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2017 Annual Diversity and Inclusion Data

Executive Summary

Intel is on track to achieve full representation of women and underrepresented minorities in the U.S. by 2018. Full representation means that Intel will be at market availability or higher by 2018 for every employee job category that we track; both technical and non-technical, for women, African Americans, Hispanics, and Native Americans. In December of 2014, our gap to full representation was 2300 employees. Today that gap has narrowed to 376 people – an 84 percent improvement.

For further perspective on the progress of our diversity initiatives, read Intel Chief Diversity Officer Barbara Whye’s article in our newsroom.

Data Highlights

Areas of Success

- Since 2015, our gap to full representation in our U.S. workforce has narrowed from 2300 employees to 376 employees – an 84% improvement.
- The Warmline is an inclusive service that has been a significant tool for retention. Since inception, Intel's Warmline service has received over 10,000 cases and successfully achieved a 90% retention rate.
  - Female case volume at 42% is driving overall URM cases
  - Hispanic employees (88%) have the highest rate of retention for female URMs followed by Native Americans (85%) and African Americans (79%)
  - The top two concerns are about managers and progression
- Female representation has increased steadily year-over-year to 26.5%, a 0.8% increase since 2016.
- Overall representation of underrepresented minorities (URMs) is 13.2%, an increase of 0.7% since 2016. Among leadership, underrepresented minority population (URMs) has increased 27% since 2015.
  - African American representation increased by 0.22% since 2016.
  - Hispanic representation increased by 0.5% since 2016. Hiring of Hispanic college graduates is a source of progress – increasing 1.6% since 2016.
  - Native American representation increased moderately by 0.1% since 2016.
- URM Progression is growing consistently across all categories.
2017 Annual Diversity and Inclusion Data

- Hispanic progression has seen slight increases across most categories, with a 0.7% increase in Exempt Mid-Grade and a 1.0% increase in Exempt Upper Mid-Grade.
- African American progression has been significant in the Non Exempt category, with a 0.8% increase since 2016.
- Native American progression experienced overall positive growth across all categories.
- We have grown our supplier diversity spending from $150 million when we established our goal in early 2015 to $650 million by the end of 2017. We are on track to achieve $1 billion in annual spending with diverse-owned suppliers by 2020.

Areas for Improvement:

- Hiring, progression and retention of African American employees, including in leadership, is the largest area for improvement. African Americans account for more than 85% of our remaining gap to full representation.
- While female representation has increased overall, leadership representation is flat year-over-year.
2017 Annual Diversity and Inclusion Data

Glossary of Terms

- **URM**: The population of African American, Hispanic and Native American males and females
- **Non-URM Males**: Majority population, including White and Asian males
- **Females**: URM and non-URM females
- **Hispanic**: Males and females who identify as having Hispanic heritage
- **African American**: Males and females who identify as having African American heritage
- **Native American**: Males and females who identify as having Native American heritage
- **Non-exempt**: Hourly-paid employees
- **Exempt Early-Grade**: Non-hourly salary grade 2-6 early-career employees
- **Exempt Mid-Grade**: Non-hourly salary grade 7-9 mid-career employees
- **Exempt Upper Mid-Grade**: Non-hourly salary grade 10 and 11 employees, typically managers and directors
- **Exempt Senior Grade**: Non-hourly salary grade 12+ employees, typically vice presidents and senior management
- **Technical**: Roles that are technical in nature such as engineers
- **Non-Technical**: Roles that are non-technical in nature, such as Marketing, HR, Legal and other support functions
2017 Annual Diversity and Inclusion Data

Narrowing the Gap

In 2017, Intel made significant progress in narrowing the gap to full representation, with an 84% improvement from the baseline established in 2014. This is a result of overall corporate personnel movement, including all hires, exits, and internal progression.

Full representation means closing all gaps to market availability in all categories that we measure, including females, African American, Native American, and Hispanic populations.
2017 Annual Diversity and Inclusion Data

Three Year Trend: Gender and Ethnicity

Overall URM representation growth driven by increases in female representation. Female representation has increased steadily year-over-year to 26.5%, a 0.8% increase since 2016.
2017 Annual Diversity and Inclusion Data

Three Year Trend: Technical Employees

US TECHNICAL EMPLOYEES: 3 YEAR TREND

- 2015:
  - Non-URM Males: 70.3%
  - Females: 20.1%
  - URM: 11.9%
  - Hispanic: 3.3%
  - African American: 0.5%
  - Native American: 0.5%

- 2016:
  - Non-URM Males: 68.8%
  - Females: 21.6%
  - URM: 12.0%
  - Hispanic: 7.9%
  - African American: 0.6%
  - Native American: 0.6%

- 2017:
  - Non-URM Males: 65.9%
  - Females: 22.7%
  - URM: 12.8%
  - Hispanic: 8.4%
  - African American: 3.7%
  - Native American: 0.7%
2017 Annual Diversity and Inclusion Data

Female Representation by Grade: Overall

While female representation has increased overall, leadership representation is flat year-over-year.
Male Representation by Grade: Overall

<table>
<thead>
<tr>
<th>Grade Level</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-Exempt</td>
<td>78.2%</td>
<td>78.2%</td>
<td>77.9%</td>
</tr>
<tr>
<td>Exempt Early-</td>
<td>67.0%</td>
<td>66.7%</td>
<td>64.2%</td>
</tr>
<tr>
<td>Mid-Grade</td>
<td>75.0%</td>
<td>73.8%</td>
<td>73.1%</td>
</tr>
<tr>
<td>Exempt Mid-</td>
<td>81.4%</td>
<td>79.0%</td>
<td>78.9%</td>
</tr>
<tr>
<td>Upper Exempt</td>
<td>83.5%</td>
<td>81.2%</td>
<td>81.0%</td>
</tr>
</tbody>
</table>
URM Representation by Grade: Overall

URM Progression is growing consistently across all categories.
2017 Annual Diversity and Inclusion Data

Non-URM Representation by Grade: Overall

Non-URM Representation by Grade:

<table>
<thead>
<tr>
<th>Grade</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-Exempt</td>
<td>76.6%</td>
<td>76.4%</td>
<td>72.6%</td>
</tr>
<tr>
<td>Exempt Early Grade</td>
<td>90.4%</td>
<td>89.6%</td>
<td>88.0%</td>
</tr>
<tr>
<td>Exempt Mid Grade</td>
<td>93.4%</td>
<td>92.5%</td>
<td>91.0%</td>
</tr>
<tr>
<td>Exempt Upper Grade</td>
<td>94.2%</td>
<td>93.2%</td>
<td>92.3%</td>
</tr>
</tbody>
</table>
Hispanic progression has seen slight increases across most categories, with a 0.7% increase in Exempt Mid-Grade and a 1.0% increase in Exempt Upper Mid-Grade.
African American progression has been significant in the Non Exempt category, with a 0.8% increase since 2016. However, African Americans account for more than 85% of our remaining gap to full representation.
2017 Annual Diversity and Inclusion Data

Native American Representation by Grade: Overall

Native American progression experienced overall positive growth across all categories.
2017 Annual Diversity and Inclusion Data

VP/Fellow Leadership Growth versus Overall Population 2015-2017

Female, Hispanic and Native American VP/Fellow growth exceeded overall URM population.

**Leadership Growth**

*2015-2017*

<table>
<thead>
<tr>
<th>Group</th>
<th>Overall Population</th>
<th>Leadership (VP/Fellow)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Native American</td>
<td>35%</td>
<td>92%</td>
</tr>
<tr>
<td>Hispanic</td>
<td>3%</td>
<td>35%</td>
</tr>
<tr>
<td>URM</td>
<td>7%</td>
<td>27%</td>
</tr>
<tr>
<td>African American</td>
<td>11%</td>
<td>7%</td>
</tr>
<tr>
<td>Female</td>
<td>7%</td>
<td>7%</td>
</tr>
</tbody>
</table>
2017 Annual Diversity and Inclusion Data

2017 Retention Case Insights

The Warmline is an inclusive service that has been a significant tool for retention. Since inception, Intel’s Warmline service has received over 10,000 cases and successfully achieved a 90% retention rate.

![Bar chart showing total cases by gender and ethnicity]

- Non-URM Males: 46%
- Females: 42%
- URM: 19%
- Hispanic: 11%
- African American: 7%
- Native American: 1%
2017 Annual Diversity and Inclusion Data

Annual Spending with Certified Diverse-Owned Suppliers

In 2017, we exceeded our certified diverse-owned supplier spending goal and we are on track to achieve $1B in annual spending with certified-diverse owned suppliers by 2020.
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Reference

The data reflected in this addendum is from the start of 2017 calendar year through December 31, 2017. Ethnicity categories use EEOC ethnicity definitions. Intel complies with federal regulations and uses post-employment records to identify the gender, race and ethnicity of individuals who do not self-identify. These updates are done on a quarterly basis. Definition of "Technical" is based on Intel internal job codes and reflects technical job requirements.