

# Intel Germany—Pay, Stock, Benefits



Intel believes employees are the most important investment for success, and Intel's comprehensive compensation and benefits program reflects that. The program's purpose is to attract, retain and reward the people responsible for the company's long-term growth and profitability. It's designed to provide Intel employees and their families with the stability of long-term financial security and protection. Learn more about Intel's compensation and benefits programs.

Intel's approach to pay, stock and benefits is designed to provide employees with a package that, in total, is comparable with other top companies in the world. In order to maximize the value, each employee should understand and actively participate in the pay, stock and benefits programs available.

## PAY

At Intel you will get more than a salary (base pay). The use of bonuses allows the company to pay all employees increasing well, as the company does well, and manage cost through economic cycles. The combination of base and bonuses position Intel at, or above, market pays ranges.

Most employees are eligible for two major bonus programs. In addition, some manufacturing positions are eligible for a Factory Excellence Bonus, and certain sales and marketing jobs are eligible for commission.

<b>Base Pay</b>	Base pay is determined by a number of factors: relevant education, skills, experience, and job performance compared to an employee's Intel peers.
<b>Bonuses</b>	<p>Intel offers bonuses that reflect the company's profitability. We do this because our employees play a key role in company performance and we want to share a portion of the profits with them. Intel's two major bonuses—Employee Bonus and Employee Cash Bonus Program—can be a significant part of total pay.</p> <p><b>Employee Bonus (EB)</b> Intel pays each employee an annual bonus based on the employee's "bonus target" (a specific dollar amount) and the annual multiplier (determined by the company's business results). Employees determine their specific payout by this calculation: EB Multiplier x Employee Target = Payout</p> <p><b>Employee Cash Bonus Program (ECBP)</b> The ECBP offers cash rewards to all eligible employees twice a year based on corporate profitability.</p> <p><b>Factory Excellence Bonus</b> The factory excellence bonus rewards factory employees for operational excellence and meeting desired business goals. Intel needs break-through performance from its factory employees, but they must also maintain Intel's core values of safety and quality. To achieve both ends, managers set challenging, but achievable goals at the factory level.</p> <p><b>Commission</b> A portion of commission-eligible employees' total pay is directly dependent on sales performance. In lieu of the Employee Bonus, eligible sales and marketing employees participate in the commission plan. The commission target is based on position and grade level; the payout is based on targets and performance to goals.</p>

## STOCK PROGRAMS (The availability of stock programs will vary based on country of employment.)

Most Intel employees have the opportunity to own company stock. Intel has programs to encourage stock ownership and allow employees to participate more fully in Intel's future, both as employees and stockholders (owners of the company). [Watch a fun, short video](#) in plain language to learn more about Intel's stock programs.

<p><b>Stock Grants</b></p> <p><i>Note: Intel's stock programs vary based on local country laws.</i></p>	<p>Stock grants may include Restricted Stock Units (RSUs) or, a combination of Restricted Stock Units and Stock Options. Both types of grants vest in equal annual installments of 25% over four years.</p> <ul style="list-style-type: none"> <li>- A <b>Restricted Stock Unit</b> is an agreement by Intel to issue a share of Intel stock at \$0 cost to employees (other than applicable taxes). The total grant is distributed over a four-year vesting schedule. The actual value to employees is based on the market value of Intel stock.</li> <li>- A <b>Stock Option</b> is the right to purchase a certain amount of Intel stock at a set price during a specified time period once vesting requirements have been satisfied.</li> </ul>
<b>Stock Purchase Plan</b>	<p>The Stock Purchase Plan allows employees to purchase Intel stock at a discount through payroll deductions. Employees can allocate 2% -5% of their eligible pay to the program. Stock is purchased at 85% of the market price.</p> <p><b>Note:</b> Intel stock is listed on the NASDAQ stock exchange as Intel (INTC).</p>

**NOTE:** This information is a general summary of pay, stock and benefits available in this location. It is not intended to take the place of or change official plan documents in any way. In the event of any discrepancy between the information in this presentation and official plan documents, the plan documents will prevail. Intel reserves the right to modify, change or discontinue any program at its sole discretion at any time.

## BENEFITS

Intel's benefits plans are designed to keep employees—our most important asset—healthy and productive. Our benefits are generous and personalized, in many cases letting employees choose the options that are right for themselves and their family.

<b>Medical, Dental and Vision Benefits</b>	Intel Germany employees receive comprehensive medical, dental, and vision care benefits through the government-mandated plan. If earnings exceed the government set ceiling amount, the employee may choose the government or the private plan. Intel and employees share the cost of coverage for the employee and registered, eligible dependents.
<b>Retirement</b>	Intel Germany complies with the legally mandated State-Defined Benefit Plan for all employees. In addition, Intel Germany has a sponsored plan, which is fully funded by Intel and includes retirement pension, long-term disability pension, widow's pension, orphan's pension, and a lump sum death benefit.
<b>Short- &amp; Long-Term Disability</b>	Intel offers both short-term and long-term disability benefits (partial wage replacement) to provide financial assistance if you are unable to work due to a non-work-related illness or injury.
<b>Life and Accident Insurance</b>	<p>Life insurance coverage is available for employees and your eligible family members. Intel pays the cost of your basic Life and Accidental Death &amp; Dismemberment (AD&amp;D) insurance.</p> <p>An employee can supplement this basic coverage by purchasing additional amounts of coverage. Employees can also purchase dependent coverage for your spouse, same-sex domestic partner, and eligible children.</p>
<b>Time Off</b>	<p><b>Vacation Time</b> All Intel employees receive annual vacation leave. The number of vacation days granted can increase with length</p> <p><b>Absence and Leave Programs</b> Intel provides employees with the flexibility to have work/life balance deal with personal situations. Employees can partner with their managers to use our flexible work environment, personal absences, and paid time off when needed. Extended periods away from work can be covered by a variety of leave programs that are used to help an employee deal with other significant life events.</p> <p><b>Holidays</b> Intel provides paid time off for the appropriate country-specific holidays.</p>
<b>Other Benefits</b>	<p><b>Cafeteria Plan:</b> At the Feldkirchen (Munich) site, Intel Germany subsidizes its employee cafeteria so meals are provided to employees at reasonable prices.</p> <p><b>Asset-Formation Plan:</b> Based on the Asset Formation law, every employee can put EUR 319.05 per year (EUR 26.59 per month) into a savings plan. This amount is entirely paid by Intel, but is subject to tax withholding and social security deduction. For permanent part-time employees the amount is pro-rated according to the hours worked. A prerequisite to getting this benefit is a qualifying contract (i.e. with a life insurance company or a bank) from the employee. "</p> <p><b>Education</b></p> <ul style="list-style-type: none"> <li>▪ <b>Internal:</b> Our worldwide training organization, Intel University provides a comprehensive development curriculum, including new employee orientation, cultural integration, skills training and professional certifications. Training programs cover a broad range of topics, including technical subjects, cross-cultural interaction, project management, problem-solving, and effective decision-making.</li> </ul> <p>Most of Intel University's internal courses are led by employee volunteers, who leverage their skills and knowledge of a particular subject to teach other employees.</p> <ul style="list-style-type: none"> <li>▪ <b>External:</b> To encourage continued education, Intel provides financial assistance (tuition reimbursement or prepaid graduate tuition) for eligible employees who are completing job-related degree programs, coursework, certificates, and foreign language training.</li> </ul>

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