Intel Corporation ESG Report – 2023

Executive Summary

Intel Corporation's 2023 ESG performance demonstrates significant progress across environmental, social, and governance dimensions. The company achieved notable reductions in Scope 1 and 2 greenhouse gas emissions, advanced diversity, equity, and inclusion (DEI) initiatives, strengthened governance structures, and enhanced stakeholder engagement. This report details these achievements, outlining challenges encountered and outlining future strategic goals aligned with global frameworks such as the Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB), and Task Force on Climate-related Financial Disclosures (TCFD). Key advancements include a 20% reduction in Scope 1 and 2 greenhouse gas emissions against a 2020 baseline, 42% women in leadership positions, and 100% employee completion of mandatory ethics and compliance training. Looking forward, Intel is committed to ambitious targets including 80% renewable energy usage by 2025 and 50/50 gender parity in leadership by 2026.

Organizational Profile

Intel Corporation is a global technology leader committed to embedding ESG principles into its core business strategy. Our commitment is driven by the understanding that strong ESG performance is integral to long-term value creation, responsible business operations, and contributing to a sustainable future. Our operations span numerous global locations, encompassing research, development, manufacturing, and sales, each contributing to our overall ESG footprint. Our approach to ESG is guided by robust frameworks, including the GRI, SASB, and TCFD, ensuring transparency, consistency, and comparability in our reporting.

Stakeholder Engagement

Intel actively engages with a diverse range of stakeholders, including employees, investors, suppliers, customers, communities, and governmental bodies. Engagement methods encompass employee surveys, supplier assessments, customer feedback mechanisms, community consultations, and participation in industry initiatives. Feedback gathered informs our ESG strategy, targets, and reporting. We prioritize transparent communication and meaningful dialogue to foster constructive relationships and ensure our ESG performance aligns with stakeholder expectations. This engagement underpins our commitment to continuous improvement and responsible business practices.

Material Topics

Intel's material ESG topics are identified through a robust materiality assessment process involving stakeholder consultations and internal expert analysis. These topics reflect the environmental, social, and governance issues that pose the greatest risks and opportunities to the company's business operations and long-term success. Key material ESG issues include greenhouse gas emissions reduction, responsible supply chain management, diversity, equity, and inclusion, ethical governance, data privacy, and cybersecurity. Our ESG strategy is focused on mitigating identified risks and capitalizing on emerging opportunities within these areas.

Management Approach

Intel's approach to ESG is integrated into our overall business strategy, overseen by a Board-level ESG Oversight Committee. This committee provides strategic direction, monitors performance, and ensures accountability for ESG targets. Our ESG goals are cascaded throughout the organization, integrating ESG considerations into decision-making at all levels. We employ a risk-based approach, focusing resources on the most material ESG issues. A robust internal control framework ensures compliance with relevant regulations and standards, and our progress is continuously monitored and reported. This holistic approach ensures ESG is not merely a compliance exercise, but a core driver of our business performance.

Environmental Performance

In 2023, Intel made significant strides in reducing its environmental footprint. Scope 1 and 2 greenhouse gas (GHG) emissions were reduced by 20% against a 2020 baseline, primarily through enhanced operational energy efficiency and increased renewable energy procurement. We achieved zero waste-to-landfill status at eight major sites and reduced water usage by 15% through closed-loop water recycling systems. Furthermore, 85% of tier-1 suppliers now adhere to Intel's Supplier ESG Code of Conduct, and a new carbon tracking initiative for Scope 3 emissions was implemented. We conducted Environmental Impact Assessments (EIAs) across manufacturing hubs and maintained 100% compliance with all applicable local environmental regulations. Our commitment to Net-Zero Scope 1 and 2 emissions by 2040 surpasses the Paris Agreement timeline. In 2023, 65% of our global operations were powered by renewable energy, with a target of 80% by 2025.

Social Performance

Intel's commitment to social responsibility is reflected in significant progress on diversity, equity, and inclusion (DEI), workforce development, and community engagement. Women hold 42% of leadership positions, and 40% of new hires represent historically underrepresented groups. All employees completed mandatory unconscious bias and anti-discrimination training. A global mental health support program resulted in a 30% increase in employee well-being scores, and over 5,000 employees participated in digital upskilling programs. Furthermore, Intel contributed $25 million to community investments and employees volunteered over 50,000 hours. The implementation of new Human Rights Due Diligence (HRDD) processes further underscores our commitment to responsible social practices. Our grievance mechanism received zero unresolved labor rights complaints during the reporting period.

Governance

Intel's governance framework prioritizes transparency, accountability, and ethical conduct. The establishment of a Board-level ESG Oversight Committee ensures robust oversight of climate, social, and ethical risks. The board achieved 45% diversity in gender and ethnicity. Our Code of Conduct and Whistleblower Protection Policy were updated and disseminated company-wide, complemented by 100% employee completion of anti-corruption and ethics training, resulting in zero material compliance breaches. Strengthened data

governance, including a global data privacy framework aligned with GDPR and CCPA, led to ISO/IEC 27701 certification for privacy management. Significant cybersecurity upgrades resulted in ISO 27001 certification and a 40% year-over-year reduction in reported incidents.

Conclusions and Future Outlook

Intel's 2023 ESG performance reflects a continued commitment to sustainability and ethical business practices. Our progress underscores our dedication to integrating ESG considerations into our core business strategy, aligning our ambitions with a just, equitable, and climate-resilient future. We are committed to transparent reporting, stakeholder engagement, and continuous improvement in our ESG performance. We will continue to monitor progress against our established KPIs, and adapt our strategies as needed to meet emerging challenges and opportunities.

Appendices

(This section would contain detailed data tables, charts illustrating progress towards targets (e.g., GHG emission reductions over time, diversity representation data across various levels, renewable energy usage breakdown), methodological notes on data collection and verification processes, and further information supporting the claims made in the main body of the report. This section would be clearly labeled and referenced where relevant in the main body.)