



SUPPLIER DIVERSITY & INCLUSION AT INTEL

May 16, 2017

Intel Supplier Diversity & Inclusion Event, Germany

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International Supplier Diversity & Inclusion Program Manager

DIVERSITY & INCLUSION STRATEGY

Distinguish Intel as a leading growth company in the tech industry

1

Achieve full workforce representation



2

Grow the pipeline of diverse talent



3

Improve diversity in our supply chain



4

Invest in diverse entrepreneurs



5

Drive inclusion in a smart connected world



IMPROVE DIVERSITY IN OUR SUPPLY CHAIN



Innovation

Opportunity

Investment

Transparency

SPENDING \$1 BILLION WITH DIVERSE SUPPLIERS ANNUALLY BY 2020

51% OWNED AND OPERATED BY ...



Veteran/
Service Disabled



Lesbian, Gay,
Bisexual,
Transgender



Minority



Woman



Diverse Abilities

U.S.

GROWTH

2.8M veterans served the U.S. since 9/11

835 certified firms including the Intel.com agency

Hispanic firms are the fastest growing in terms of revenue.

Women owned businesses are the fastest growing in the U.S.

57M disabled persons in the U.S., 15% of whom are self-employed

GLOBAL

Key areas are businesses owned by women, minorities, and people with disabilities. In the European Union we consider women as diverse owners.

Create Opportunities Internationally

As an electronics industry innovator and a leader in corporate responsibility, we look for ways to apply our technology to address global challenges while serving as a role model for how companies should operate.

Global Distinctions

- **Certification** – where not available in countries, we track classified for future opportunities
- **Diverse Categorization** – country-specific
- **Awareness** – not as prominent or regulated as the U.S.
- **Mind-set** – women and minorities either try to hide their differences or disregard their value, wanting to be seen as an equal

WEConnect International
Awarded Intel



World-class international supplier
diversity and inclusion program

Invest in Supplier Diversity Around the World



Certifications available in Q1 17

- Germany
- Netherlands
- Switzerland

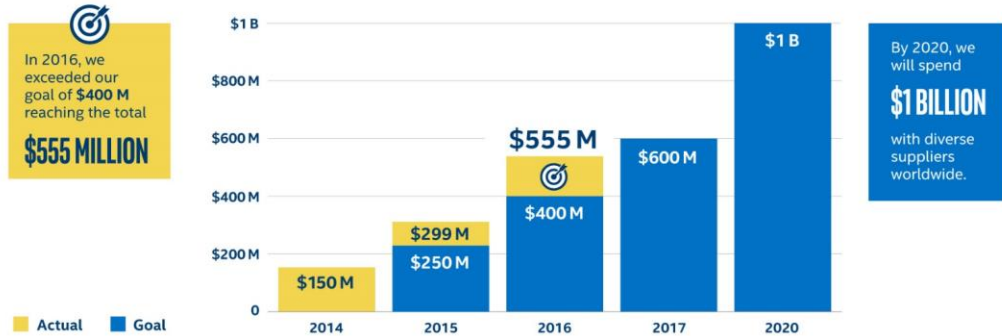
Working on in 17:

- Japan
- Taiwan
- Singapore
- Balkans

2016 Advancement

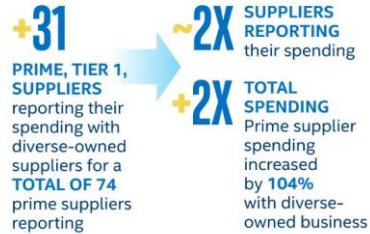
A MORE INCLUSIVE SUPPLY CHAIN

Year after year, we are making our global supply chain **more diverse and inclusive**.



INDUSTRY INFLUENCE

Engaged more suppliers to **increase diverse supplier inclusion** on behalf of Intel at every level of the supply chain.



DEVELOPING DIVERSE SUPPLIERS

Through direct education and program sponsorships, **Intel helps diverse suppliers** become more strategic and successful.



Sponsored 14 diverse suppliers to attend entrepreneur programs at leading universities

Hosted 20 supplier days worldwide to connect suppliers with experts in emerging technologies

GLOBAL INCLUSION

Intel drives global inclusion by supporting diversity in every area we do business.



- +5** countries **LAUNCHED PROGRAMS** in 2016
- 14** COUNTRIES have active certification with additional certifications starting in Q1 of 2017
- 16** COUNTRIES now have active programs

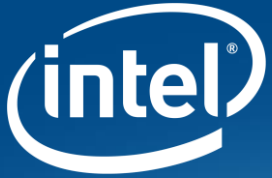
HONORS AND AWARDS

Intel was honored to receive recognition for our work from four organizations on three continents in 2016.



- Gazelle Award**
National Minority Supplier Development Council (NMSDC)
- Platinum Sponsor Award and Leadership Award**
Technology Industry Group
- Programme of the Year**
European Diversity Awards
- Top Corporation, World-Class Supplier Diversity and Inclusion Program**
WEConnect International
- Diversity and Inclusion Corporate of the Year**
WEConnect International, China

MORE INCLUSION, MORE INNOVATION IN 2017 >> **2017 GOAL: \$600 Million** in spending with diverse suppliers



TIER II PROGRAM

May 16, 2017

Intel Supplier Diversity & Inclusion Event, Germany

Anuschka Lutz

Commodity Manager, Regional Strategic Sourcing EMEA /
Supplier Diversity & Inclusion Germany representative

Include the Entire Supply Chain Subcontractors (Tier 2)

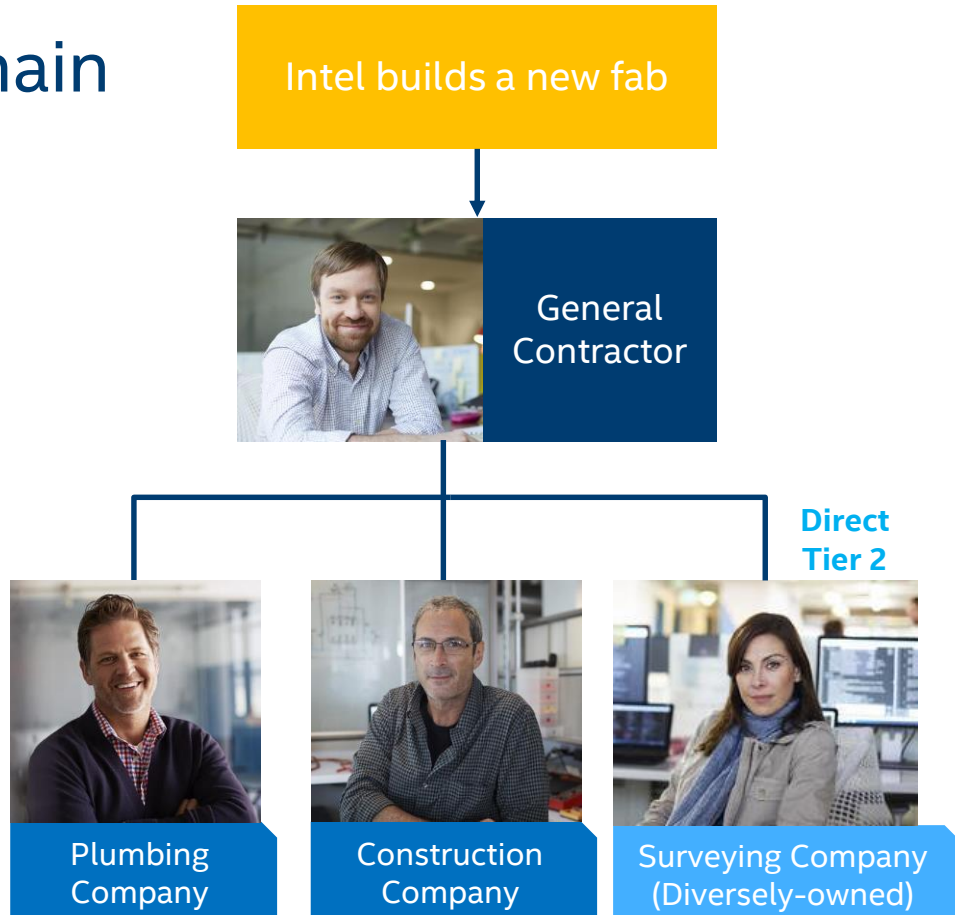
Tier 1 supplier: a company (diverse or not) who is awarded a contract for work directly from another company

Tier 2 supplier: a company (diverse or not) who is awarded a contract by a Tier 1/prime supplier

Tier 2 Diverse Suppliers - Direct vs. Indirect

- **Direct (counts toward goal):** payments made for subcontracting some or all of an Intel purchase with a diverse supplier
- **Indirect (does not count):** payments made for subcontracting that cannot be tracked to specific work performed for Intel

Only certified, direct, tier II suppliers can be counted towards the goal.



Tier II Program: Value Proposition

- Creates awareness throughout the supply chain
- Influences the industry, sets expectations that our suppliers adhere to the same values

“Intel expects the suppliers in our supply chain to be strong partners in making our products successful and to understand Intel's goals and commitments to **diversity**, sustainability, and education.”

- Generates new opportunities for smaller businesses to work with corporations
- Corporations are reducing their supply base to increase efficiencies – a Tier II program enables us to diversify our supply chain while maintaining a manageable supply base
- Many of our suppliers are excited about diversity and want to mentor other suppliers

Challenges for an International Tier II Program

- Not as well known and developed as in the United States
- Suppliers have not mapped out their supply base to identify diverse suppliers
- Online reporting platforms are mainly in English





International Program Development

- Implemented online Tier II spend online reporting platform with reporting capability for international WBEs with ConnXus.
- We continue to explore and identify suppliers who are currently reporting in the US to report out internationally.
- We continue to create awareness with our suppliers through training and dialogue.

Diverse Suppliers - How to identify them?

We must be able to identify diverse suppliers in order to drive inclusive sourcing

- Word of mouth
- Event participation
- Search engines
- Association databases

These are all manual pull methods.

Is there a more structured and sustainable way?

Can diverse suppliers proactively get in contact with us?

Our [Prospective Supplier Inquiry](#) form is available on [supplier.intel.com](#)

<https://www-ssl.intel.com/content/www/us/en/forms/supplier-diversity-inquiry.html>

Intel partners with a diverse supplier, SDI International, to manage these supplier inquiries.



THANK YOU!

BACKUP

Get Connected and Certified

WEConnect International & VdU are now providing certification for WBEs in Germany.

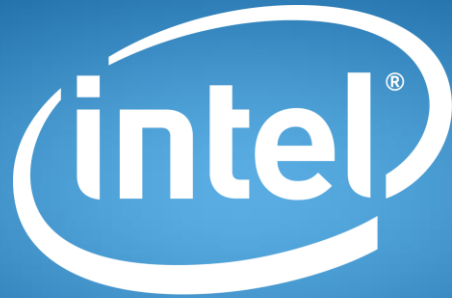
Get your certification as soon as possible!

Why is certification required and what are the main benefits?

- Intel only counts certified/verified spending toward our publicly stated diverse spending
- Visibility in certified-supplier-database listings
- Exposure to major corporations at national business fairs and conferences
- Access to mentoring, education, and capacity development offered by certification agencies
- A network of support and advocacy with the certifying body and other member businesses

Tier II tracker

Item	Spend				
Total 2015 Spends with [Supplier Name]	\$0.00				
Total Spends Q1'16 with [Supplier Name]	\$0.00	Total Spends Q2'16 with [Supplier Name]	\$0.00	Total Spends Q3'16 with [Supplier Name]	\$0.00
Classified Diverse Suppliers Q1'16 (total)	\$0.00	Classified Diverse Suppliers Q2'16 (total)	\$0.00	Classified Diverse Suppliers Q3'16 (total)	\$0.00
Diverse Supplier (name)	\$0.00	Diverse Supplier (name)	\$0.00	Diverse Supplier (name)	\$0.00
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Diverse Supplier (name)	\$0.00	Diverse Supplier (name)	\$0.00	Diverse Supplier (name)	\$0.00
Certified Diverse Suppliers Q1'16	\$0.00	Certified Diverse Suppliers Q2'16	\$0.00	Certified Diverse Suppliers Q3'16	\$0.00
Diverse Supplier (name)	\$0.00	Diverse Supplier (name)	\$0.00	Diverse Supplier (name)	\$0.00
Diverse Supplier (name)	\$0.00	Diverse Supplier (name)	\$0.00	Diverse Supplier (name)	\$0.00
Diverse Supplier (name)	\$0.00	Diverse Supplier (name)	\$0.00	Diverse Supplier (name)	\$0.00
Total [Supplier name] Spends	\$0.00				
Total Diversity classified spends	\$0.00				
Total Diversity certified spends	\$0.00				



experience
what's inside™