

## Political Accountability

Intel recognizes that over the past few years, key stakeholders have requested greater disclosure regarding corporate political contributions. As a way to provide continued improvement and clarity for our decision making and disclosure surrounding political contributions, in 2006 we drafted a formal policy statement on Political Accountability that addresses political contributions.

In drafting our policy statement, we referred to the Center for Political Accountability's Model Code of Conduct for Corporate Political Spending as a guide. Intel's policy statement describes long-standing practices and decision processes, but also adds new accountability to our activities in the political realm.

**Corporate Contributions.** In the U.S., corporations are prohibited from making political contributions to federal candidates or political parties. However, many states allow corporate contributions to state and local candidates as well as ballot initiatives. Where permitted by law, Intel contributes to local candidates and issues, and to political action committees of organizations with which we share interests. Intel does not contribute corporate funds to federal candidates, political parties, or 527 organizations.

- **Purpose.** Our policy on corporate contributions is driven by the fact that public policy decisions can have a significant impact on our business and on the interests of our stockholders. Intel carefully monitors policy issues and is engaged in educating government representatives about the implications of key decisions for our business. In addition, Intel provides financial support to candidates whose positions are consistent with our business objectives and public policy priorities (such as innovation, intellectual property, broadband, trade policy and market access, legal reform, digital healthcare, environment, logistics, and education) with the ultimate goal of protecting and enhancing long-term stockholder value.

- **Process.** Throughout the year, we receive funding requests from candidates and political action committees. Our Corporate Affairs staff review requests against our political contribution policy guidelines, which take into account historical voting records and positions on key issues, leadership on key committees, whether Intel has a large presence in the state or district, and the impact of the proposed support on the candidate's campaign. Corporate contributions are subject to the approval of Intel's vice president of Corporate Affairs. This formal approval process has been put in place to assure that our contributions are in line with Intel's interests, rather than those of individual directors and officers.

- **Review.** Our Corporate Affairs department prepares an annual analysis of Intel's corporate contributions to ensure that contributions made during the year are consistent with our corporate policies. This information is reviewed by the vice president of Global Public Policy, the vice president of Corporate Affairs, and the director of regional Corporate Affairs, and is presented to the Board's Corporate Governance and Nominating Committee for review. Whenever possible, Intel makes donations directly to state and local candidates in the interests of transparency. However, in cases for which it is determined that a contribution to a political action committee is in the best interests of the company, Intel conducts periodic reviews of such contributions to assure consistency with Intel's goals and interests. We recognize that given the high number of policy and voting positions, there may be cases in which candidates or organizations support positions that align with most, but not all, of our policy interests. In such cases, we base our decision on the issues that will have the greatest benefit for our stockholders and key stakeholders.

- **Disclosure.** We post our policy on political contributions on our web site. On an annual basis, we report Intel's corporate contributions for the previous year.