



Intel Stock Programs

Intel's stock benefits include stock options, restricted stock units (RSUs), and the Stock Purchase Plan (SPP). Participating in Intel's stock benefits enables you to share ownership in Intel. As a stock owner, you share in the company's future, and Intel's financial performance directly impacts you. At the same time, stock ownership also represents a benefit - the potential to accumulate capital and build wealth.

Intel Stock Option Program

A stock option is the right to purchase a specified number of shares of Intel stock at a fixed price (known as purchase price, grant price, or strike price) for a specific period of time. The purchase price is equal to the fair market value of Intel stock at the time of the grant and is specified in your Notice of Grant.

You may only exercise stock options if the stock option is vested and you meet certain guidelines pertaining to your employment status. These are specified in your stock option grant agreement. The vesting schedule for your stock options is available through your stock account with UBS Financial Services Inc. Employees are responsible for exercising their vested stock options before they expire.

Equity Incentive Plan and Restricted Stock Units

A Restricted Stock Unit (RSU) is an agreement by Intel to issue you a share of Intel stock once you have satisfied the vesting schedule and any tax withholding requirements. When your RSUs vest, you will receive actual shares of Intel stock. You meet the vesting schedule by continuing employment. The vesting schedule for your RSUs is available through your stock account with UBS Financial Services Inc.

There is no purchase price with RSUs, as there is with stock options, because RSUs are automatically converted to shares of Intel stock at no cost to you. (Employees are responsible for paying any tax withholding obligations that are applicable for the country in which they work.)

The Compensation Committee reviews all stock recommendations for approval in the first month of each calendar quarter (January, April, July, and October). Your Notice of Grant will be available in your online stock account soon after Compensation Committee approval.

Stock Purchase Plan

By enrolling in the Stock Purchase Plan (SPP), you can purchase shares of Intel stock at a discounted price through payroll deductions. Your participation is voluntary and you are eligible to participate in the plan if all of the following apply:

- You are employed on the last day on which stock is traded before an enrollment period begins (generally Jan. 31 and July 31).
- You are an employee of Intel Corp. or an Intel subsidiary that allows participation in the SPP.
- Your customary work schedule is to work 20 hours or more per week and five months or more per year.

There are two SPP enrollment and subscription periods each year; stock is purchased twice a year at the end of each subscription period. Your stock purchase price is the lower of 85 percent of the fair market value (average of the highest and lowest trading price of the day) of Intel stock on either:

- The last business day before the beginning of the enrollment period; or,
- The last business day of the subscription period.

Example

Beginning price (Jan.) \$20.00; Ending price (Aug.) \$22.00
Purchase price (85% of \$20) \$17.00

In the example above, \$20.00 is the fair market value (average of the highest and lowest trading price) of the last business day before the beginning of the enrollment period in January. The fair market value of Intel stock for the last business day of the subscription period in August is \$22.00. The stock purchase price would be 85 percent of the fair market value of either the last business day before the enrollment, the lower of the two prices.

If the stock is sold at \$22.00, your return would be \$5.00 per share, or 23 percent.