based on the provisions of the Plan as in effect on the date his or her employment in the Affiliated Group terminates following reemployment.

(h) Governing Law. This Plan shall be construed under the laws of the State of California, without reference to the principles of conflicts of law thereof, to the extent such construction is not pre-empted by any applicable federal law.

---

(i) Nonalienation of Benefits. No benefit under this Plan may be sold, assigned, transferred, conveyed, hypothecated, encumbered, anticipated or otherwise disposed of, and any attempt to do so shall be void except to a Beneficiary selected in accordance with this Plan or in the case of a QDRO as provided under this Plan. No such benefit shall, prior to receipt thereof by an Employee be in any manner subject to the debts, contracts, liabilities, engagements, or torts of such Employee.

(j) QDRO. The right to payment under this Plan may be assigned to an Alternate Payee (defined below) pursuant to a QDRO (defined below). If the right to payment is assigned to an Alternate Payee pursuant to a QDRO, the Alternate Payee generally has the same rights as the Participant under the terms of the Plan, except that an Alternate Payee may not transfer the right to payment. No right to payment under this Section 9(j) shall apply to any amount in excess of the difference between the value of the QSERP Offset and the total value of all of the Participant's Accounts measured as of the effective date of the QDRO. For purposes of this Section 9(j), the word "QDRO" means a court order (1) that recognizes the right of a spouse or former spouse (an "Alternate Payee") of an individual who has amounts deferred under this Plan to an interest in such deferral relating to marital property rights and (2) that the Company determines to be a "qualified domestic relations order," as that term is defined in section 414(p) of the Code, but for the fact that the Plan is not a plan described in section 3(3) of ERISA.

## **SECTION 10. INVESTMENT AND ACCOUNTS.**

(a) Accounts. The following accounts (collectively, the "Accounts"), more fully defined in Section 2, shall be maintained for each Participant:

- (1) Employee Bonus Account; and
- (2) Salary Deferral Account; and
- (3) Company Contribution Account.

For certain purposes of this Plan, the Employees Bonus Account and Salary Deferral Account are described collectively as the "Earnings Deferral Account." Each Account may contain one or more subaccounts to reflect amounts attributable to different Plan Years, different types of Company Contributions, or any other differences.

(b) Investment Choices. A Participant's Account(s) shall be considered to have been invested in accordance with the Participant directions given for investment among hypothetical investment alternatives designated for this Plan, and shall be credited with hypothetical investment gains or losses which such Account would yield if it were invested in accordance with such directions.

(c) No Requirement of Actual Investment. The Company shall be under no obligation to actually invest in funds comparable to those available for investment of

---

Qualified Plan assets. The references to accounts in such plans are for purposes of measuring earnings only.

(d) Changes in Hypothetical Earnings Method. The Company retains the right to change the method for determining hypothetical earnings and account values at any time without prior notice to Participants.

#### **SECTION 11. ADMINISTRATION OF THE PLAN.**

(a) Administration by the Company. The Company shall be responsible for the general operation and administration of this Plan and for carrying out the provisions thereof. The Company shall make such rules, regulations and computations and shall take such other actions to administer the Plan as it may deem appropriate. The Company shall have sole discretion to interpret the terms of the Plan and to determine eligibility for benefits pursuant to the objective criteria set forth in the Plan. The Company's rules, regulations, interpretations, computations and actions shall be conclusive and binding on all persons.

(b) General Powers of Administration. All provisions set forth in the Qualified Plan with respect to the administrative powers and duties of the Company, expenses of administration and procedures for filing claims shall also be applicable with respect to this Plan. The Company shall be entitled to rely conclusively upon all tables, valuations, certificates, opinions and reports furnished by any actuary, accountant, controller, counsel or other person employed or engaged by the Company with respect to this Plan.

#### **SECTION 12. CLAIMS AND REVIEW PROCEDURES**

(a) Claims for Benefits

(1) Except as otherwise required under ERISA, no Plan Benefit will be paid to or on behalf of a Participant under the Plan until the Participant (or the Participant's Beneficiary, as appropriate) has filed a claim for benefits with the Company which contains all information which the Company may need to determine the amount of any payment due hereunder.

(2) If a properly completed claim for benefits has not been filed at least 90 days before the date payment of the Plan Benefit is to be made, the payment of such Plan Benefit may be delayed for administrative reasons.

(3) All claims for benefits under the Plan must be made in the manner prescribed by the Company and must be signed by the Participant or his or her Beneficiary, as appropriate. All claims for (or inquiries concerning) benefits under the Plan shall be submitted pursuant to procedures specified by the Company, but a Participant who has not received notice of such procedures may request information concerning such procedures by making inquiry addressed as follows: "Intel Corporation, Plan Administrator, 2200 Mission College Boulevard, Santa Clara, CA 95052."

---

(b) Denial of Claims In the event any claim for benefits or application for a withdrawal is denied, in whole or in part, the Company shall notify the claimant of such denial and shall advise the claimant of his or her right to appeal the denial. Such notice shall set forth, in a manner calculated to be understood by the claimant, specific reasons for the denial, specific references to the Plan provisions on which the denial is based, a description of any information or material necessary for the claimant to perfect his or her claim, an explanation of why such material is necessary and an explanation of the Plan's Review Procedure. Such notice shall be given to the claimant within 90 days after the Company receives his or her claim, unless special circumstances require additional time for processing. If additional time for processing is required, notice shall be furnished to the claimant prior to the termination of the initial 90-day period. Such notice shall indicate the special circumstances requiring the extension of time and the date by which the Company expects to render its decision on the claim. If a claimant has not received notice that additional time is required for processing his or her claim within 90 days of the date it is received by the Company, the claim shall be deemed to have been denied and the claimant shall be permitted to appeal such denial in accordance with the Review Procedure described herein. If a claimant receives proper and timely notice that additional time is required for processing his or her claim, but does not receive notice of the Company's decision with respect to the claim within 180 days after the date the claim is received by the Company, the claim shall be deemed to have been denied and the claimant shall be permitted to appeal such denial in accordance with the Review Procedure described herein.

(c) Review Procedure.

(1) Appointment of Review Panel. The Company shall appoint a Review Panel which shall consist of three or more individuals who may (but need not) be employees of the Company. The Review Panel shall have authority to act with respect to appeals from denials of claims for benefits under the Plan.

(2) Right To Appeal Any person whose claim for benefits or application for a withdrawal is denied (or deemed denied), in whole or in part, or such person's authorized representative, may appeal from the denial by submitting a request for review of the claim to the Review Panel within 60 days after receiving notice of the denial from the Company (or, in the case of a deemed denial, within 60 days after the date the claim is deemed denied). The Company shall give the claimant (or the claimant's representative) an opportunity to review pertinent documents in preparing a request for review.

(3) Form of Request for Review A request for review must be made in the manner prescribed by the Company and shall be addressed as follows: "Review Panel under SERPLUS, 1900 Prairie City Rd., FM1-118, Folsom, CA 95630." A request for review shall set forth all of the grounds upon which it is based, all facts in support thereof and any other matters which the claimant deems pertinent. The

---

Review Panel may require the claimant to submit such additional facts, documents or other material as it may deem necessary or appropriate in making its review.

(4) Time for Review Panel Action The Review Panel shall act upon each request for review within 60 days after receipt thereof, unless special circumstances require additional time for review. If additional time for review is required, notice shall be furnished to the claimant prior to the end of the initial 60-day period, indicating the date by which the Review Panel expects to render its decision on his or her request for review. In no event shall the decision of the Review Panel be rendered more than 120 days after it receives a claimant's request for review.

(5) Review Panel Decision Within the time prescribed by (4) above, the Review Panel shall give notice of its decision to the claimant and the Company. In the event the Review Panel confirms the denial of the claim for benefits or the application for a withdrawal, in whole or in part, such notice shall set forth, in a manner calculated to be understood by the claimant, specific reasons for such denial and specific references to the Plan provisions on which the decision was based. In the event that the Review Panel determines that the claim for benefits or the application for a withdrawal should not have been denied, in whole or in part, the Company shall take appropriate remedial action as soon as reasonably practicable after receiving notice of the Review Panel's decision. If a claimant has not received notice that additional time is required for review within 60 days of the date his or her request for review is received by the Review Panel, the claim shall be deemed to have been denied on review. If a claimant receives proper and timely notice that additional time is required for review, but does not receive notice of the Review Panel's decision with respect to his or her claim within 120 days after the date the Review Panel receives the request for review, the claim shall be deemed to have been denied on review.

(6) Rules and Procedures The Review Panel shall establish such rules and procedures, consistent with the Plan and with ERISA, as it may deem necessary or appropriate in carrying out its responsibilities under this Section 12. The Review Panel may require a claimant who wishes to submit additional information in connection with an appeal from the denial of benefits to do so at his or her own expense.

(7) Exhaustion of Remedies No legal or equitable action for benefits under the Plan shall be brought unless and until the claimant: (i) has submitted a claim for benefits or application for a withdrawal in accordance with Section 12(a); (ii) has been notified that the claim or application is denied (or the claim or application is deemed denied as provided in Section 12(b)); (iii) has filed a request for a review of the claim or application in accordance with Section 12(c); and (iv) has been notified that the Review Panel has affirmed the denial of the claim or application (or the claim or application is deemed to have been denied on review as provided in Section 12(c)).

---

**SECTION 13. AMENDMENT OR TERMINATION.**

(a) Amendment or Termination. The Company reserves the right to amend or terminate the Plan when, in the sole opinion of the Company, such amendment or termination is advisable. Such determination may be reflected either by consent of the Company's Board of Directors or by action of any individual or committee duly authorized by the Board of Directors to act on its behalf. Amendments to the Plan that do not significantly increase the Plan's cost to the Participating Companies, or significantly change its design, or are required to comply with applicable law may be adopted without the approval of the Board of Directors by the Management Retirement Administrative Committee.

(b) Effect of Amendment or Termination. No amendment or termination of this Plan shall directly or indirectly reduce the balance of any Participant's Accounts held hereunder as of the effective date of such amendment or termination. Upon termination of this Plan, distribution of amounts in Participant Accounts shall be made to the Participant in the manner prescribed in Section 8(b) of this Plan and within the time periods prescribed in Code Section 409A and authoritative guidance thereunder, without regard to whether the Participant has a Termination Date and without regard to any alternative distribution options under Section 8(c) of this Plan.

---

**SECTION 14. EXECUTION AND EFFECTIVE DATE.**

To record the adoption of the Plan to read as set forth herein, the Management Retirement Administrative Committee has hereby amended and restated this Plan in its entirety, effective January 1, 2020.

INTEL CORPORATION

By:

/s/Havilah Gebhart  
Havilah Gebhart  
Secretary, Management Retirement Plans Administrative Committee

Date:

December 31, 2019

## CERTIFICATION

I, Robert H. Swan, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Intel Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 23, 2020

By: /s/ ROBERT H. SWAN

Robert H. Swan

Chief Executive Officer, Director and Principal Executive Officer

## CERTIFICATION

I, George S. Davis, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Intel Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 23, 2020

By: /s/ GEORGE S. DAVIS

George S. Davis

Executive Vice President, Chief Financial Officer and Principal Financial Officer

## CERTIFICATION

Each of the undersigned hereby certifies, for the purposes of section 1350 of chapter 63 of title 18 of the United States Code, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, in his capacity as an officer of Intel Corporation (Intel), that, to his knowledge, the Quarterly Report of Intel on Form 10-Q for the period ended March 28, 2020, fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934 and that the information contained in such report fairly presents, in all material respects, the financial condition and results of operations of Intel. This written statement is being furnished to the Securities and Exchange Commission as an exhibit to such Form 10-Q. A signed original of this statement has been provided to Intel and will be retained by Intel and furnished to the Securities and Exchange Commission or its staff upon request.

Date: April 23, 2020

By: /s/ ROBERT H. SWAN

---

Robert H. Swan

Chief Executive Officer, Director and Principal Executive Officer

Date: April 23, 2020

By: /s/ GEORGE S. DAVIS

---

George S. Davis

Executive Vice President, Chief Financial Officer and Principal Financial Officer