

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): January 12, 2021



INTEL CORPORATION

(Exact name of registrant as specified in its charter)

Delaware

(State or Other Jurisdiction
of Incorporation)

000-06217

(Commission File Number)

94-1672743

(IRS Employer
Identification No.)

2200 Mission College Blvd., Santa Clara, California

(Address of principal executive offices)

95054-1549

(Zip Code)

Registrant's telephone number, including area code: **(408) 765-8080**

Not Applicable

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, \$0.001 par value	INTC	Nasdaq Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02. Results of Operations and Financial Condition.

On January 13, 2021, Intel Corporation (“Intel”) announced in the press release furnished as Exhibit 99.1 to this report that it expects its fourth-quarter 2020 revenue and earnings per share to exceed its prior guidance provided in its October 22, 2020 earnings release.

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

(b), (c), (d), (e)

Appointment of Chief Executive Officer

On January 13, 2021, Intel announced that its Board of Directors (the “Board”) appointed Patrick (“Pat”) Gelsinger as Chief Executive Officer of Intel (“CEO”), effective as of February 15, 2021 (the “Effective Date”). Mr. Gelsinger also was appointed as a member of the Board and the Executive Committee of the Board, effective as of the Effective Date.

Mr. Gelsinger, 59, will join Intel from VMware, Inc. (“VMware”), where he has served as Chief Executive Officer and a director of VMware’s board since September 2012. Prior to joining VMware, Mr. Gelsinger served as President and Chief Operating Officer, EMC Information Infrastructure Products at EMC from September 2009 to August 2012. Mr. Gelsinger joined EMC from Intel, where he spent 30 years, including serving as Senior Vice President and Co-General Manager of Intel’s Digital Enterprise Group from 2005 to September 2009, serving as Intel’s Senior Vice President, Chief Technology Officer from 2002 to 2005 and leading Intel’s Desktop Products Group prior to that.

In connection with his appointment as CEO, Intel entered into an offer letter with Mr. Gelsinger (the “Offer Letter”) setting forth the terms of his employment and compensation. Pursuant to the Offer Letter, Mr. Gelsinger will be an at-will employee entitled to a base salary of \$1,250,000 and eligible for an annual incentive cash bonus with a target payout of 275% of base salary under Intel’s Executive Annual Performance Bonus Plan. Mr. Gelsinger will also receive a cash hiring bonus of \$1,750,000 payable within 30 days following his employment start date, subject to repayment on a pro-rated basis if, during the 12 months following his start date, he resigns without “Good Reason” (as defined in the Offer Letter) or his employment is terminated for any reason other than for death or disability.

The Offer Letter also provides that Mr. Gelsinger will be granted equity awards on his employment start date, as described below. The amounts of the grants to be made to Mr. Gelsinger were determined in part to make Mr. Gelsinger whole for unvested equity awards that he will forfeit upon his departure from his former employer.

- Mr. Gelsinger will be granted performance stock units based on relative total shareholder return metrics (“TSR PSUs”) with a target number of Intel shares subject to the grant having a grant date value of \$20,000,000, as determined by Intel using a fair value methodology that utilizes an average of Intel’s trading prices over a 30-day period preceding January 13, 2021 for the applicable input in such fair value determination (with the Intel-determined fair value used to calculate the granted number of shares referred to as the “Conversion Price”). Vesting of such TSR PSUs will be based on Intel’s total shareholder return (“TSR”) relative to the TSR of the S&P 500 IT Index over a three-year period commencing with the grant date.
- Mr. Gelsinger will be granted restricted stock units (“RSUs”) with a number of Intel shares subject to the grant having a grant date value of \$20,000,000, determined by Intel, using the Conversion Price. The RSUs will vest quarterly over a three-year period.
- Mr. Gelsinger will be granted performance stock units based on stock price growth (“Strategic Growth PSUs”), with a target number of Intel shares subject to the grant having a grant date value of \$20,000,000, determined by Intel, using the Conversion Price, which will be earned based on the appreciation in Intel’s closing stock price over the five-year period following the grant date. The threshold share appreciation target to earn any shares under the Strategic Growth PSUs is an increase in Intel’s closing stock price of at least 30% over Intel’s volume-weighted average closing share price for the 30 consecutive trading days preceding January 13, 2021 (the “VWAP”), in which event one-half of the target number of shares under the Strategic Growth PSUs will be earned. The target number of shares under the Strategic Growth PSUs will

be earned in the event of an increase in Intel's closing stock price of 50% over the VWAP. The maximum number of Intel shares that may be earned under the Strategic Growth PSUs in the event of an increase in Intel's closing stock price of 100% or more over the VWAP will be 200% of the target number of shares. The number of shares underlying the Strategic Growth PSUs that will be earned in the event of an increase in Intel's stock price between 30% and 100% or more will be determined via straight line interpolation of the earned percentages set forth herein. In order for shares underlying the Strategic Growth PSUs to be earned, Intel's closing stock price must close above the percentage increase targets set forth herein for at least 30 consecutive trading days. Shares under the Strategic Growth PSUs that are earned as a result of attainment of the stock price appreciation targets during the five year performance period will be distributed on the fifth anniversary of the grant date; provided, that to the extent the threshold (or a higher) stock price appreciation target is attained on or prior to the thirty-six month anniversary of the grant date, 50% of the shares earned under the Strategic Growth PSUs as of such date will be distributed on the thirty-six month anniversary of the grant date and the remainder of any earned shares will be distributed on the fifth anniversary of the grant date.

- Mr. Gelsinger will be granted performance-based stock options based on stock price growth, with a target number of Intel shares subject to the grant having a grant date value of \$20,000,000, determined by Intel, using the Conversion Price. The options vest annually over a four-year period from the grant date. The options, to the extent vested, shall be exercisable only if, during the five-year period following their grant date, Intel's closing stock price increases by 30% or more above the VWAP for 30 consecutive trading days.
- Mr. Gelsinger will be granted performance stock units ("Outperformance PSUs"), with a number of Intel shares subject to the grant having a grant date value of \$20,000,000, determined by Intel, using the Conversion Price, which will be earned based on the appreciation in Intel's closing stock price over the five-year period following the grant date. The Intel shares subject to the Outperformance PSUs will be earned in the event of an increase in Intel's closing stock price of 200% or more over the VWAP. In order for shares underlying the Outperformance PSUs to be earned, Intel's closing stock price must close above such 200% increase for at least 30 consecutive trading days. Shares under the Outperformance PSUs that are earned as a result of attainment of the stock price appreciation target during the five year performance period will be distributed on the fifth anniversary of the grant date; provided, that to the extent the stock price appreciation target is attained on or prior to the thirty-six month anniversary of the grant date, 50% of the shares earned under the Outperformance PSUs as of such date will be distributed on the thirty-six month anniversary of the grant date and the remainder of any earned shares will be distributed on the fifth anniversary of the grant date.
- If Mr. Gelsinger elects within a designated period following his employment start date, as described in the Offer Letter, to purchase Intel shares equal to an amount up to \$10,000,000 (the "Investment Shares"), then Intel will grant him a number of matching RSUs equal to the number of Investment Shares, in an amount up to \$10,000,000 in aggregate value, which will vest quarterly over a three-year period from the grant date; provided, that, such vesting of the matching RSUs will be subject to Mr. Gelsinger continuing to hold the Investment Shares through the three-year vesting period.

The Offer Letter also provides that in the event Mr. Gelsinger's employment is terminated by Intel without "Cause" (as defined in the Offer Letter) or he voluntarily resigns for Good Reason, and he signs and does not revoke a release, Mr. Gelsinger will receive a severance payment equal to the sum of (i) 18 months of his then-base salary and (ii) 1.5 times his then-target bonus, payable over a period of 18 months in accordance with Intel's regular payroll practices. In addition, in the event his employment is terminated by Intel without Cause, including by reason of his death or disability, or he voluntarily resigns for Good Reason, in either case within the initial two-year period following his employment start date, and he signs a release, the equity awards in the Offer Letter that then are subject to solely time-based vesting will vest as to an additional 18 months.

The foregoing description of Mr. Gelsinger's Offer Letter and compensation arrangements does not purport to be complete and is qualified in its entirety by reference to the Offer Letter, which is attached as Exhibit 10.1 to this report and incorporated by reference herein.

Mr. Gelsinger does not have any family relationship with any director or executive officer of Intel, or person nominated or chosen by Intel to become a director or executive officer, and he has no direct or indirect material interest in any transaction required to be disclosed pursuant to Item 404(a) of Regulation S-K.

Intel will also enter into its standard form of indemnification agreement with Mr. Gelsinger, the form of which is filed as Exhibit 10.2 to Intel's Form 10-Q for the period ended October 1, 2016.

Departure of Chief Executive Officer

On January 13, 2021, Intel announced that it had determined that Robert ("Bob") H. Swan will depart from Intel, effective as of February 15, 2021. Mr. Swan's employment will be terminated without cause. Mr. Swan submitted his resignation from the Board on January 13, 2021, effective as of February 15, 2021.

Item 7.01 Regulation FD Disclosure.

Intel's press release, dated January 13, 2021, announcing the appointment of Mr. Gelsinger as Intel's Chief Executive Officer is furnished as Exhibit 99.1 to this report.

The information in Item 7.01 of this report is furnished and shall not be treated as filed for purposes of the Securities Exchange Act of 1934, as amended.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

The following exhibits are provided as part of this report:

<u>Exhibit</u>	<u>Description</u>
10.1	Offer Letter between Intel Corporation and Patrick Gelsinger dated January 13, 2021
99.1	Press Release issued by Intel Corporation dated January 13, 2021
104	Cover Page Interactive Data File, formatted in Inline XBRL and included as Exhibit 101

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

INTEL CORPORATION
(Registrant)

Date: January 14, 2021

/s/ Susie Giordano

Susie Giordano
Corporate Vice President and Corporate Secretary

Intel Corporation
2200 Mission College Blvd
Santa Clara, CA, 95054-1549

January 13, 2021

Dear Patrick:

Congratulations! On behalf of Intel Corporation (“Intel” or the “Company”) I am pleased to provide this offer to you for the position of Chief Executive Officer reporting to the Intel Board of Directors (the “Board”). You will also be appointed to the Board effective as of your employment start date (“Effective Date”) and for as long as you remain Chief Executive Officer, you will be nominated for election to the Board at each annual stockholder meeting at which directors are to be elected.

Base Salary. Your annual base salary will be \$1,250,000, less applicable taxes, deductions and withholdings. This base salary will be reviewed annually as part of our performance review process and will increase commensurate with your performance, as assessed by the Board.

Annual Performance Bonus. You will be eligible for an Annual Performance Bonus (“APB”) with a target payout of 275% of base salary (which equates to \$3,437,500 for fiscal year 2021 based on your initial base salary), less applicable taxes, deductions, and withholdings (“Target Bonus”). The APB is paid out in January for the prior year based on Intel’s financial performance, as well as achievement of specified operational goals, subject to the terms of the APB plan. Subject to local law, to earn and receive an APB payout, employees must be employed on the Intel payroll through the last day of the applicable bonus period. Your APB will not be pro-rated for your initial year of employment with Intel.

Cash Hiring Bonus. You will receive a sign on bonus of \$1,750,000 (“Hiring Bonus”), less applicable taxes, deductions, and withholdings, which will be payable to you within 30 days following the Effective Date, provided that in the event that during the 12 month period following the Effective Date you voluntarily terminate your employment other than for Good Reason or other than in the event your employment terminates for death or disability, you will be required to repay to Intel the Hiring Bonus on a pro-rated basis based on the number of days remaining in such 12 month period as of the date your employment terminates.

Equity Grants. As of the Effective Date, you will be granted the following equity compensation awards, which shall vest as set forth below, subject to your continued employment with Intel (except as provided herein):

Performance Stock Units. You will be granted an award of Intel performance stock units based on relative total shareholder return metrics (“TSR PSUs”), with a target number of Intel shares subject to the grant having a grant date fair value of \$20,000,000, as determined by the Company in good faith, utilizing the simple average of Intel’s share trading prices for the 30 consecutive days preceding the public announcement that you will join Intel as Chief Executive Officer (“Conversion Price”). Vesting of such TSR PSUs shall be based on Company’s TSR relative to the TSR of the S&P 500 IT Index over a three-year period commencing with the grant date. The TSR PSUs will be subject to vesting terms that are consistent with the Company’s historical grant practices for similar such awards.

Time-Based Restricted Stock Units. You will be granted an award of Intel restricted stock units (“RSUs”) with a target number of Intel shares subject to the grant having a grant date fair value of \$20,000,000, as determined by the Company in good faith, utilizing the Conversion Price. The RSUs will vest over a three-year period as follows: One-twelfth of the RSUs will vest quarterly beginning on the three-month anniversary of the grant date and continuing until the third anniversary of the grant date of the RSUs.

Strategic Growth PSUs. You will be granted an award of Intel performance stock units (“Strategic Growth PSUs”), with a target number of Intel shares subject to the grant having a grant date fair value of \$20,000,000, as determined by the Company in good faith, utilizing the Conversion Price, which will be earned based on the appreciation in Intel’s closing stock price over the five-year period following the grant date. The threshold share appreciation target to earn any shares under the PSUs is an increase in Intel’s closing stock price of at least 30 percent over Intel’s volume-weighted average closing share price for the 30 consecutive trading days preceding the public announcement that you will join Intel as Chief Executive Officer (the “VWAP”), in which event one-half of the target number of shares under the Strategic Growth PSUs will be earned. The target number of shares under the Strategic Growth PSUs will be earned in the event of an increase in Intel’s closing stock price of 50 percent over the VWAP. The maximum number of Intel shares that may be earned under the Strategic Growth PSUs in the event of an increase in Intel’s closing stock price of 100 percent or more over the VWAP will be 200% of the target number of shares. The number of shares under the Strategic Growth PSU award that will be earned in the event of an increase in Intel’s stock price between 30 percent and 100 percent or more will be determined via straight line interpolation of the earned percentages set forth herein. In order for shares to be earned under this Strategic Growth PSU grant, Intel’s closing stock price must close above the percentage increase targets set forth herein for at least 30 consecutive trading days. Assuming your continued employment with Intel, shares under the Strategic Growth PSUs that are earned as a result of attainment of the stock price appreciation targets set forth herein during the five year performance period will be distributed to you on the fifth anniversary of the grant date; provided, that to the extent the threshold (or a higher) stock price appreciation target set forth herein is attained on or prior to the thirty-six month anniversary of the grant date, 50 percent of the shares earned under the Strategic Growth PSUs as of such anniversary date shall be distributed to you on the thirty-six month anniversary of the grant date and the remainder of any earned shares under the Strategic Growth PSUs shall be distributed to you on the fifth anniversary of the grant date; provided, further that if, as of the fifth anniversary of the grant date Intel’s closing stock price for any of the thirty consecutive trading days immediately preceding such fifth anniversary is less than 30 percent above the VWAP, the maximum number of shares issuable to you under the Strategic Growth PSUs on the fifth anniversary of the grant date (inclusive of any Intel shares previously distributed to you under the PSUs) shall be the target number of shares under the Strategic Growth PSUs.

Strategic Growth Options. You will be granted an award of Intel performance-based stock options based on strategic growth metrics, with a target number of Intel shares subject to the grant having a grant date fair value of \$20,000,000, as determined by the Company in good faith, utilizing the Conversion Price. One-fourth of the options will vest per year beginning on the twelve month anniversary of the grant date and continuing each year such that the grant is fully vested on the forty-eight month anniversary of the grant date. The options, to the extent vested, shall become exercisable only if, during the five-year period following their grant date, Intel's closing stock price increases by 30 percent or more above the VWAP for 30 consecutive trading days. If, within the five-year period following the grant date, Intel's closing stock price does not increase by 30 percent or more above the closing stock price as of the grant date for 30 consecutive trading days, the options shall be cancelled as of such five-year anniversary of the grant date. The exercise price per share of the options will be equal to Intel's closing stock price on the grant date.

Outperformance PSUs. You will be granted an award of Intel performance stock units ("Outperformance PSUs"), with a number of Intel shares subject to the grant having a grant date fair value of \$20,000,000, as determined by the Company in good faith, utilizing the Conversion Price, which will be earned based on the appreciation in Intel's closing stock price over the five-year period following the grant date. The Intel shares subject to the Outperformance PSUs will be earned in the event of an increase in Intel's closing stock price of 200% or more over the VWAP. In order for shares to be earned under this Outperformance PSU grant, Intel's closing stock price must close above such 200% increase for at least 30 consecutive trading days. Assuming your continued employment with Intel, shares under the Outperformance PSUs that are earned as a result of attainment of the stock price appreciation target set forth herein during the five year performance period will be distributed to you on the fifth anniversary of the grant date; provided, that to the extent the stock price appreciation target set forth herein is attained on or prior to the thirty-six month anniversary of the grant date, 50 percent of the shares earned under the Outperformance PSUs as of such anniversary date shall be distributed to you on the thirty-six month anniversary of the grant date and the remainder of any earned shares under the Outperformance PSUs shall be distributed to you on the fifth anniversary of the grant date.

Optional Investment RSU Grant. If on or within 30 days following the Effective Date you elect to purchase Intel shares from Intel having an aggregate value as of their date of purchase of up to \$10,000,000 (the "Investment Shares"), using the closing price of Intel shares on March 15, 2021, then the Company will grant you no later than on the 35th day following the Effective Date, a number of matching RSUs equal to the number of Investment Shares, up to \$10,000,000 in aggregate value, as determined by the Company in good faith, utilizing the simple average of Intel's share trading prices for the 30 consecutive days preceding the grant date, which RSUs will vest over a three-year period as follows: One-twelfth of the RSUs will vest quarterly beginning on the three-month anniversary of the grant date and continuing until the third anniversary of the grant date; provided, that, such vesting of the matching RSUs will be subject to you continuing to hold the Investment Shares through the three-year period. If you or Intel determine that, as a policy matter, it is inadvisable for you to buy the full \$10,000,000 in value during the 30-day period described above, you and the Compensation Committee of Intel will mutually and reasonably agree on an extension to the 30-day period so as to provide you a reasonable opportunity to purchase the full \$10,000,000 in value and receive the matching RSUs (in which case the vesting schedule for the matching RSUs will commence on the 35th day after the Effective Date).

Severance. In the event your employment is terminated by Intel without Cause (as defined below) or you voluntarily resign your employment for Good Reason (as defined below), and you sign and do not revoke a release in favor of Intel that will be mutually agreed upon between you and Intel (a "Release"), and such Release becomes effective within 60 days following the date your employment terminates, Intel will pay you a severance payment equal to the sum of (1) 18 months of your then-base salary and (2) 150% of your then-Target Bonus (in both cases, before any reduction that would constitute Good Reason), payable in equal installments over a period of 18 months in accordance with Intel's regular payroll practices, provided that if such 60 day period spans two calendar years, such severance payments will commence on Intel's first regularly scheduled payroll date following the effectiveness of the Release in the later of such calendar years, with any installments otherwise scheduled to be paid to you prior to such date instead paid in lump sum to you on such first payroll date and all other installments paid in accordance with the schedule described in this offer letter. In addition, in the event your employment is terminated by Intel without Cause, including by reason of your death or disability, or you voluntarily resign your employment for Good Reason, in either case within the initial two year period following the Effective Date, and you sign and do not revoke a Release, and such Release becomes effective within 60 days following the date your employment terminates, your equity awards set forth under this offer letter that then are subject solely to time-based vesting will vest as to an additional 18 months (based on the regular vesting schedule applicable to the equity award) from the date your employment terminates, effective as of the date of effectiveness of the Release, provided that if such 60 day period spans two calendar years, such vesting will occur on the first day of the later of such calendar years. The Release will not impose any post-employment obligations on you to which you have not already agreed in writing.

For purposes of this offer, "Cause" means (a) commission of an act of material fraud or dishonesty against Intel; (b) intentional refusal or willful failure to substantially carry out the lawful and reasonable instructions of the Board (other than any such failure resulting from your disability and excluding any failure to achieve a lawful and reasonable directive following the expenditure by you of commercially reasonable best efforts); (c) conviction of, guilty plea or "no contest" plea to a felony or to a misdemeanor involving moral turpitude (where moral turpitude means so extreme a departure from ordinary standards of honesty, good morals, justice or ethics as to be shocking to the moral sense of the community); (d) gross misconduct in connection with the performance of your duties; (e) improper disclosure of confidential information or a material violation of an Intel policy or Intel's Code of Conduct (excluding conduct or activities undertaken in good faith by you in the ordinary course of you performing your duties or promoting Intel); (f) breach of fiduciary duty to Intel; (g) failure to reasonably cooperate with Intel in any investigation or formal proceeding or being found liable in a Securities and Exchange Commission enforcement action or otherwise being disqualified from serving in your job (in all cases, other than due to death or disability); or (h) breach of duty of loyalty to Intel. Prior to termination for Cause, Intel shall provide 30 days prior written notice of the grounds for Cause, and give you an opportunity within (and including all of) those 30 days to cure the alleged breach. If the breach is substantially cured during such period, Cause will not exist on account of such breach. The parties recognize that given the egregious nature of the conduct defined as Cause, a cure may not be possible. No act or failure to act on your part shall be considered "willful" unless Intel reasonably and in good faith determines it is done, or omitted to be done, in bad faith or without reasonable belief that your act or omission was in the best interests of the Company. Without limitation, any act, or failure to act, based upon express authority given pursuant to a resolution duly adopted by the Board with respect to such act or omission, or based upon the advice of legal counsel for Intel, shall be conclusively presumed to be done, or omitted to be done, by you in good faith and in the best interests of Intel.

A resignation for “Good Reason” means your resignation following the occurrence, without your express, written consent, of one or more of the following conditions (whether by a single action or a series of actions): (a) a material reduction in your title, duties, responsibilities, or authority; (b) a material reduction by Intel of your annual base salary or Target Bonus; or (c) a relocation of your principal place of employment more than 30 miles from its current location in Santa Clara, California; or (d) a failure by Intel to timely satisfy its obligations with respect to any of the equity award grants described in this offer letter, provided that Intel has had 30 days to cure any such failure.

Comprehensive Benefits. While employed with Intel, you will be eligible to participate in the same employee benefit plans as other senior executives of Intel, as such employee benefit plans may be amended from time to time and on terms no less favorable than those provided to any other executive of Intel. You will receive reimbursement for business expenses on the same terms as other senior executives of Intel and on terms no less favorable than the terms provided to any other executive of Intel. You also will receive indemnification and liability insurance coverage on terms no less favorable than the coverage provided to any other executive of Intel or member of the Board. Additionally, you will be considered for additional equity grants, commensurate with your position, annually.

Attorneys’ Fees. Intel will reimburse you for up to \$125,000 of your reasonable attorneys’ fees incurred in connection with the review and finalization of this offer letter and documentation of the equity awards described above, which reimbursement will occur within 2021.

Outside Activities during Employment. During your employment, you shall devote your full business efforts and time to Intel. This obligation, however, shall not preclude you from engaging in appropriate civic, charitable or religious activities, as long as they do not materially interfere with your job. Any outside activities, including serving on another board of directors, must be in compliance with Intel’s Code of Conduct. Notwithstanding the foregoing (or any other written agreement between you and Intel), you may continue to serve on the board of directors of Gloo and TBC and for a period of up to six months following the Effective Date (or until such later date as you and Intel may mutually agree), the board of directors of VMware, in each case so long as such service does not materially interfere with your duties and responsibilities to Intel.

Company Policies/Protection of Intellectual Property. Your employment is contingent on your signing an Employment Agreement, which outlines your obligations as an employee, including among others your obligation to protect Intel’s intellectual property (as well as confidential information of your prior employers and other third parties). You will be expected to abide by the Company’s policies and procedures provided to you in writing and which do not contradict the terms of this offer letter, including without limitation Intel’s Employment Guidelines and Code of Conduct.

At-Will Employment. Your employment with Intel shall be “at will,” which means that both Intel and you have the right to end your employment at any time, with or without advance notice, and with or without cause. The at-will nature of your employment may not be modified or amended except by written agreement signed by an authorized member of the Board and you.

Tax Withholding. All amounts payable hereunder shall be subject to any required withholdings and deductions.

Counterparts. This offer letter may be executed in counterparts, all of which shall be considered one and the same agreement, and shall become effective when one or more counterparts have been signed by each of the parties and delivered to the other parties.

Section 409A. It is intended that all of the severance payments and other benefits and payments payable under this offer letter be exempt from the application of Section 409A of the Internal Revenue Code of 1986, as amended (the “Code”), and if not so exempt that they comply with the provisions of Code Section 409A of the Code, and this offer letter will be construed and interpreted accordingly. For purposes of Code Section 409A, your right to receive any installment payments under this Agreement (whether severance payments, reimbursements or otherwise) shall be treated as a right to receive a series of separate payments and, accordingly, each installment payment hereunder shall at all times be considered a separate and distinct payment. Notwithstanding any provision to the contrary in this offer letter, if you are deemed by the Company at the time of your “separation from service” (within the meaning of Code Section 409A) to be a “specified employee” for purposes of Code Section 409A(a)(2)(B)(i), and if any of the payments upon separation from service set forth herein and/or under any other agreement with the Company are deemed to be “deferred compensation,” then to the extent delayed commencement of any portion of such payments is required in order to avoid a prohibited distribution under Code Section 409A(a)(2)(B)(i) and the related adverse taxation under Code Section 409A, such payments shall not be provided to you prior to the earliest of (a) the expiration of the six-month period measured from the date of your separation from service with the Company, (b) the date of your death or (c) such earlier date as permitted under Code Section 409A without the imposition of adverse taxation. Upon the first business day following the expiration of such applicable Code Section 409A(a)(2)(B)(i) period, all payments deferred pursuant to this paragraph shall be paid in a lump sum to you, and any remaining payments due shall be paid as otherwise provided herein or in the applicable agreement. No interest shall be due on any amounts so deferred. With respect to reimbursements provided to you hereunder (or otherwise) that are not exempt from Code Section 409A, the following rules shall apply: (i) the amount of expenses eligible for reimbursement during any one of your taxable years shall not affect the expenses eligible for reimbursement in any other taxable year, (ii) in the case of any reimbursements of eligible expenses, reimbursement shall be made on or before the last day of your taxable year following the taxable year in which the expense was incurred and (iii) the right to reimbursement shall not be subject to liquidation or exchange for another benefit.

Entire Agreement; Forfeiture of Equity Awards. This offer letter including the referenced documents forms the entire agreement between you and Intel and replaces all prior communications or agreements on matters related to employment at Intel. The award agreements for the equity awards described in this offer letter will be the subject of good faith negotiation between you and Intel, and generally will follow Intel’s historical practices (for

example, without limitation, with respect to the treatment of dividends), but in all cases, will not provide for any unilateral discretion on the part of Intel to reduce or eliminate any portion of the award or vesting thereof (except as required by any clawback policy of general applicability to Intel's executive officers or as required by law). You acknowledge and agree that all of your VMware equity awards that are outstanding and unvested as of immediately prior to your termination from VMware will be forfeited by you and will terminate as a result of your resignation of employment with VMware prior to the Effective Date. You agree to inform Intel promptly if you become entitled to additional vesting of VMware equity awards.

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Sincerely,

/s/ Omar Ishrak

Chairman of the Board of Directors

/s/ Andrew Wilson

Chair, Compensation Committee of the Board of Directors

Accepted and Agreed:

/s/ Pat Gelsinger

Patrick Gelsinger

January 13, 2021

Date

[SIGNATURE PAGE TO OFFER LETTER]



Intel Corporation
2200 Mission College Blvd.
Santa Clara, CA 95054-1549

News Release

Intel Appoints Tech Industry Leader Pat Gelsinger as New CEO

News Highlights:

- Bob Swan will remain in CEO role until February 15.
- Intel expects to exceed its previously communicated guidance for fourth-quarter 2020 revenue and earnings per share (EPS). Full fourth-quarter results will be released on January 21, 2021 as scheduled.
- The company has made strong progress on its 7nm process technology and will provide an update on its January 21 earnings call.

SANTA CLARA, Calif., January 13, 2021 – Intel today announced that its Board of Directors has appointed 40-year technology industry leader Pat Gelsinger as its new Chief Executive Officer, effective February 15, 2021. Gelsinger will also join the Intel Board of Directors upon assuming the role. He will succeed Bob Swan, who will remain CEO until February 15.

Today's announcement is unrelated to Intel's 2020 financial performance. Intel expects its fourth-quarter 2020 revenue and EPS to exceed its prior guidance provided on October 22, 2020. In addition, the company has made strong progress on its 7nm process technology and plans on providing an update when it reports its full fourth-quarter and full-year 2020 results as previously scheduled on January 21, 2021.

Gelsinger is a highly respected CEO and industry veteran with more than four decades of technology and leadership experience, including 30 years at Intel where he began his career.

"Pat is a proven technology leader with a distinguished track record of innovation, talent development, and a deep knowledge of Intel. He will continue a values-based cultural leadership approach with a hyper focus on operational execution," said Omar Ishrak, Independent Chairman of the Intel Board. "After careful consideration, the Board concluded that now is the right time to make this leadership change to draw on Pat's technology and engineering expertise during this critical period of transformation at Intel. The Board is confident that Pat, together with the rest of the leadership team, will ensure strong execution of Intel's strategy to build on its product leadership and take advantage of the significant opportunities ahead as it continues to transform from a CPU to a multi-architecture XPU company."

"I am thrilled to rejoin and lead Intel forward at this important time for the company, our industry and our nation," said Gelsinger. "Having begun my career at Intel and learned at the feet of Grove, Noyce and Moore, it's my privilege and honor to return in this leadership capacity. I have tremendous regard for the company's rich history and powerful technologies that have created the world's digital infrastructure. I believe Intel has significant potential to continue to reshape the future of technology and look forward to working with the incredibly talented global Intel team to accelerate innovation and create value for our customers and shareholders."

“The Board and I deeply appreciate Bob Swan for his leadership and significant contributions through this period of transformation for Intel,” continued Ishrak. “Under his leadership, Intel has made significant progress on its strategy to transform into a multi-architecture XPU company to capitalize on market shifts and extend Intel’s reach into fast-growing markets. Bob has also been instrumental in reenergizing the company’s culture to drive better execution of our product and innovation roadmap. He leaves Intel in a strong strategic and financial position, and we thank him for his ongoing guidance as he works with Pat to ensure the leadership transition is seamless.”

“My goal over the past two years has been to position Intel for a new era of distributed intelligence, improving execution to strengthen our core CPU franchise and extending our reach to accelerate growth,” said Bob Swan. “With significant progress made across those priorities, we’re now at the right juncture to make this transition to the next leader of Intel. I am fully supportive of the Board’s selection of Pat and have great confidence that, under his leadership and the rest of the management team, Intel will continue to lead the market as one of the world’s most influential technology companies.”

Most recently, Gelsinger served as the CEO of VMware since 2012, where he significantly transformed the company into a recognized global leader in cloud infrastructure, enterprise mobility and cyber security, almost tripling the company’s annual revenues. Prior to joining VMware, Gelsinger was President and Chief Operating Officer of EMC Information Infrastructure Products at EMC, overseeing engineering and operations for information storage, data computing, backup and recovery, RSA security and enterprise solutions. Before joining EMC, he spent 30 years at Intel, becoming the company’s first Chief Technology Officer and driving the creation of key industry technologies such as USB and Wi-Fi. He was the architect of the original 80486 processor, led fourteen different microprocessor programs and played key roles in the Core and Xeon families.

About Intel

Intel (Nasdaq: INTC), is an industry leader, creating world-changing technology that enables global progress and enriches lives. Inspired by Moore’s Law, we continuously work to advance the design and manufacturing of semiconductors to help address our customers’ greatest challenges. By embedding intelligence in the cloud, network, edge and every kind of computing device, we unleash the potential of data to transform business and society for the better. To learn more about Intel’s innovations, go to newsroom.intel.com and [intel.com](https://www.intel.com).

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Forward-Looking Statements

Statements in this press release that refer to future plans and expectations are forward-looking statements that involve a number of risks and uncertainties. Words such as “anticipates,” “expects,” “intends,” “goals,” “plans,” “believes,” “seeks,” “estimates,” “continues,” “may,” “will,” “would,” “should,” “could,” and variations of such words and similar expressions are intended to identify such forward-looking statements. Statements that refer to or are based on estimates, forecasts, projections, uncertain events or assumptions, including statements relating to market opportunity and anticipated trends in our businesses or the markets relevant to them, also identify forward-looking statements. All forward-looking statements included in this release are based on management’s expectations as of the date of this release and involve many risks and uncertainties that could cause actual results to differ materially from those expressed or implied in such statements. Important factors that could cause actual results to differ materially are set forth in Intel’s earnings release dated October 22, 2020, which is included as an exhibit to Intel’s Form 8-K furnished to the SEC on such date, and Intel’s SEC filings, including the company’s most recent reports on Forms 10-K and 10-Q. Copies of Intel’s Form 10-K, 10-Q and 8-K reports may be obtained by visiting our Investor Relations website at www.intc.com or the SEC’s website at www.sec.gov. Intel does not undertake, and expressly disclaims any duty, to update any statement made in this report, whether as a result of new information, new developments or otherwise, except to the extent that disclosure may be required by law.