



# Intel Employee Cash Bonus Program

The Employee Cash Bonus Program (ECBP) offers cash rewards to all eligible employees twice a year based on corporate profitability.

## Who is eligible for the Employee Cash Bonus Program (ECBP)?

All general full-time, part-time, intern and Intel contract employees are eligible to participate. Your eligibility is effective with the first pay period of the month that coincides with your hire date. You must be on Intel's payroll by the cutoff date for each six-month bonus period to receive a payout.

## How does the plan work?

Twice each year, in January and July, employees receive a payout based on whichever of two formulas yields a larger payout:

- .65 days of pay per 2% of adjusted pre-tax margin; or,
- 4.5% of adjusted net income / cost of a day's pay\*

*\*This number represents the current value of a worldwide day's pay. The value of a day's pay can increase or decrease with head count and salary changes and does not include share-based expense.*

The bonus you receive is calculated as a percentage of a day's pay. The following table illustrates how the ECBP payout is linked to pre-tax margin.

Six Months' Pretax Margin as Percent of Revenues	Days Pay
0%	0.00
2%	0.55
4%	1.10
10%	2.75
16%	4.40
20%	5.50

## What is a day's pay?

Eligible earnings includes:

- Base pay
- Differentials (where applicable)
- Overtime pay
- Compressed workweek schedule premium
- Reporting-in pay
- Paid time off (e.g., vacation, personal absence, holiday, and sabbatical pay)
- Industrial injury waiting period pay
- Salary coordination

When an employee has eligible earnings, the ECBP payment from the preceding plan period plus one-half of the employee's current EB or commission target are also included (the target amount is prorated for months of employment, percent of full-time hours worked, and leaves of absence).

## Example ECBP Calculation: First Six-month Period

Eligible earnings Jan. 1 - Jun. 30 = \$10,000  
 $\$10,000 \div 1040 \text{ hours} = \$9.62/\text{hour}$   
 $\$9.62 \times 8 \text{ hours} = \$76.96$  (one day's pay)  
 Assume corporate pre-tax margin for the six month period = 10% (payout equals 2.75 days)  
 $\$76.96 \times 2.75 \text{ days} = \mathbf{\$211.64 \text{ ECBP}}$  (payable in July)

## Example ECBP Calculation: Second Six-month Period

Eligible earnings Jul. 1 - Dec. 31 = \$10,211.64  
 $\$10,211.64 \div 1040 \text{ hours} = \$9.82/\text{hour}$   
 $\$9.82 \times 8 \text{ hours} = \$78.56$  (one day's pay)  
 Assume corporate pre-tax margin for the six month period = 16% (payout equals 4.40 days)  
 $\$78.56 \times 4.40 \text{ days} = \mathbf{\$345.66 \text{ ECBP}}$  (payable in January)  
 First six-month payout: \$211.64  
 Second six-month payout: \$345.66  
 Total payout for the year: \$557.30