



# CSR and the role of Transparency in Business Innovation

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Corporate Responsibility  
Jul 2008

# Don't let Terminology be a Barrier

Corporate Social Responsibility

Sustainability

Triple Bottom Line

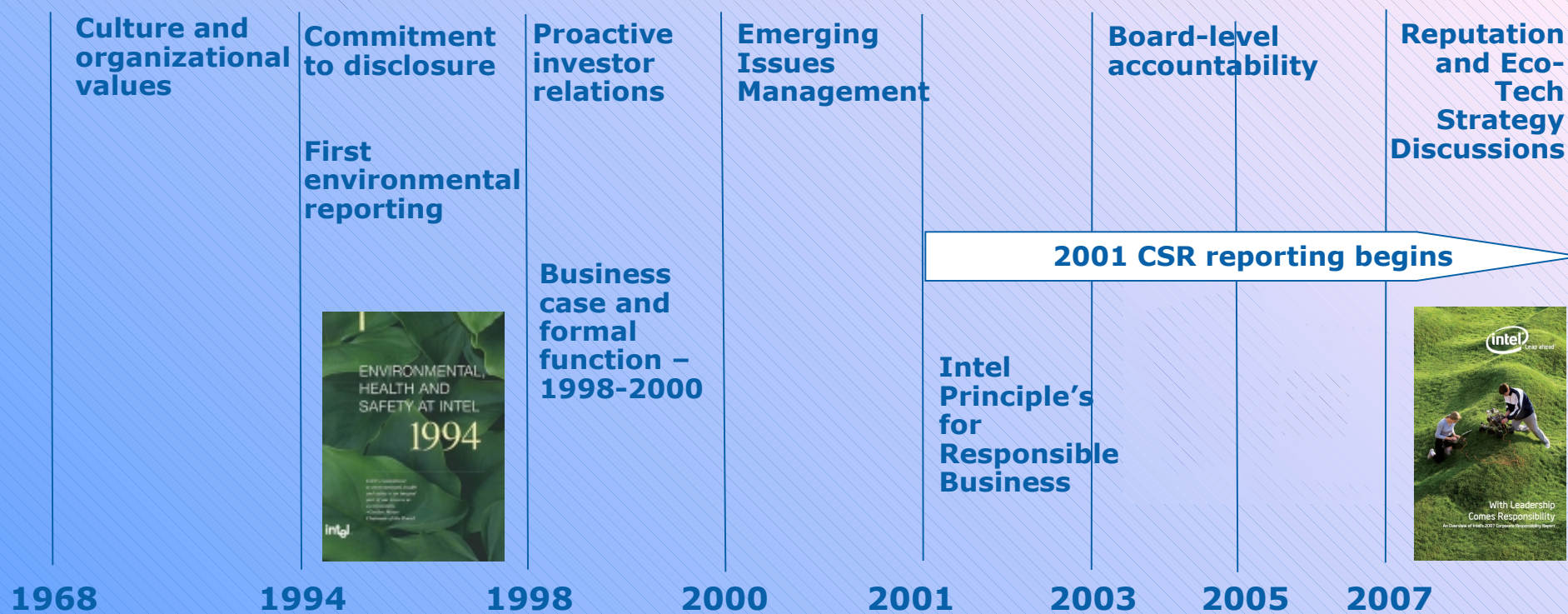
Corporate Citizenship

Sustainable Development

Corporate Responsibility

**Driving financial success in ways that honor ethical values and respect people, build communities and preserve the natural environment**

# Intel's CSR/ Sustainability Path



**Intel CSR Timeline: A long heritage of corporate responsibility**



# 2007 Corporate Responsibility Report



## Complete Report

~90 page Global Reporting Initiative (GRI) - G3 based PDF on web site.

Summary tabs on web with download center for report sections and supporting information.

## 8-Page Executive Summary

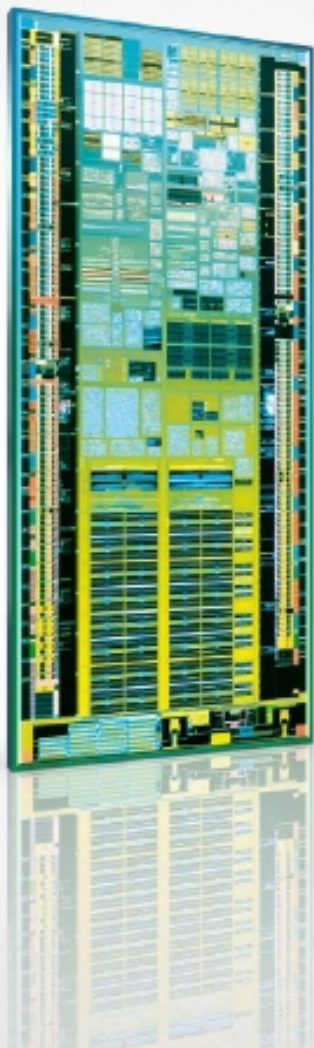
Short printed report used primarily with external stakeholders and for events.

## Localization and Translation

Translate and localize summary report and create additional inserts for use with local stakeholders.



Taking a leadership position in  
environmental action worldwide



# *Environment*

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1 Intel 45nm product is manufactured on a lead-free process. Lead is below 1000 PPM per EU RoHS Directive (2002/95/EC, Annex A). Some EU RoHS exemptions for lead may apply to other components used in the product package.



# Looking Ahead: New Environmental Goals



Reduce absolute global-warming gas footprint by 20% by 2012 from 2007 levels.

Reduce energy consumption per chip 5% per year from 2007 through 2012.

Achieve engineering and design milestones to ensure that Intel products keep the energy-efficiency lead in the market for our next two product generations.

Reduce water use per chip<sup>1</sup> by 2012 from 2007 levels.

Reduce generation of chemical waste per chip by 10% by 2012 from 2007 levels.

Recycle 80% of chemical and solid waste generated per year.

<sup>1</sup> Assuming a typical chip size of approximately 1cm<sup>2</sup>. (Chips vary in size depending on the specific product.)

Great company  
Great technology  
Great careers



## ***Workplace, Governance & Ethics***

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Continued to perform at **world-class levels** for safety, further reducing severity of injuries

Expanded Health for Life wellness program to help employees manage health risks

Invested approximately **\$249 million** in employee training and development

**+61,000 employees** participated in the Organization Health Survey

Refreshed the Intel Code of Conduct and enhanced with new learning aids; **+95% of employees trained** on new code in 2007.

Named to the list of "100 Best Companies for Working Mothers"



Involved in today's education for  
tomorrow's innovation

# *Education*

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Working to transform  
communities around the world



## Community

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**38%** worldwide volunteerism rate. Education-related hours increased by 61%.


Thousands of employees volunteered in **~50 Intel events** for Global Earth Day.

Applied state-of-the art technology to number of community projects including one to improve delivery of disaster relief

U.S. Community Giving Campaign set new Intel record; **+\$20 million** in 2007

Intel and Intel Foundation gave **+\$109 million** to improve education, support communities, and respond to natural disasters in 2007





Setting expectations  
around the globe

## Supply Chain

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Continued in leadership role in the Electronics Industry Citizenship Coalition; served as chair from March 2005 – October 2007.

Completed more than **100 high-level risk assessments**, representing **80%** of our high-risk purchasing spends.

Held country-specific supplier days in several countries, including China, Costa Rica, Malaysia, and the Philippines.

Included at least one diversity supplier in more than **98%** of our eligible U.S. bids.

Established a green purchasing team to develop new green purchasing goals for the company in 2008.



# What's our Mission?

## CSR @ Intel – It's how we do business

**CSR is the set of policies, practices and programs that enable Intel to be a responsible corporate citizen and improve people's lives through technology.**

Key pillars:

- Reducing our environmental footprint
- Improving the communities in which we operate
- Creating opportunities through technology and education





Intel Confidential



# 3<sup>rd</sup> Party Assessment of Results

**Technology Market Sector Leader** by Dow  
Jones Sustainability Index for 7<sup>th</sup> year running



**#1 Best Corporate Citizen** – The CRO

**Global 100 Most Sustainable Company** - 4 yrs  
running



**AAA Ratings** from Innovest for Intangible Asset Value  
**Corporate Responsibility Leader** from Calvert Group



**Sector Leader** in Corporate Citizenship – TheCRO

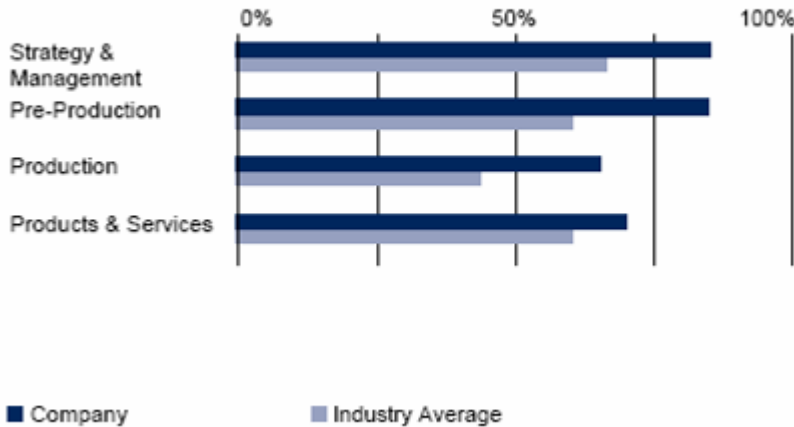
Index member of **Portfolio 21, FTSE4Good, Sarasin,**  
**LOHAS-50, Fast Company 21 Profit through**  
**Impact**



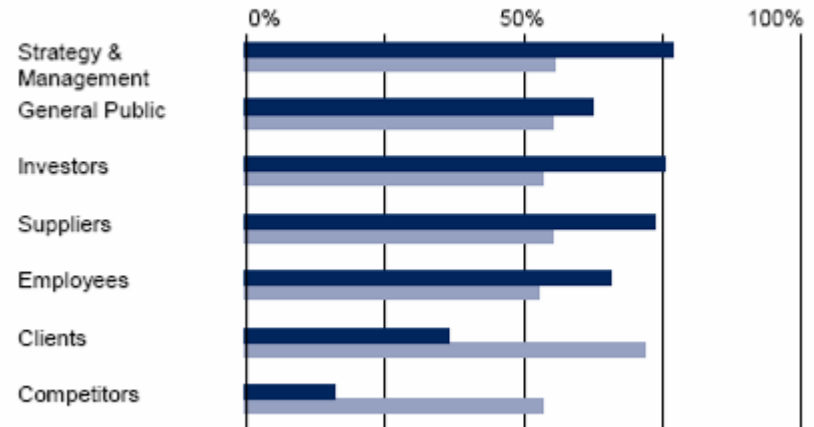
**PORTFOLIO 21**  
INVESTMENTS

## Company Sustainability: Strengths and Weaknesses

### Environmental Profile



### Social Profile



## Intel Corp.

Country: United States

Ticker Symbol: INTC

Industrial Sector: Semiconductor  
Equipment & Products

Combined IVA  
Rating: **AAA**

Sub-Factors:

Strategic  
Governance: 8.0

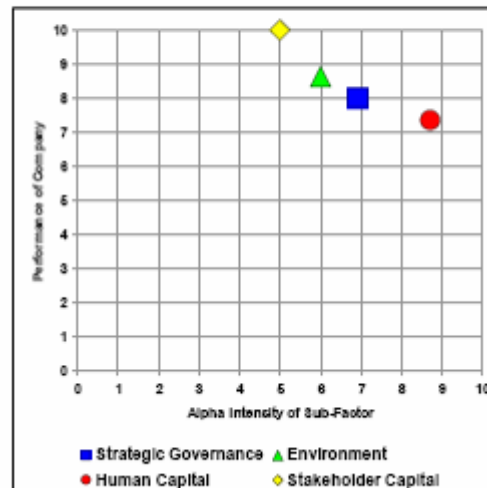
Human Capital: 7.3

Environment: 8.6

Stakeholder Capital: 10.0

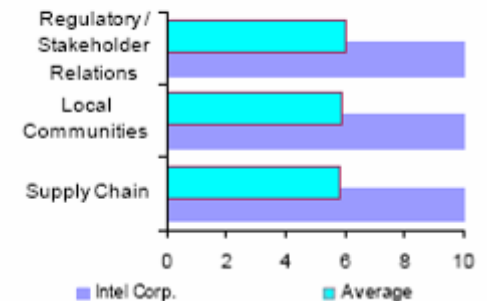
Analyst: Heather Langsner  
646-237-0212  
hlangsner@innovestgroup.com

### PERFORMANCE / ALPHA INTENSITY MATRIX



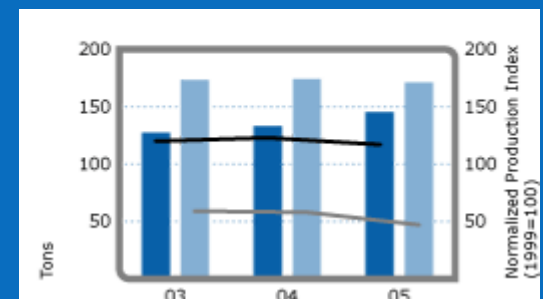
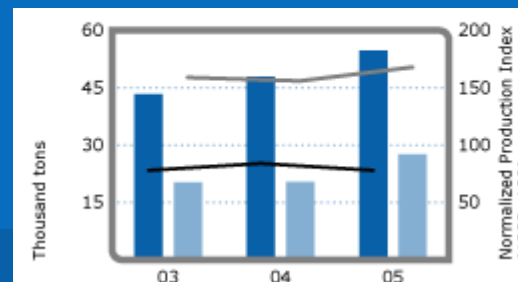
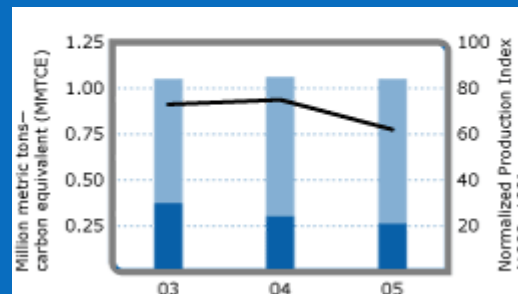
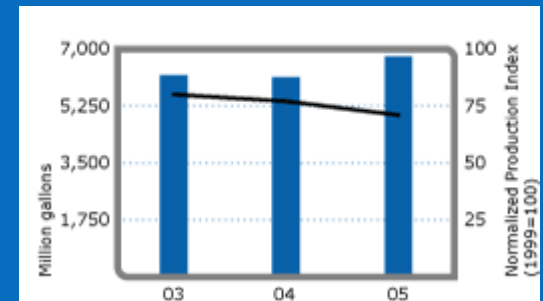
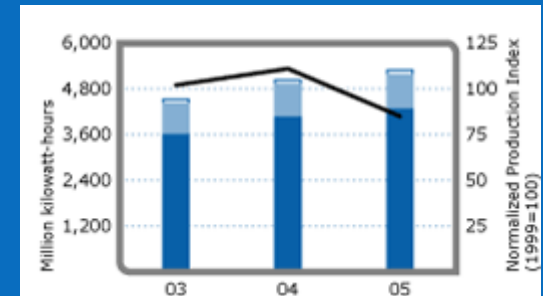
STAKEHOLDER CAPITAL: 10.0

Trend: Up



# How we Measure ourselves

- Effective Identification and Mitigation of Risks
- Investor Lists and Indices
- Global Leaders as Intel Spokespeople
- Benchmarking
- Performance to Organizational Goals



# New CSR Web Site



The screenshot shows the Intel Corporate Responsibility web page. At the top, there is a navigation bar with links: Work, Play, Support, About Intel, Change Location, and a search box. Below this is the Intel logo and a secondary navigation bar with links: Products, Technology, Communities, Downloads, and Reseller. The main banner features a green field with two people working on a laptop, with the text "With Leadership Comes Responsibility" and a link to "Read the 2007 Corporate Responsibility Report". Below the banner is a breadcrumb trail: Home > About Intel > Corporate Responsibility. The main heading is "Corporate Responsibility". The text below states: "Intel is driven to create bold advancements in technology that enhance people's lives. Explore how Intel is cultivating the spirit of innovation and promoting the concept of sustainability in our operations and in communities worldwide." It also includes a link to "View and submit comments". A section titled "Making a difference around the world" features a photo of two women and a text box stating: "Whether it's investing 100 million dollars annually to improve education in 50 countries or volunteering hundreds of thousands of hours in our communities, Intel is committed to investing in the next generation of innovators and supporting community needs at". To the right, there is a box for the "Intel Corporate Responsibility Report" with a photo of a woman and text stating: "Our recently released 2007 report details what Intel stands for as a company, our goals, and our dedication to sustainability performance."

Work Play Support **About Intel** Change Location

**intel** Leap ahead™

Products Technology Communities Downloads Reseller

**With Leadership Comes Responsibility**  
Read the 2007 Corporate Responsibility Report >

Home > About Intel > **Corporate Responsibility**

## Corporate Responsibility

Intel is driven to create bold advancements in technology that enhance people's lives. Explore how Intel is cultivating the spirit of innovation and promoting the concept of sustainability in our operations and in communities worldwide.

Be part of the discussion on Intel's Corporate Responsibility blog.

[View and submit comments](#)

### Making a difference around the world



Whether it's investing 100 million dollars annually to improve education in 50 countries or volunteering hundreds of thousands of hours in our communities, Intel is committed to investing in the next generation of innovators and supporting community needs at

#### Intel Corporate Responsibility Report



Our recently released 2007 report details what Intel stands for as a company, our goals, and our dedication to sustainability performance.

- More coherent CSR story and higher visibility on Intel.com
- More visibility for videos, CSR blog
- New separate Corporate Governance and Ethics page
- New CSR awards page

# New CSR Web Site:

## *New Corporate Governance & Ethics Page*

**Corporate Responsibility**

- Corporate Responsibility Report
- Education
- Environment
- Expanding What's Possible
- World Ahead
- Intel® in Your Community
- Workplace



## Governance and Ethics

Doing What's Right

Home > About Intel > Corporate Responsibility > **Corporate Governance and Ethics**

### Corporate Governance and Ethics

At Intel, we take corporate governance and business ethics very seriously. The Intel Code of Conduct serves as a compass for our employees, directors and business partners to consistently act with uncompromising integrity as we build trusted relationships around the world.

**Craig R. Barrett, chairman of the board**

Craig leads industry efforts in issues impacting public policy, the environment, and educational development.

- » [Learn more](#)
- » [Read about Intel's Board of Directors and Executive Officers](#)

**Corporate governance, policies, and guidelines**

Discover the guiding principles, policies and governance structures that ensure Intel continues to be recognized as a leader in corporate governance and business ethics.

[Intel® Code of Conduct](#)[Corporate Governance Guidelines](#)

**Intel corporate responsibility**

- » [Corporate Responsibility Report](#)
- » [CSR @ Intel blog](#)
- » [Awards and Recognitions](#)
- » [Recent Developments](#)
- » [Contact Corporate Responsibility](#)

**Related links**

- » [Investor Relations](#)
- » [Supplier.intel.com](#)

# Summary

- Corporate responsibility has been part of Intel's culture for many years
- Intel has focused on CSR results and very little on marketing
- Higher expectations for companies around CSR
- Return on investment for CSR is difficult to quantify
- Transparency drives continuous improvement

