**Risk Factors Comparison 2024-01-26 to 2023-01-27 Form: 10-K**

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The following summarizes the material factors that make an investment in our securities speculative or risky. When any one or more of the following risks materialize from time to time, our business, reputation, financial condition, cash flows, and results of operations can be materially and adversely affected, and the trading price of our common stock could decline. These risk factors do not identify all risks that we face; our operations can also be affected by factors that are not presently known to us or that we currently consider to be immaterial to our operations **, or by various risks that are generally applicable to most companies** . Due to risks and uncertainties, known and unknown, our past financial results may not be a reliable indicator of future performance, and historical trends should not be used to anticipate results or trends in future periods. Refer also to the other information set forth in this Form 10- K, including in the MD & A and Financial Statements and Supplemental Details sections. **We** ~~Changes in product demand can adversely affect our financial results. Demand for our products is variable and hard to predict. Our products~~ are ~~used~~ in different market segments, and demand for......, and the employment and training of a highly **competitive** ~~skilled workforce. To the extent product demand decreases or we fail to forecast demand accurately, our gross margin~~ and operating income can be disproportionately affected due...... if demand for our IFS business grows rapidly **changing industry** ~~, we anticipate that we would need to accelerate our planned investments to meet that demand. To the extent we do not generate expected cash flows, we may be required to increase our use of external funding sources to fund our investments and operations, which may not be available on favorable terms or at all. Legislation in the US and EU has been adopted to provide government funding for semiconductor manufacturing expansions in those regions, but there is uncertainty as to the amounts and timing of funding we may receive and as to any restrictions on recipients. To the extent such funding is below our expectations, our anticipated cash requirements would increase. Our construction projects to expand capacity require available sources of labor, materials, and equipment. Increasing demand for such sources, including from other foundries; supply constraints, labor shortages, and other adverse market conditions; issues with permits or approvals; on- site incidents; and other construction issues arise from time to time and can result in significant delays and increased costs for our projects, as well as legal and reputational harm. We face significant competition~~ . The industry in which we operate is highly competitive and subject to rapid technological, geopolitical **,** and market developments; changes in industry standards; changes in customer and end- user needs, expectations, and preferences; and frequent product introductions and improvements. When we do not anticipate or respond to these developments, our competitive position can weaken, and our products or technologies can become uncompetitive or obsolete. Our competitive environment has intensified **in recent years** , and we expect it to continue to do so in the future. ~~Our products primarily~~ **If we are not able to** compete **effectively** ~~based on performance~~ , ~~energy efficiency, integration, ease- of- use, innovative design, features, workload optimization, price, quality, reliability, security, software ecosystem and developer support, time- to- market, reliable product roadmap execution, brand recognition, customer support and customization, and availability. The importance of these factors varies by product and market segment. For~~ - **or if** ~~example,~~ our **foundry strategy is unsuccessful** ~~competitors have introduced data center and client platform products with performance improvements and additional processor core counts that have contributed to an increasingly competitive environment. In our IOTG business within NEX~~ , ~~for example, interoperability, connectivity, safety, security, industrial use conditions, and long- life support are among the key competitive factors. To the extent~~ our **financial** ~~products do not meet our customers' requirements across these factors in an increasingly competitive landscape, our business and~~ results **will** ~~of operation can~~ be ~~harmed~~ **adversely affected, including through reduced revenue and gross margin, and we may be required to accelerate the write- down of the value of certain assets** . We face intense competition across our product portfolio ~~from~~ **. Our competitors include** companies offering platform products, such as AMD and Qualcomm; accelerator products such as GPUs, including those offered by NVIDIA; other accelerator products such as ASICs, application- specific standard products, and FPGAs; memory and storage products; connectivity and networking products; and other semiconductor products. Some of these competitors have developed or utilize competing computing architectures and platforms, such as the ARM architecture ***** , and these architectures and platforms can produce beneficial network effects for competitors when an ecosystem of customers and application developers for such architectures and platforms grows at scale. For example, ARM- based products are being used in PCs and servers, which could lead to further development and growth of the ARM ecosystem. We also compete with internally developed semiconductors from OEMs, cloud service providers, and others, some of whom are customers. Some of these customers vertically integrate their own semiconductor designs with their software assets and / or customize their designs for specific computing workloads. For example, in 2020, Apple introduced PC products utilizing its own internally developed ARM- based semiconductor designs in place of our client CPUs, and we face increasing competition from Apple' s products and ecosystem. Most of our competitors rely on third- party foundries, such as TSMC or Samsung ~~Electronics Co.~~ , ~~Ltd., and subcontractors~~ for **the** manufacture and assembly and test of their semiconductor components and products. Manufacturing process **and assembly and test** improvements introduced by ~~TSMC~~ **such foundries** have contributed, and may continue to contribute, to increasingly competitive offerings by our competitors. **Our** ~~While we have set out a~~ process technology roadmap to **regain transistor** ~~attain future process~~ performance ~~-~~ **and** ~~per~~ **power performance** ~~- watt parity and~~ leadership **by 2025 is** ~~relative to TSMC, our plans are~~ subject to a number of risks **,** and we could fail to realize our goals, including due to changes in competitor technology roadmaps, changes affecting our projections regarding our technology or competing technology, and the risks described in the ~~section~~ **risk factor** " ~~We~~ **The development and implementation of new semiconductor products and manufacturing technologies** are ~~vulnerable~~ **subject** to **many** ~~product and manufacturing- related~~ risks **and uncertainties** ." As an IDM, we have higher capital expenditures and R & D spending than many of our ~~"~~ fabless ~~"~~ competitors **due to the high ongoing investments required to maintain leading- edge process technology and manufacturing capacity** . We also face new sources of competition as a result of changes in industry participants through, for example, acquisitions or business collaborations, as well as new entrants, including in China, which could have a significant impact on our competitive position. For example, we could face increased competition as a result of China' s programs to promote a domestic semiconductor industry and supply chains. **Our products compete based on a number of factors, including performance, energy efficiency, ease- of- integration, ease- of- use, innovative design, features, workload optimization, price, quality, reliability, security, software ecosystem and developer support, time- to- market, reliable product roadmap execution, brand recognition, customer support and customization, and availability. The importance of these factors varies by product and market segment. To** ~~Other~~ -- **the** ~~Key Information54~~ **extent our products do not meet our customers' requirements across these factors in an increasingly competitive landscape, our business and results of operations can be harmed.** Introduction of competitive new products and technologies, aggressive pricing, and other actions taken by competitors can harm demand for our products, exert downward pricing pressure on our products, and adversely affect our business. For example, our **competitors have introduced data center and client platform products with performance improvements and additional processor core counts that have contributed to an increasingly competitive environment. Further, our** DCAI revenue ~~and~~ **,** platform ASPs **and market share** were negatively impacted by the competitive environment **and the shift of customer spend towards GPUs** during ~~2022 and 2021~~ **the past few years** . Additionally, a number of business combinations and strategic partnerships in the semiconductor industry have occurred **in recent** ~~over the last several~~ years, and more could occur in the future ~~. For example, in 2022, Broadcom announced an agreement to acquire VMware, and AMD completed its acquisition of Xilinx, Inc~~ . Consolidation could also lead to fewer customers, partners, or suppliers, any of which could negatively affect our financial results. ~~If~~ **Risk Factors and Other Key Information48We have limited experience in the highly competitive and capital- intensive third- party foundry business. As** we ~~are not able~~ **pursue our strategy to establish IFS as a major provider of foundry capacity to manufacture semiconductors for others, we will face intense competition from well- established competitors such as TSMC, Samsung, Global Foundries (GF), United Microelectronics Corporation (UMC), and Semiconductor Manufacturing International Corporation (SMIC). To succeed, we will need** to compete effectively **across factors such as availability and time- to- market of manufacturing technology; advances in manufacturing processes in areas such as performance** , ~~our financial results will~~ **performance per watt, and density; multi- chip packaging; system integration; manufacturing capacity; price; margin; ease of use; quality; yields; customer satisfaction; and ecosystem support. Building and maintaining a competitive foundry business requires high ongoing investments to maintain leading- edge process technology and manufacturing capacity, which investments in many instances must** be **made ahead of customer commitments** ~~adversely affected, including reduced revenue~~ and ~~gross margin~~ **may not be recouped. Moreover** , **many of the largest potential IFS customers are fabless semiconductor companies whose products compete with our own. As a result, our strategy requires us to overcome customer concerns regarding protection of confidentiality information, intellectual property,** and **foundry capacity, among other competitive concerns, to attract and retain such customers. Our limited third- party foundry experience also means** we **must continue to hire and retain talented employees with relevant foundry experience with respect to both leading- edge and legacy nodes. Our efforts** may be **hindered by the higher costs of, regulatory and environmental restrictions imposed upon, and time it takes to build fabrication and assembly and test facilities in the jurisdictions in which we operate and plan to build new or upgrade existing foundry facilities as compared to the jurisdictions in which our competitors predominantly operate their foundry facilities. Our construction projects to expand capacity** ~~required~~ - **require** ~~to accelerate~~ **available sources of labor, materials, and equipment. Increasing demand for such sources, including from** ~~the~~ **other** ~~write- down of~~ **foundries; supply constraints, labor shortages, and** ~~the~~ **other** ~~value of~~ **adverse market conditions; issues with permits or approvals; on- site incidents; and other construction issues arise from time to time and can result in significant delays and increased costs for our projects, as well as legal and reputational harm. These significant hurdles to our foundry strategy make it highly risky and our success highly** ~~certain~~ **uncertain** ~~assets~~ . We ~~invest~~ **are making** ~~significantly~~ -- **significant, long- term and inherently risky investments** in R & D ~~,~~ and **manufacturing facilities that** ~~to the extent our R & D efforts are unsuccessful, our competitive position can be harmed, and we~~ may not realize a **favorable** return ~~on our investments~~ . To compete successfully, we must maintain an effective R & D program, develop new products and manufacturing processes, ~~and~~ improve our **products and processes, and make significant capital investments in new and** existing **manufacturing facilities** ~~products and processes~~ , all ahead of competitors **and market demand** . ~~Our~~ **The** R & D efforts **and** ~~intensely utilize our different forms of~~ capital **investments** ~~, and~~ we **require are intensive as we compete across both product and process technologies. We** incurred R & D expenses of $ **16. 0 billion in 2023, $** 17. 5 billion in 2022, **and** $ 15. 2 billion in ~~2021and $ 13. 6 billion in 2020~~ **2021** . We are focusing our R & D efforts across several key areas, including process and packaging technology, our xPU products and features, **AI,** and software. These include ambitious initiatives, such as our **efforts to introduce five new manufacturing process technologies, or nodes, in four years and our** unified oneAPI portfolio of developer tools **. Our investments are typically long- term and, even where successful, often do not contribute to our operating results for a number of years** . We cannot guarantee that **our** ~~all of these~~ efforts will deliver the benefits we anticipate **, including as a result of our new products or technologies falling short of expectations or the offerings of competitors** . For example, we previously experienced significant delays in the implementation of our 10nm process technology, and during 2020, we announced that our ~~Intel 4~~ **then 7nm** process technology ~~(formerly 7nm)~~ would be delayed relative to our prior expectations. ~~To the extent~~ **In such instances where** we do not timely introduce new manufacturing process technologies that improve performance, performance per watt, ~~and / or~~ transistor density **, die utilization, core counts, and / or new features such as optimizations for AI and other workloads,** with sufficient manufacturing yields and operational efficiency, relative to competing foundry processes, we ~~can~~ **have faced and will** face cost, product performance, and time- to- market disadvantages **relative to our competitors** ~~. In addition, periods of extended investment in R & D~~ and **adverse** ~~operational strategy can impact~~ **impacts to** our financial condition **as a** ~~and planning and may~~ result ~~in periods~~ of **higher operating costs, including as a result of additional costs from unused manufacturing capacity,** higher leverage **and** ~~, operating costs,~~ borrowing costs, and pressure on our credit ratings. Further, we are not always able to timely or successfully develop new products, including as a result of bugs, late changes to features due to customer requests, or other design challenges. For example, in 2022, we announced that the release of ~~our Sapphire Rapids product~~ **Intel' s 4th Gen Intel Xeon Scalable processor** would be delayed from the first half of 2022 to the second half of 2022. To the extent our R & D efforts do not develop new products on schedule with improvements in areas like performance, performance per watt, die utilization, and core counts, and / or with new features such as optimizations for AI and other workloads, our competitive position can be harmed. We have adopted a disaggregated design approach for some of our future products, in which different processors and components can be manufactured on different processes and connected by advanced packaging technology into a single package. This approach introduces new areas of complexity in design and manufacturability, particularly in the deployment of advanced packaging technologies, several of which are novel, have a limited manufacturing history, and / or have increased costs. Delays or failures in implementing disaggregated designs could adversely affect our ability to timely introduce competitive products. For example, adapting a processor or component design for a new or different manufacturing process involves additional R & D expense and can result in delays in the development of the associated product and higher costs due to the utilization of more advanced and expensive capital equipment. ~~We do not expect all~~ **Risk Factors and Other Key Information49 The investments required for our process technology roadmap and our worldwide manufacturing and assembly and test require capital expenditures above our historical levels. In recent years, the semiconductor manufacturing industry has seen very significant increases in the capital investments required for manufacturing facilities utilizing leading process technologies, including as a result** of **the use of EUV photolithography tools. Our ownership and operation of such high- tech fabrication facilities, and our need to build new and expand existing facilities in anticipation of future demand, has resulted and will continue to result in our incurring large capital outlays and high costs that are fixed** ~~our~~ - **or difficult to reduce in the short term. Such capital outlays and costs include those related to utilization of existing facilities, facility construction and equipment,** R & D ~~investments to be successful. Some of our efforts to develop and market new products and technologies fail or fall short of our expectations~~ , ~~or~~ **and the employment and training of a highly skilled workforce. To the extent customers** are **unwilling to pay prices to access the features that** ~~not well- received by customers, who may adopt competing technologies. We make significant investments in R & D, and~~ our **process and product** investments are ~~growing~~ **expected to deliver or demand for our products,foundry capacity and assembly and test capacity decreases or we fail to forecast demand accurately,our gross margin and** operating income can be disproportionately affected due to our high fixed cost structure,which is difficult to reduce **quickly** in response to lower ~~revenues~~ **demand and other unfavorable market factors** .We could also be required to write off inventory or record excess manufacturing capacity charges,which would also lower our gross margin and operating income.To the extent the demand decrease is prolonged,our manufacturing or assembly and test capacity could be underutilized,and we may be required to write down our long- lived assets,which would increase our expenses.We may also be required to shorten the useful lives of under-used facilities and equipment and accelerate depreciation.As we continue to make substantial investments in increasing our manufacturing capacity ~~as part of our IDM 2.0 strategy,these underutilization risks may be heightened.Conversely,at times,demand increases or we fail to forecast accurately or produce the mix of~~ as ~~we pursue~~ **part of** our IDM 2. 0 strategy **, these underutilization risks may be heightened** . ~~Our investments~~ **Conversely,** at times ~~do not contribute to~~ **, demand may increase** ~~our~~ - **or** ~~future operating results~~ **we may fail to forecast accurately** ~~for~~ - **or** ~~several years~~ **produce the mix of products demanded. To the extent we are unable to add capacity or increase production fast enough** , **we are** ~~if at all, and such contributions~~ at times ~~do not~~ **required to make production decisions and / or are unable to fully** meet ~~our expectations or even cover the costs of such investments. Our investments in new businesses, products, and technologies are inherently risky and do not always succeed. We have entered new areas and introduced new products and services as we seek to capitalize on the opportunities presented by ubiquitous computing, cloud to edge infrastructure, pervasive connectivity, and AI. In recent years, we have expanded our product offerings in areas such as discrete GPUs, mobility solutions, AI accelerators, IPU products, and silicon photonics. As part of our IDM 2. 0 strategy, we announced plans to establish IFS as a major provider of foundry capacity to manufacture semiconductors for others and to implement an internal foundry operating model through updates to our processes, systems, and guardrails between our manufacturing and our individual business units. IFS faces competition from well- established competitors such as TSMC and Samsung, and to succeed, we will need to compete effectively across factors such as availability and time- to- market of manufacturing technology; advances in manufacturing processes in areas such as performance, performance per watt, and density; manufacturing capacity; price; margin; ease of use; quality; yields; customer satisfaction; and ecosystem support. Our" big bets" are inherently risky and are not always successful. For example, in 2022, we wound down Intel Optane; in 2020, we agreed to sell our NAND memory business to SK hynix; and in 2019, we exited the 5G smartphone modem business-- three of our prior big bets-- based on our determination that there was no clear path to profitability for those businesses. These new and developing areas and products represent a significant portion of our revenue growth opportunity, and they also introduce new sources of competition, including, in some cases, incumbent competitors with established technologies, ecosystems, and customer bases, lower prices, margins, or costs, and greater brand recognition. These developing products and market segments require significant investment, do not always grow as projected or at all, or sometimes adopt competing technologies, and we may not realize an adequate return on our investments. For example, AI and machine learning are increasingly driving innovations in technology, but if we fail to develop leading products for these workloads, or if our customers use competing technologies, we may not realize a return on our investments in these areas. Similarly, while we~~

~~see significant opportunity in networking infrastructure and the distribution of computing to the network edge, we expect intense competition for this opportunity and may not succeed in our efforts. To be successful, we need to cultivate relationships with customers and partners in these market segments and continue to improve our offerings. Despite our ongoing efforts, there is no guarantee that we will achieve or maintain~~ market demand ~~or acceptance~~ **, which can result in a loss of revenue opportunities** ~~for~~ - **or** ~~our products and services in these various~~ market segments or realize an adequate return on...... or our adjacent products represent a greater share ~~of~~ **, legal claims, and /** ~~our~~ - **or damage** ~~mix of products sold, our gross margin percentage has decreased and may decrease again. We are subject~~ to **customer relationships** ~~risks associated with the development and implementation of new manufacturing technologies. Production of integrated circuits is a complex process~~ . We are continually engaged in the development of next- generation ~~process~~ technologies ~~at increasingly advanced nodes as we seek to realize the benefits of Moore' s Law~~ . Forecasting our progress and schedule for developing advanced nodes **and other technologies** is challenging, and at times we encounter unexpected delays due to the complexity of interactions among steps in the manufacturing process, challenges in using new materials or new production equipment, and other issues. Diagnosing defects in our manufacturing processes often takes a long time, as manufacturing throughput times can delay our receipt of data about defects and the effectiveness of fixes, and defects can be more serious and difficult to resolve than initially ~~understood~~ **anticipated** . We are not always successful or efficient in developing or implementing new process nodes and manufacturing processes. We experienced significant delays in implementing our 10nm process technology, and in 2020, we encountered a defect mode in the development of our ~~Intel 4~~ **then 7nm** process technology ~~(formerly 7nm)~~ that resulted in delays relative to our prior expectations. In 2022, ~~Sapphire Rapids~~ **Intel' s 4th Gen Intel Xeon Scalable processor** was ~~also~~ delayed to ~~build in~~ **allow for** more platform and product validation time. These delays have allowed competitors using third- party foundries **,** such as TSMC **,** to benefit from advancements in manufacturing processes introduced ahead of us ~~by these competing foundries~~ , including improvements in performance, energy efficiency, and other features, which have helped increase the competitiveness of their products. Because of these prior delays in our process technologies, we may experience greater adverse competitive impacts in the event of delays in the development of future manufacturing process technologies and products. Our efforts to innovate involve significant expense and carry inherent risks, including difficulties in designing and developing next- generation process and packaging technologies, and investments in manufacturing assets and facilities that are made years in advance ~~of the technology introduction~~ . We cannot guarantee that we will realize the expected benefits of next- generation process technologies, including the expected cost, performance, power, and density advantages, or that we will achieve an adequate return on our capital and R & D investments, particularly as **the** development of new nodes has grown increasingly expensive. In such circumstances, we may be required to write down the value of some of our manufacturing assets and facilities, increasing our expenses. Risks inherent in the development of next- generation process technologies include production timing delays, lower- than- anticipated manufacturing yields, longer manufacturing throughput times, failure to achieve expected performance, power, and area improvements, and product defects and errata **(deviations from published specifications)** . Production timing delays have at times caused us to miss customer product design windows, which can result in lost revenue opportunities and damage to our customer relationships. Furthermore, when the introduction of next- generation process nodes is delayed, adding cores or other competitive features to our products can result in larger die size products, manufacturing supply constraints, and increased product costs. Lower manufacturing yields and longer manufacturing throughput times, compared to previous process nodes, can increase our product costs ~~and~~ **,** adversely affect our gross margins, and ~~can~~ contribute to manufacturing supply constraints. A new process node typically has higher costs compared to a mature node due to factors that include higher depreciation costs and lower yields, and costs and yields at times do not improve at the same rate as on prior nodes. As the die size of our products has increased and our manufacturing process nodes have shrunk, our products and manufacturing processes have grown increasingly complex and more susceptible to product defects and errata, which at times also contribute to production timing delays and lower yields **that may also** ~~. From time to time, disruptions in the production process result from errors; defects in materials; delays in obtaining or revising permits and licenses; interruptions in our supply of materials, resources, or production equipment; adverse changes in equipment productivity; and disruptions at our fabrication and assembly and test facilities due to accidents, maintenance issues, power interruptions, equipment malfunctions, or unsafe working conditions — all of which could affect the timing of production ramps and yields. Production issues periodically lead to increased~~ - **increase our** costs ~~and affect our ability~~ to **manufacture** ~~meet product demand, which can adversely impact our business~~ and **warranty** the results of operations. In addition...... on suppliers to provide certain components for our products and to manufacture and assemble and test...... disaggregated design strategy introduces additional production risks . Our disaggregated design strategy poses increased logistical risks and challenges, particularly where we decide to manufacture different product components on different process technologies, including third- party foundries' process technologies. To combine components in a single package, they need to be manufactured on a timely basis and in sufficient quantities, while the manufacturing processes we utilize may have differing yields, throughput times, and capacity constraints. We may be required to safely store some components pending the manufacture of others. Delays or quality issues with one component could limit our ability to manufacture the entire completed product. In addition, the packaging technologies used to combine these components can increase our costs and may introduce additional complexity and quality issues. To the extent we are unable to manage these risks, our ability to timely supply competitive products can be harmed and our costs could increase. **Risk Factors and** ~~We are subject to the risks of product defects, errata, or other~~ **Other Key Information50** ~~product issues.~~ From time to time, ~~we identify~~ **disruptions in the production process result from errors; defects in materials; delays in obtaining or revising permits and licenses; interruptions in our supply of materials, resources, or production equipment; adverse changes in equipment productivity; and disruptions at our fabrication and assembly and test facilities due to accidents, maintenance issues, power interruptions, equipment malfunctions, or unsafe working conditions — all of which could affect the timing of production ramps and yields and could result in production timing delays. Production issues periodically lead to**

**increased costs and affect our ability to meet** product **demand** ~~defects, errata (deviations from published specifications), and other product issues~~ , which can **adversely impact our business and the** ~~result~~ **results** ~~from problems~~ **of operations. Our implementation of new business strategies and investments** in **new businesses, products, and technologies are inherently risky and do not always succeed. Our IDM 2. 0 strategy requires implementation of new business strategies, as well as many internal structural, systems and process changes. We have entered new businesses and introduced new products and services as we seek to capitalize on the opportunities presented by growth in semiconductor demand, ubiquitous compute, pervasive connectivity, cloud to edge infrastructure, AI, and sensing. In recent years, we have expanded** our product ~~design~~ **offerings in areas such as discrete GPUs, mobility solutions, AI accelerators, IPU products, and silicon photonics. As part of** ~~or~~ **our IDM 2. 0 strategy, we announced plans to establish IFS as a major provider of foundry capacity to manufacture semiconductors for others and to implement an internal foundry operating model through updates to our processes, systems, and guardrails between** our manufacturing and **our individual** ~~assembly and test processes. Components and products~~ - **product- based business units. The implementation of our internal foundry operating model requires many internal structural, system, and process changes to support the separation of the product and manufacturing sides of our business and our external foundry business, including a new ERP system. In parallel,** we ~~purchase~~ **are undertaking significant efforts to separate out portions of** ~~or~~ **our business** ~~license from third- party suppliers~~ , **such as PSG** ~~or gain through acquisitions, can also contain defects. Product issues also sometimes result from the interaction between our products~~ and ~~third- party products~~ **IMS, to raise capital** and **unlock value as** ~~software. We face risks if products that~~ we **focus on** ~~design, manufacture, or~~ **our core** ~~sell, or that include our technology, cause personal injury or property damage, even where the cause is unrelated to~~ product ~~defects or errata~~ **and manufacturing capabilities** . **Significant business changes** ~~These risks may increase as our products~~ are **inherently risky** ~~introduced into new devices, market segments, technologies, or applications, including transportation, autonomous driving, healthcare, communications, financial services,~~ and other industrial, critical infrastructure, and......, including software and firmware updates, are not always ~~available~~ **successful. For example, in 2022, we wound down Intel Optane; in 2020, we agreed to sell our NAND memory business to SK hynix; and in 2019, we exited the 5G smartphone modem business based** on **our determination that there was no clear path to profitability for those businesses. These new and developing areas and products represent** a ~~timely basis —~~ **significant portion of** ~~or~~ **our** ~~at all —~~ **revenue growth opportunity, and they also introduce new sources of competition, including, in some cases, incumbent competitors with established technologies, ecosystems, and customer bases, lower prices, margins, or costs, and greater** ~~and~~ **brand recognition. These developing products and market segments require significant investment,** do not always ~~operate~~ **grow** as ~~intended~~ **projected or at all, or sometimes adopt competing technologies, and we may not realize an adequate return on** ~~or~~ **our** ~~effectively resolve such issues~~ **investments. For example, AI and machine learning are increasingly driving innovations in technology, but if we fail to develop leading products** for **these workloads** ~~all applications. We and third parties~~ , **or if** ~~such as hardware and software vendors, make prioritization decisions about which product issues to address, which can delay, limit, or~~ **our** ~~prevent development or deployment of~~ **customers use competing technologies, we may not realize** a **return on** ~~mitigation and harm our reputation and result in costs. Product defects, errata, or~~ **our investments in these areas. Similarly, we expect intense competition related to** ~~other~~ -- **the** ~~product issues~~ **significant opportunity we see in networking infrastructure** and ~~/~~ **the distribution of computing to the network edge and may not succeed in** ~~or~~ **our efforts. To be successful** ~~mitigation techniques can result in product failures~~ , **we need to cultivate relationships with** ~~adverse performance and power effects, reboots, system instability or unavailability, loss of functionality, data loss or corruption, unpredictable system behavior, decisions by~~ customers and ~~end users~~ **partners in these market segments and continue** to ~~limit~~ **improve** ~~or~~ **our** ~~change~~ **offerings. Despite our ongoing efforts,** ~~the~~ **there** ~~applications in which they use~~ **is no guarantee that we will achieve or maintain market demand or acceptance for** our products ~~or product features,~~ and **services** ~~other issues. Product issues can damage our reputation, negatively affect product demand, delay product releases or deployment, result~~ in **these various** ~~legal liability, or make~~ **market segments** ~~our~~ - **or** ~~products less competitive~~ **realize an adequate return on our investments** , which could ~~harm our business~~ **lead to impairment of assets** and **restructuring** ~~financial results. Subsequent events or new information can develop that changes~~ **charges** ~~our assessment of the impact of a product issue. In addition, our liability insurance coverage has certain exclusions or may not adequately cover liabilities incurred. Our insurance providers may be unable or unwilling to pay a claim, and losses not covered by insurance could be large, which could harm our financial condition. We face risks related to security vulnerabilities in our products. We or third parties regularly identify security vulnerabilities with respect to our processors and other products~~ , as well as **opportunity costs** ~~the operating systems and workloads that run on them and the components that interact with them~~ . ~~Components~~ **Our Smart Capital approach to capital spending, alternative financing arrangements** and ~~IP~~ **pursuit of government grants involves risks and may not be successful. As** we ~~purchase~~ **pursue** ~~or~~ **our IDM 2. 0 strategy** ~~license from third parties for use in our products~~ , ~~as well as industry- standard specifications~~ we **have utilized** ~~implement in our products, are also regularly subject to security vulnerabilities. Our processors and other products are being used in application areas that create new or~~ **our** ~~increased cybersecurity~~ **Smart Capital approach to capital spending in** ~~and~~ - **an effort to appropriately time** ~~privacy risks, including applications that gather~~ and ~~process large amounts of data~~ **scale our capital investments. To support our capital investments, we have pursued alternative financing arrangements** , such as ~~the cloud or~~ **our** ~~Internet~~ **2022 joint investment with Brookfield in the manufacturing expansion** of ~~Things~~ **our Arizona campus** , and ~~critical infrastructure and automotive applications~~ **expect to enter into similar arrangements in the future** . ~~The~~ **These** ~~security vulnerabilities identified in~~ **transactions may fail to advance** our ~~processors~~ **business strategy, may** include **unfavorable pricing or** ~~a category known as side- channel vulnerabilities, such as the~~ **other terms,** ~~variants referred to as" Spectre"~~ and **may fail** ~~" Meltdown." Additional categories and variants have been identified and are expected~~ to ~~continue to be identified~~ **achieve their anticipated benefits** . ~~Publicity about~~ **Our partners may also fail to satisfy financial or other obligations on which we rely and we may fail to**

**resolve any potential disputes. Any of** these **risks** ~~and other security vulnerabilities has resulted in~~ , ~~and is expected~~ **including our ability** to **effectuate any** ~~continue to result in, increased attempts by third parties to identify~~ additional **transactions** vulnerabilities. Security and manageability features in...... available on a timely basis — or at all ~~— and at times do not operate as intended or effectively resolve vulnerabilities for all applications. In addition~~ , we are often required to rely on...... affected significant portions of our business and could have a material adverse effect on our **business, results of operations,** financial condition **, or cash flows, which may limit our ability to raise sufficient capital for our required investments. In addition, as part of our Smart Capital approach, we have applied for, received, and expect to receive additional grants and incentives from domestic and foreign local, regional and national governments. Legislation in the US and EU has been adopted to provide government funding for semiconductor manufacturing expansions in those regions, but there is uncertainty as to the amounts and timing of funding we may receive and as to the conditions and restrictions that may apply to us as a recipient of such funding. For example, we expect to receive substantial grants from the US government under the CHIPS Act to support significant planned new fabrication facilities in the US and the German government under the EU Chips Act to support significant planned new fabrication facilities in Germany. However, governments may choose not to award grants and incentives in sufficient amounts or in a timely manner to support our capital investment plans and to offset the higher costs of operations in many of the locations of our facilities as compared to those of many of our competitors, or we may be unable to comply with the requirements and limitations of such grants and incentives. To the extent such funding is below our expectations, we elect not to accept any grants or incentives due to burdensome compliance requirements, or we are required to return any amounts received from any grants or incentives due to** ~~and~~ - **an inability to comply with any requirements or limitations contained therein, our anticipated cash requirements would increase. Risk Factors and Other Key Information51 Changes in product demand can adversely affect our financial** results ~~of operations~~ . ~~Authorities~~ **Our products are used** in ~~jurisdictions where~~ different market segments,and demand for our products varies within or among them.It is difficult to forecast these changes and their impact.For example,we expect the PC TAM to grow over time driven by factors such as a larger installed base **,demand for AI capabilities** ,new platforms,shorter replacement cycles,and adoption in new markets;however,the PC industry has been highly cyclical in the past,and these growth expectations may not materialize,or we may fail to capitalize on them.Changes in the demand for our products,particularly our CCG,DCAI,and NEX platform products,have ~~reduced~~ **in the past** and ~~can~~ **may** in the future reduce our revenue,lower our gross margin,or require us to write down the value of our assets.Important factors that lead to variation in the demand for our products include:▪ business conditions,including downturns in the market segments in which ~~we operate,or in global or~~ we operate, or in **global or regional economies; ▪ consumer confidence, income levels, and customer capital spending,** which **can be impacted by changes in market conditions, including changes in government borrowing** ~~our~~ - **or** ~~suppliers~~ **spending** , **taxation, interest rates, the credit market, current or expected inflation, employment, and energy or other commodity prices; ▪ geopolitical conditions, including trade policies and geopolitical tensions and conflicts; ▪ our ability to timely introduce competitive products; ▪ competitive and pricing pressures, including new product introductions and other actions taken by competitors; ▪ the level of our** customers **' inventories and computing capacity; ▪ customer order patterns and order cancellations** , **including as a result of maturing product cycles** ~~or~~ **for** ~~others operate, have imposed, and businesses and individuals have implemented, varied measures to try to manage or~~ **our products** ~~contain the virus or treat its impact~~ , **customers' products, and related products** such as ~~travel bans~~ **operating system upgrade cycles;** and ~~restrictions~~ **disruptions affecting customers** , ~~quarantines, shelter-~~ **such as the delays** in **obtaining tools** ~~- place / stay- at-home and social distancing orders~~ , **components, and other supplies as a result of COVID- 19- related port** shutdowns **in China that negatively** ~~, and vaccine requirements. These measures have~~ impacted ~~and may further impact our workforce and operations, the operations and demands of our customers, and those of our respective suppliers and partners. We have experienced, and could in the future experience, reduced workforce availability at some of our sites, construction delays, and reduced capacity at some of our suppliers. We have significant manufacturing operations in the US, Ireland, Israel, China, Malaysia, and Vietnam, and some of these countries Other Key Information59 continue to take measures in response to the pandemic. Restrictions on our manufacturing or support operations or workforce, similar limitations for our suppliers, and transportation restrictions or disruptions can limit our ability to meet customer demand and could have a material adverse effect on our financial condition and results of operations. Our customers have experienced, and may in the future experience, disruptions in their operations and supply chains, which can result in delayed, reduced, or cancelled orders, or collection risks, and which may adversely affect our results of operations. The pandemic has caused us to modify our business practices, including with respect to flexible work and social distancing measures. These and other measures introduce additional operational risks, including cybersecurity risks, and have affected the way we conduct our product development, validation, and qualification; customer support; and other activities, which could have a material adverse effect on our operations. The pandemic has also previously resulted in substantial economic uncertainty and volatility and disrupted historical patterns related to~~ demand for our **business in 2022, as well as the industry substrate and component shortages that negatively impacted demand across several of our businesses in 2021; ▪ market acceptance and industry support of our** products and services ~~segments or realize~~ **,including the introduction** ~~an~~ **and** ~~adequate return on~~ **availability of software and other products used together with** our ~~investments~~ **products** , ~~which could lead~~ **such as software** to ~~impairment~~ **harness the new AI capabilities** of **our latest CPUs** ~~assets and restructuring charges~~ ,as well as ~~opportunity costs.Other Key Information55~~ **our foundry services offerings through IFS;and ▪ customer product needs and emerging technology trends,including** ~~Changes~~ **changes** in the ~~mix~~ **levels and nature** of ~~products sold can materially impact our financial results~~ **customer and end- user computing workloads,such as work- and learn- from- home trends** .Our pricing and margins vary across our products and market segments due in part to marketability of our products and differences in their features or manufacturing costs.For example,our ~~platform~~ **core** product offerings range from lower- priced and entry- level platforms,such as those based on Intel Atom processors,to higher- end platforms based on Intel Xeon processors.Our ~~adjacent~~ **ancillary** ~~products~~ - **product offerings** ~~also typically have significantly lower margins than our higher- priced platform products,and at times are not profitable.To the extent demand shifts from our higher- priced to lower- priced platform~~ that **extend beyond** ~~may impact our ability to accurately predict future demand, trends, or~~ **our core product lines typically** ~~other matters that may impact our financial performance. The degree to which COVID- 19 impacts our results will depend on future developments, and there is no certainty that measures we~~ have ~~taken~~ **significantly lower margins than** ~~or~~ **our higher- priced products** ~~will take will be sufficient to mitigate the risks posed by the virus. Additional impacts and risks may arise that we or our customers~~ , ~~suppliers,~~ and ~~other partners~~ **at times** are not ~~aware of~~ **profitable. To the extent demand shifts from** ~~or~~ **our** ~~able~~ **higher- priced** to ~~respond to effectively~~ **lower- priced core products in any of our market segments** , **or our ancillary products represent a greater share of our mix of products sold, our gross margin percentage has decreased** and ~~which~~ may **decrease again** ~~adversely affect us~~ . **Macroeconomic conditions** ~~The impact of COVID- 19 can also exacerbate other risks discussed in these risk factors~~ and **geopolitical tensions** ~~throughout this report. We operate globally~~ and ~~are subject~~ **conflicts, including changes** to **trade policies and regulations, present** significant risks **to us** in many jurisdictions ~~. Global or regional conditions can harm our financial results~~ . We have manufacturing, assembly and test, R & D, sales, and other operations in many countries, and some of our business activities are concentrated in **one or more geographic areas. Our operations rely upon a supply chain that is also highly distributed, and with reliance in some instances on supplies or materials available in only** one or more geographic areas. Moreover, sales outside the US accounted for 74 % of our revenue for the fiscal year ended December ~~31~~ **30** , ~~2022~~ **2023** , with revenue from billings to China contributing 27 % of our total revenue. As a result, our operations and our financial results, including our ability to execute our business strategy, manufacture, assemble and test, design, develop, or sell products, and the demand for our products, are at times adversely affected by a number of global and regional factors outside of our control. Adverse changes in global or regional economic conditions periodically occur, including recession or slowing growth; changes or uncertainty in fiscal, monetary, or trade policy; higher interest rates; tighter credit; inflation; lower capital expenditures by businesses, including on IT infrastructure; increases in unemployment; and lower consumer confidence and spending. Adverse changes in ~~economic~~ **macroeconomic** conditions can significantly harm demand for our products and make it more challenging to forecast our operating results and make business decisions, including regarding prioritization of investments in our business. An economic downturn or increased uncertainty may also lead to increased credit and collectability risks, higher borrowing costs or reduced availability of capital and credit markets, reduced liquidity, adverse impacts on our suppliers, failures of counterparties **,** including financial institutions and insurers, asset impairments, and declines in the value of our financial instruments. **trade barriers,** and other protectionist measures,which can increase our manufacturing costs,make our products less competitive,reduce demand for our products,limit our ability to sell to certain customers,limit our ability to procure components or raw materials,or impede or slow the movement of our goods across borders.Increasing protectionism and economic nationalism may lead to further changes in trade policies and regulations,domestic sourcing initiatives,or other formal and informal measures that could make it more difficult to sell our products in,or restrict our access to,some markets. ~~They can also result in declining consumer confidence and slowing economic growth or recession,and could cause our customers to reduce,cancel,or alter the timing of their purchases with us.Sustained geopolitical tensions could lead to long- term changes in global trade and technology supply chains,domestic sourcing initiatives,and decoupling of global trade networks,which could make it more difficult to sell our products in,or restrict our access to,some markets and have a material adverse effect on our business and growth prospects.~~ In particular, ~~geopolitical and~~ trade tensions between the US and China ~~,one of our largest markets,~~ have led to increased tariffs and trade restrictions,including tariffs applicable to some of our products,and have affected customer ordering **patterns.The US has imposed restrictions on the export of US- regulated products and technology to certain Chinese technology companies,including certain of our customers.These restrictions have reduced our sales and continuing or future restrictions could adversely affect our financial performance,result in reputational harm to us,or lead such companies to develop or adopt technologies that compete with our products.It is difficult to predict what further trade- related actions governments may take,which may include trade restrictions and additional or increased tariffs and export controls imposed on short notice,and** We can **also** be adversely affected by other global and regional factors that periodically occur, including: ▪ geopolitical and security issues, such as armed conflict and civil or military unrest, political instability, human rights concerns, and terrorist activity, including, for example **: ▪ Russia' s war with Ukraine** , ~~geopolitical~~ **initiated in 2022, which resulted: in the imposition of financial and other sanctions and export controls against Russia and Belarus that caused us and other companies to limit or suspend Russian operations (we had no exports to Russia in 2023); Russia- imposed currency restrictions and regulations and other retaliatory trade and other actions; increased supply, commodity, and other costs; and increased risk of cyberattacks; ▪** tensions and conflict affecting Israel, where **we have multiple semiconductor development centers and a leading- edge manufacturing facility and where** our Mobileye business **is** ~~headquarters~~ **headquartered** and ~~certain~~ **has most** of ~~our fabrication facilities~~ **its operations, and in surrounding** ~~are~~ **areas** ~~located~~ **, such as past conflicts in Lebanon and the current conflict in the Red Sea; and ▪ rising tensions between China and Taiwan** ; ▪ natural disasters, public health issues (including pandemics), and other catastrophic events; ▪ inefficient infrastructure and other disruptions, such as supply chain interruptions, materials shortages or delays, and large- scale outages or unreliable provision of services from utilities, transportation, data hosting, or telecommunications providers; ▪ formal or informal imposition of new or revised export, import, or doing- business regulations, including trade sanctions, tariffs, and changes in the ability to obtain export licenses, which could be changed without notice; ▪ government restrictions on, or nationalization of, our operations in any country, or restrictions on our ability to repatriate earnings from or distribute compensation or other funds in a particular country; ▪ adverse changes relating to government grants, tax credits, or other government incentives, including more favorable incentives provided to competitors; ▪ differing employment practices and labor issues, including restricted access to talent; ▪ ineffective legal protection of our IP rights in certain countries; ▪ local business and cultural factors that differ from our current standards and practices; ▪ continuing uncertainty regarding social, political, immigration, and tax and trade policies in the US and abroad; and ▪ fluctuations in the market values of our domestic and international investments, and in the capital and credit markets, which can be negatively affected by liquidity, credit deterioration or losses, interest rate changes, financial results, political risk, sovereign risk, or other factors. **Risk Factors and Other Key Information53 We are subject to numerous risks associated with the evolving market for products with AI capabilities. The markets and use cases for products with AI capabilities have been rapidly evolving, are difficult to predict and may impact demand for our products.** For example, in ~~2022,~~ **the last few years the demand for high- end GPUs for model training increased dramatically and has resulted and may continue to result** in **a significant shift in DCAI customer spend. The significant investments we have made to develop products and software to address what we believe will be increasing demand for AI capabilities may be insufficient, and we face significant hurdles, including whether demand will materialize, whether third- party developers will develop the software to utilize the AI capabilities of our products, and whether we will be successful in developing products that can compete with offerings by established competitors. Our use of AI technology may subject us to reputational, financial, legal, or regulatory risks. As we incorporate AI technology into our products and services, any failure to address concerns relating to the** ~~response~~ **responsible use of the evolving AI technology in our products and services may cause harm** to ~~Russia~~ **our reputation or financial liability and, as such, may increase our costs to address or mitigate such risks and issues. AI technology may create ethical issues, generate defective algorithms, and present other risks that create challenges with respect to its adoption. In addition, evolving rules, regulations, and industry standards governing AI may require us to expend significant resources to modify, maintain, or align our business practices or products to comply with US and non- US rules and regulations, the nature of which cannot be determined at this time. Several jurisdictions around the globe, including the EU and certain US states, have already proposed or enacted laws governing AI. US federal agencies are likely to release AI regulations in the near future in light of the Biden administration** ' s ~~war regulatory environment surrounding~~ the ~~impact~~ **results** of ~~the implementation of AI on~~ **operations.In addition,delays in** our ~~products~~ - **product introductions can cause us to become less competitive** and ~~services may~~ **lose revenue opportunities,and our gross margin could be** adversely ~~affect~~ **affected** ~~our ability~~ **because we incur significant costs up front in a product' s lifecycle stage and earn revenue** to **offset these costs over time** ~~produce and export products and as a result may cause harm to our reputation and financial liability~~ .We **face** ~~rely upon a complex global~~ supply chain **risks** .We have a highly complex global supply chain composed of thousands of suppliers.These suppliers provide direct materials for our production processes;supply tools,equipment,and IP (via licenses) for our factories;deliver logistics and packaging services;and supply software,lab and office equipment,and other goods and services used in our business.We also rely on suppliers to provide certain components for ~~our products and to manufacture and assemble and test some of our components and products~~ with ~~Ukraine~~ **regard to environmental impacts** , ~~numerous countries~~ **the risk of forced labor, or supplier conduct that does not meet such standards, which can result in supply chain disruptions, the loss of a supplier,** and ~~organizations affects our reputation~~ **the government seizure of goods** .These and other supply chain issues can increase our costs,disrupt or reduce our production,delay our product shipments,prevent us from meeting customer demand, ~~and~~ damage our customer relationships **,or negatively affect our reputation** .They may keep us from successfully implementing our business strategy and can materially harm our business,competitive position,results of operation,and financial condition.From time to time,our customers experience disruptions or shortages in their own supply chains that constrain their demand for our products.During ~~2022~~ **the past several years** ,macroeconomic and geopolitical conditions,as well as outbreaks of COVID- 19 ~~in certain regions of the world~~ ,caused supply chain disruptions and delays in obtaining tools and other components, **and** ~~while in 2021,~~ the semiconductor industry experienced widespread shortages of substrates and other components and available foundry manufacturing capacity.These shortages ~~have~~ have ~~imposed for~~ **previously limited** our ~~FPGA products~~ **ability to supply customer demand in certain of our businesses** ,and have adversely affected customer demand for our products ~~,including in our CCG and DCAI businesses~~ ,as some customers have been unable to procure sufficient quantities of third- party components used together with our products to produce finished systems.It is difficult to predict the future impact of these shortages when they occur.To obtain future supply of certain materials and components,particularly substrates,and third- party foundry manufacturing capacity,we have entered into arrangements with some of our suppliers that involve long- term purchase commitments and / or large prepayments.These arrangements may not be adequate to meet our requirements,or our suppliers may fail to deliver committed volumes on time or at all,or their ~~financial~~ financial **condition may deteriorate. If future customer demand over the horizon of such arrangements falls below our expectations, we could have excess or obsolete inventory, unneeded capacity,** and ~~over the horizon of such arrangements falls below our expectations,we could have excess or obsolete inventory,unneeded capacity,and~~ increased costs,and our prepayments may not be fully utilized,and in some cases may not be fully recoverable.We utilize third- party foundries and component suppliers to manufacture or supply certain components and products for areas such as networking,communications,graphics,programmable semiconductor solutions,and memory.As part of our IDM 2.0 strategy,we expect to increase our use of third- party foundries ~~for manufacturing,which will include modular tiles manufactured on advanced foundry process technologies for use in our core computing offerings~~ .Delays in the development of foundries' future manufacturing processes could delay the introduction of products or components we design for such processes,and insufficient foundry capacity could prevent us from meeting customer demand.We typically have less control over delivery schedules,design and manufacturing co- optimization, ~~manufacturing~~ yields,quality,product quantities,and costs for components and products that are manufactured by third parties. **Risk Factors and Other Key Information54** Where possible,we seek to have several sources of supply.However,for certain components,services,materials,and equipment,we rely on a single or a limited number of suppliers,or upon suppliers in a single location **,which can impact the nature,quality,availability,and pricing of the products and services available to us** .For example,ASML **Holding N.V.(ASML)** is currently the sole supplier of EUV photolithography tools that we **are** ~~will be~~ deploying in our Intel 4 and **subsequent** ~~other future~~ manufacturing process nodes.These tools are highly complex to develop and produce,and increasingly costly,and from time to time there are increases in lead times or delays in their development and availability,which could delay the development or ramp of our future process nodes.As a further example,a limited number of third- party foundries offer leading- edge manufacturing processes,and these providers are geographically concentrated in Asia.Supplier consolidation or business failures can also reduce the pool of qualified suppliers. ~~Sole~~ **We are subject to the risks of product defects,errata,or** other **product issues** ~~sanctions and export controls against Russia and Belarus, while businesses, including Intel, have limited or suspended Russian operations~~ . ~~Russia has likewise imposed currency restrictions~~ **From time to time, we identify product defects, errata,** and ~~regulations and may further take retaliatory trade or~~ other ~~actions~~ **product issues** , **which can result from problems in our product design or our manufacturing and assembly and test processes. Components and products we purchase or license from third- party suppliers, or gain through acquisitions, can also contain defects. Product issues also sometimes result from the interaction between our products and third- party products and software. We face risks if products that we design, manufacture, or sell, or that** ~~including~~ **include our technology, cause personal injury or property damage, even where** the ~~nationalization of foreign businesses~~ **cause is unrelated to product defects or errata** . These ~~and other actions have exposed the company to the~~ risks ~~described herein and to additional uncertainty and risks regarding increases to supply, commodity, and other costs, damage to our reputation, and cyberattacks; and~~ may increase **as** ~~the likelihood, or~~ **our** ~~amplify the impacts~~ **products are introduced into new devices** , ~~of~~ **market segments, technologies, or applications, including transportation, autonomous driving, healthcare, communications, financial services, and** other **other** industrial,critical infrastructure,and consumer uses.Costs from defects,errata,or other product issues could include:▪ writing off some or all of the value of inventory;▪ recalling products that have been shipped;▪ providing product replacements or modifications;▪ providing consideration to customers,including reimbursement for certain costs they incur;▪ defending against litigation and / or paying resulting damages; **and Other Key Information57** ▪ paying fines imposed by regulatory agencies ~~;and ▪ reputational harm~~ .These costs could be large and may increase expenses and lower gross margin,and / or result in delay or loss of revenue.Mitigation techniques designed to address product issues,including software and firmware updates, risks **related to security vulnerabilities in our products. We or third parties regularly identify security vulnerabilities with respect to our processors and other products, as well as the operating systems and workloads that run on them and the components that interact with them. Components and IP we purchase or license from third parties for use in our products, as well as industry- standard specifications we implement in our products, are also regularly subject to security vulnerabilities. Our processors and other products are being used in application areas that create new or increased cybersecurity and privacy risks** , including **applications that gather and process large amounts of data, such as** ~~those~~ -- **the** ~~highlighted~~ **cloud or Internet of Things, and critical infrastructure and automotive applications. The security vulnerabilities identified** in **our processors include a category known as side- channel vulnerabilities, such as the variants referred to as" Spectre" and" Meltdown." Additional categories and variants have been identified and are expected to continue to be identified. Publicity about** these **and other security vulnerabilities has resulted in,and is expected to continue to result in,increased attempts by third parties to identify additional** vulnerabilities.Security and manageability features in our products cannot make our products absolutely secure,and these features themselves are subject to vulnerabilities and attempts by third parties to identify additional vulnerabilities.Vulnerabilities are not always mitigated before they become known.We,our customers,and the users of our products do not always promptly learn of or have the ability to fully assess the magnitude or effects of a vulnerability,including the extent,if any,to which a vulnerability has been exploited.Subsequent events or new information can develop that changes our assessment of the impact of a security vulnerability,including additional information learned as we develop and deploy mitigations or updates,become aware of additional variants,evaluate the competitiveness of existing and new products,and address future warranty or other claims or customer satisfaction considerations,as well as developments in the course of any litigation or regulatory inquiries or actions over these matters. ~~Mitigation techniques designed to address security vulnerabilities,including software and firmware updates or other preventative measures,are not always available on a timely risk~~ **Risk** ~~factors~~ **Factors** and ~~throughout this report.~~ Other Key **Information55 Mitigation techniques designed to address security vulnerabilities in our products, including software and firmware updates or other preventative measures, are not always available on a timely basis — or at all — and at times do not operate as intended or effectively resolve vulnerabilities for all applications. In addition, we are often required to rely on third parties, including hardware, software, and services vendors, as well as our customers and end users, to develop and / or deploy mitigation techniques, and the availability, effectiveness, and performance impact of mitigation techniques can depend solely or in part on the actions of these third parties in determining whether, when, and how to develop and deploy mitigations. Export restrictions may impede our ability to provide updates or patches to customers in certain geographies or that appear on sanctions lists, potentially leaving systems unpatched and open to exploitation. Further, sanctions lists may include third parties with whom we need to interact for coordinated vulnerability disclosure, which may impair our ability to receive information about vulnerabilities and to deliver mitigations for them. We and such third parties make prioritization decisions about which vulnerabilities to address, which can delay, limit, or prevent development or deployment of a mitigation and harm our reputation. Security vulnerabilities and / or mitigation techniques can result in adverse performance or power effects, reboots, system instability or unavailability, loss of functionality, data loss or corruption, unpredictable system behavior, decisions by customers and end users to limit or change the applications in which they use our products or product features, and / or the misappropriation of data by third parties. Security vulnerabilities and any limitations or adverse effects of mitigation techniques can adversely affect our results of operations, financial condition, customer relationships, prospects, and reputation in a number of ways, any of which may be material. For example, whether or not vulnerabilities involve attempted or successful exploits, they may result in our incurring** significant costs related to developing and deploying updates and mitigations, writing down inventory value, defending against product claims and litigation, responding to regulatory inquiries or actions, paying damages, addressing customer satisfaction considerations, providing product replacements or modifications, or taking other remedial steps with respect to third parties. Adverse publicity about security vulnerabilities or mitigations could damage our reputation with customers or users and reduce demand for our products and services. These effects may be greater to the extent that competing products are not susceptible to the same vulnerabilities or if vulnerabilities can be more effectively mitigated in competing products. Moreover, third parties can release information regarding potential vulnerabilities of our products before mitigations are available, which, in turn, could lead to attempted or successful exploits, adversely affect our ability to introduce mitigations, or otherwise harm our business and reputation. We are subject to increasing and evolving cybersecurity threats and privacy risks. We face significant and persistent cybersecurity risks due to: the breadth of geographies, networks, and systems we must defend against cybersecurity attacks; the complexity, technical sophistication, value, and widespread use of our systems, products and processes; the attractiveness of our systems, products and processes to threat actors (including state- sponsored organizations) seeking to inflict harm on us or our customers; the substantial level of harm that could occur to us and our customers were we to suffer impacts of a material cybersecurity incident; and our use of third- party products, services and components. Such an incident, whether or not successful, could result in our incurring significant costs related to, for example, rebuilding our internal systems, writing down inventory value, implementing additional threat protection measures, providing modifications to our products and services, defending against litigation or enforcement proceedings, paying damages, providing customers with incentives to maintain a business relationship with us, or taking other remedial steps with respect to third parties, as well as incurring significant reputational harm. We regularly face attempts by malicious attackers who attempt to gain access to our network or data centers or those of our suppliers, customers, partners, end users, or other third parties; steal proprietary, personal, or confidential information related to our business, products, employees, suppliers, or customers; introduce malicious software to our systems or those of our suppliers, customers, partners, end users, or other third parties; interrupt our systems and services or those of our suppliers, customers, or others; or demand ransom to return control of such systems and services. As we grow certain emerging business lines, such as our foundry business and our cloud computing and software- as- a- service offerings, we expect to collect or host significant amounts of highly sensitive customer data, which may increasingly make us a target of attempts to steal or corrupt that data. Individuals and organizations, including malicious hackers, state- sponsored organizations, insider threats including employees and third- party service providers, and intruders into our physical facilities, at times attempt to gain unauthorized access to and / or corrupt the processes used to design and manufacture our hardware products and our associated software and services. We are also a frequent target of attackers that intend to sabotage, compromise, take control of, or otherwise corrupt our manufacturing or other processes, products, and services. In some instances, we, our suppliers, our customers, and the users of our products and services may be unaware of a threat or incident or its magnitude and effects, or we may be unable to timely mitigate the impacts of an incident. Cyber attack attempts are increasing in number, magnitude, and technical sophistication, and if successful may expose us and the affected parties to loss or misuse of proprietary or confidential information or disruptions to our business operations, including our manufacturing operations, and could impact our financial results. We expect emerging technologies to contribute to the increasing sophistication of attacks and to lead to new threats. For example, threat actors may leverage emerging AI technologies to develop new hacking tools and attack vectors, exploit vulnerabilities, obscure their activities, and increase the difficulty of threat attribution. As a developer of leading- node processes and widely utilized products, we have been, and expect to continue to be, the subject of intense efforts by sophisticated cyber adversaries, including state- sponsored organizations, who seek to compromise our systems, disrupt our operations or those of users of our products, or steal trade secrets. As geopolitical or armed global conflicts escalate, attacks against us, our customers, or our strategic allies may similarly intensify. For example, from 2019 to 2021, we, along with other companies with meaningful operations in Israel, were targets of concerted cyberattacks. In the fourth quarter of 2020, our Habana Labs subsidiary' s network was breached in connection with a suspected unsuccessful ransomware attack, resulting in unauthorized third- party access of certain confidential information. Risk Factors and Other Key ~~Information60~~ - Information56 We are also subject to risks ~~related to~~ associated with attacks on products, services and components in our supply chain, such as the 2020 compromise of IT infrastructure management software provided by SolarWinds Corporation. These providers can experience breaches of ~~the~~ their systems and products, ~~cessation of US dollar LIBOR. Certain of our~~ - or ~~derivatives~~ provide inadequate updates or support, which can impact the security of our systems and our proprietary or confidential information. Since 2021, we have observed ~~and~~ - an ~~floating- rate investments reference US dollar LIBOR~~ increase in ransomware attacks in our supply chain. In December 2021 , ~~and~~ a ~~portion of our indebtedness bears interest at variable interest rates~~ vulnerability named " Log4Shell " was reported for the widely used Java logging library , ~~primarily based on US dollar LIBOR~~ Apache Log4j * 2, and similar vulnerabilities affecting commonly used programs and tools were reported in 2022 and 2023 . ~~No new US dollar LIBOR- based activity can~~ We are required to comply with stringent, complex, and evolving laws, rules, regulations, and standards in many jurisdictions, as well as contractual obligations, relating to cybersecurity and data privacy. Our compliance efforts are complicated by the fact that these requirements and obligations may be subject to uncertain ~~conducted after 2021, and US dollar LIBOR will be unavailable for~~ - or inconsistent interpretations and enforcement, and may conflict among various jurisdictions. Any failure or perceived failure by us to comply with applicable laws, rules, regulations, standards, certifications, or contractual obligations, or any compromise of security that results in unauthorized access to, or unauthorized loss, destruction, use ~~in~~, modification, acquisition, disclosure, release, ~~our~~ - or transfer of personal information ~~existing contracts and financial instruments beyond~~

~~June 30~~ , ~~2023. While reasonable alternatives~~ **may result in outcomes such as: requirements** to **modify** ~~LIBOR have been introduced into markets, our~~ - **or** ~~transition from LIBOR~~ **cease certain operations or practices; the expenditure of substantial costs, time, and other resources; proceedings or actions against us; legal liability; governmental investigations; enforcement actions; claims; fines; judgments; awards; penalties; sanctions; and potentially costly litigation (including class actions). The theft, loss, or misuse of personal data collected, used, stored, or transferred by us** to ~~alternative reference rates~~ **run our business, including data stored with vendors or other third parties,** could result in ~~an~~ **significantly** ~~increase~~ **increased** ~~in~~ **business and security costs** ~~our~~ - **or** ~~interest~~ **costs related to defending legal claims. Costs to comply with and implement privacy- related and data- protection measures are significant, and noncompliance could** ~~expense~~ **expose** ~~and /~~ **us to significant monetary penalties, damage to** ~~or~~ **our** ~~a reduction in~~ **reputation, suspension of online services** ~~our~~ - **or** ~~interest income~~ **sites in certain countries, and even criminal sanctions. Even our inadvertent failure to comply with federal, state, or international privacy- related or data- protection laws and regulations could result in audits, regulatory inquiries, or proceedings against us by governmental entities or other third parties** . We are subject to **IP** risks **, including** related ~~to~~ **litigation and regulatory proceedings. We cannot always protect our IP or enforce our IP rights. We regard our patents, copyrights,** trade ~~policies~~ **secrets,and** other IP rights as important to the success of our business.We rely on IP law — as well as confidentiality and licensing agreements with our customers,employees,technology development partners,and others — to protect our IP and IP rights.Our ability to enforce these rights is subject to general litigation risks,as well as uncertainty as to the enforceability of our IP rights in various countries **and other geopolitical factors** .We are not always able to obtain protection for our IP or enforce or protect our IP rights ~~.Enforcement is costly and time-consuming and can divert management attention~~ .When we seek to enforce our rights,we may be subject to claims that our IP rights are invalid, **not enforceable,or licensed to** ~~and~~ - **an opposing party. Our assertion of IP rights may result in another party seeking to assert claims against us, which could harm our business. From time to time, governments adopt** regulations **— and governments or courts render decisions — requiring compulsory licensing of IP rights, or governments require products to meet standards that favor local companies** . **Our inability to enforce our IP rights under any of these circumstances can harm our competitive position and business. In some cases, our IP rights can offer inadequate protection for our innovations. In addition, the theft or unauthorized use or publication of our** ~~Trade~~ **trade** ~~policies~~ **secrets** and ~~disputes~~ **other confidential business information could harm our competitive position and reduce acceptance of our products; as a result, the value of our investment in R & D, product development, and marketing could be reduced. This risk is heightened as competitors for technical talent increasingly seek to hire our employees. Our licenses with other companies and participation in industry initiatives** at times **allow** competitors to use some of our patent rights.Technology companies often bilaterally license patents between each other to settle disputes or as part of business agreements.Some of our competitors have in the past had,and may in the future have,licenses to some of our patents,and under current case law,some of the licenses can exhaust our patent rights as to licensed product sales under some circumstances.Our participation in industry standards organizations or with other industry initiatives at times requires us to offer to license our patents to companies that adopt industry- standard specifications.Depending on the rules of the organization,government regulations,or court decisions,we sometimes have to grant licenses to some of our patents for little or no cost,and as a ~~result~~ result ~~in increased tariffs~~ , trade barriers, and other protectionist measures...... controls imposed on short notice, and we may be unable to ~~quickly~~ **enforce certain patents against others, and the value of our IP rights may be impaired. Third parties assert claims based on IP rights against us and our products, which could harm our business. We face claims based on IP rights from individuals, companies, investment litigation entities, other non- practicing entities, academic and research institutions, and other parties. We have seen** ~~and~~ - **an increase in patent assertions and lawsuits initiated by well- funded non- practicing entities,including entities funded by third- party investment firms.These lawsuits can increase our cost of doing business,impact our reputation or relationship with customers,and could disrupt our operations if they succeed in blocking the trade of our products.The patent litigation environment has also become more challenging due to the emergence of venues adopting procedural and substantive rules that make them** more favorable for patent asserters **and courts in which** ~~,including the availability of injunctive~~ **injunctions** ~~relief~~ **are available** for non- **competitors** ~~practicing entities,and the US Patent and Trademark Office' s reduction of inter partes patent review under the America Invents Act~~ .As a result,we believe we are facing a more hostile IP litigation environment **than in past years** .We are typically engaged in a number of disputes involving IP rights.Claims that our products,technologies,or processes infringe the IP rights of others,regardless of their merits,cause us to incur large costs to respond to,defend,and resolve the claims,and they divert the efforts and attention of our management and technical personnel from our business and operations.In addition,we may face claims based on the alleged theft or unauthorized use or disclosure of third- party trade secrets,confidential information,or end-user data that we obtain in conducting our business.Any such incidents and claims could severely disrupt our business,and we could suffer losses,including the cost of product recalls and returns,and reputational harm.Furthermore, **in many instances** we ~~have agreed~~ - **agree** to indemnify customers for certain IP rights claims against them.IP rights claims against our customers could also limit demand for our products or disrupt our customers' businesses,which could in turn adversely affect our results of operations. **Risk Factors and Other Key Information57** As a result of IP rights claims,we could:▪ pay monetary damages,payments to satisfy indemnification obligations,royalties,fines,or penalties;▪ stop manufacturing,using,selling,offering to sell,or importing products or technology subject to claims;▪ need to develop other products or technology not subject to claims,which could be time- consuming or costly;and / or ▪ enter into settlement or license agreements,which may not be available on commercially reasonable terms and may be costly.These IP rights claims could harm our competitive position,result in expenses,or require us to impair our assets.If we alter or stop production of affected items,our revenue could be harmed.We rely on access to third- party IP,which may not be available to us on commercially reasonable terms ~~or~~ **,if** at all.Many of our products are designed to include third- party technology or implement industry standards,which may require licenses from third parties.In addition,from time to time,third parties notify us that they believe we are using their IP.There is no assurance that **any** necessary **licenses or our existing** licenses to such third- party IP can be obtained ~~on commercially reasonable terms or at all,or that our~~ - **or are** ~~existing licenses to third- party IP will continue to be~~ available on commercially reasonable terms or at all.Failure to obtain the right to use third- party technology,or to license IP on commercially reasonable terms,could preclude us from selling certain products or otherwise have a material adverse impact on our financial condition and operating results.To the extent our products include software that contains or is derived from open- source software,we may be required to make the software' s source code publicly available and / or license the software under open- source licensing terms.We are subject to risks associated with litigation and regulatory matters.From time to time,we face legal claims or regulatory matters involving stockholder,consumer,competition,commercial,IP,labor and employment,compliance,and other issues ~~on a global basis~~ .As described in" Note 19:Commitments and Contingencies" within the Notes to Consolidated Financial Statements,we are engaged in a number of litigation and regulatory matters.Litigation and regulatory proceedings are inherently uncertain,and adverse rulings,excessive verdicts,or other events could occur,including monetary damages,fines,penalties,or injunctions stopping us from manufacturing or selling certain products,engaging in certain business practices,or requiring other remedies,such as compulsory licensing of patents.An unfavorable outcome can result in a material adverse impact on our business,financial condition,and results of operations.Regardless of the outcome,litigation and regulatory proceedings can be costly,time-consuming,disruptive to our operations,harmful to our reputation,and distracting to management. ~~Other Key Information64~~ We must attract,retain,and motivate key ~~employees~~ **talent** .We believe that hiring and retaining qualified executives,scientists,engineers,technical ~~staff~~ **talent** , ~~and~~ sales representatives **,and other professionals** are critical to our business.The competition for highly skilled employees in our industry is intense **,with the demand often exceeding supply** .Competitors for technical talent increasingly seek to hire our employees,and the ~~increased~~ availability of flexible,hybrid,or work- from- home arrangements has both intensified and expanded competition.In addition,changes in immigration policies may further limit the pool of available talent and impair our ability to recruit and hire technical and professional talent.From time to time,we have intensified our efforts to recruit and retain talent,such as during 2021 and **1H** ~~the first half of~~ 2022,and these efforts have increased our expenses.Further,we may not be successful in attracting,retaining,and motivating the workforce necessary to deliver on our strategy,and we have been required to curtail our planned hiring ~~or~~ **and** reduce our workforce to respond to business conditions that differ from our expectations,which can be disruptive,compromise our ability to deliver on our strategy and workforce goals,and impact our ability to recruit in the future.Changes in employment- related laws applicable to our workforce practices may also result in increased expenses and less flexibility in how we meet our changing workforce needs.To help attract,retain,and motivate qualified employees,we use share- based awards,such as RSUs,and performance- based cash incentive awards.Sustained declines in our stock price ~~,~~ or lower stock price performance relative to **our** competitors have been reducing the retention value of our share- based awards,which can impact the competitiveness of our compensation.Our employee hiring and retention also depend on our ability to build and maintain a diverse and inclusive workplace culture and be viewed as an employer of choice.To the extent our compensation programs and workplace culture are not viewed as competitive,or changes in our workforce and related restructuring,reduction- in- force or other initiatives are not viewed favorably,our ability to attract,retain,and motivate employees can be weakened,which could harm our results of operations.In addition,significant or prolonged turnover may negatively impact our operations and culture,as well as our ability to successfully maintain our processes and procedures,including due to the loss of historical,technical,and other expertise.Changes in our management team ~~can also disrupt our business.For example,we appointed a new CFO in January 2022~~ and **any** ~~made several other changes to our senior leadership during the past year.The~~ failure to successfully transition and assimilate key ~~employees~~ **talent** could **disrupt our business and** adversely affect our results of operations.To the extent we do not ~~effectively hire,onboard,retain,and motivate key employees,our business can be harmed.We are subject to risks associated with our strategic transactions.Our acquisitions,divestitures~~ effectively ~~react to~~ **hire, onboard, retain, and motivate key employees,** ~~or~~ **our** ~~mitigate such actions~~ **business can be harmed** . ~~Trade~~ **We are subject to risks associated with our strategic transactions and investments.We routinely evaluate** opportunities and enter into agreements for possible acquisitions,divestitures,and other strategic transactions, **which are an important component** ~~including novel transactions such as our 2022 joint investment with Brookfield in the manufacturing expansion~~ of our **financial allocation strategy** ~~Ocotillo campus,and the divestiture of our NAND memory business~~ .These transactions involve numerous risks,including:▪ our inability to identify opportunities in a timely manner or on terms acceptable to us;▪ failure of the transaction to advance our business strategy and failure of its anticipated benefits to materialize;▪ disruption of our ongoing operations and diversion of our management' s attention;▪ failure of partners to satisfy financial or other obligations on which we rely;▪ our inability to exercise sole decision- making authority regarding a project,property,or entity;▪ failure to complete a transaction in a timely manner, ~~if~~ **or** at all,due to our inability to obtain required government or other approvals ~~at all~~ **on a timely basis** or without materially burdensome conditions ~~,~~ **or** mandated acquisitions,divestitures,or disposals,IP disputes ~~and protectionist measures~~ **or other litigation** , **difficulty in obtaining financing on terms acceptable to us, or other unforeseen factors; Risk Factors and Other Key Information58 ▪** ~~or~~ **our** ~~continued uncertainty about such matters~~ **failure to realize a satisfactory return on our investment** , ~~could or other litigation,difficulty in obtaining financing on terms acceptable to us,or other unforeseen factors;▪ our failure to realize a satisfactory return on our investment,~~ potentially resulting in an impairment of goodwill and other assets,and restructuring charges;▪ our inability to effectively enter new market segments through our strategic transactions or retain customers and partners of acquired businesses;▪ our inability to retain key personnel of acquired or majority- owned businesses or our difficulty in integrating **or separating** employees,business systems,and technology or otherwise operating the acquired **or majority-owned** business;▪ controls,processes,and procedures of acquired or majority- owned businesses that do not adequately ensure compliance with laws and regulations **and create complexity and inconsistency in application of controls,processes and procedures** ,and our failure to identify **and / or address** compliance issues **,including accounting errors,** or liabilities;▪ our inability to resolve impasses or disputes with partners, **including as a** result **of differences** in ~~declining consumer confidence and slowing economic growth or~~ **our interests** ~~recession, and could cause our~~ - **or goals; ▪** ~~customers to reduce, cancel, or~~ **our** ~~alter the timing~~ **failure to identify, or our underestimation** of **, commitments, liabilities, accounting and** ~~their~~ - **other** ~~purchases~~ **risks associated** with **acquired businesses or assets** ~~us. Sustained geopolitical tensions could lead to long- term changes in global trade and technology supply chains~~ , **majority- owned businesses or novel transactions;** and ~~decoupling~~ **▪ the potential for our transactions to result in dilutive issuances** of ~~global trade networks, which~~ **our equity securities or significant additional debt. Any of these risks** could have a material adverse effect on our business **, results of operations, financial condition, or cash flows, particularly in the case of a large acquisition, divestiture or partial divestiture, or several concurrent strategic transactions. Moreover, our resources are limited** and ~~growth~~ **our decision to pursue a transaction has opportunity costs; accordingly, if we pursue a particular transaction, we at times need to forgo the** ~~prospects~~ - **prospect of entering into other transactions or otherwise investing our resources in a manner that could help us achieve our financial or strategic objectives** . ~~consolidation among cloud service providers~~ ,can heighten the competitive importance of factors such as collaboration and customization with cloud service provider customers to optimize products for their environments;optimization for cloud services and applications;product performance;energy efficiency;feature differentiation;product quality,reliability,and factors affecting server uptime;and product security and security features.Our competitive position can be eroded to the extent we do not execute effectively across these factors.We are operating in an increasingly competitive environment,including serving cloud service provider customers,and the competitive environment adversely affected our results in DCAI in ~~2023 and~~ 2022.Some cloud service provider customers have also internally developed,and may continue to develop,their own semiconductors,including designs customized for their specific computing workloads.In addition,cloud services can be marketed to end users based on service levels or features rather than hardware specifications,or they can abstract hardware under layers of software,which can make it more difficult to differentiate our products to customers and end users.The shift of data center workloads to the cloud has also adversely affected,and may continue to affect,sales to enterprise **and government market segment** customers when end users have elected to migrate workloads ~~from~~ **.To** ~~their~~ -- **the** ~~own~~ **extent we differentiate** Laws and regulations can have a negative impact on our business. We are subject to **complex and evolving** laws and regulations worldwide that differ among jurisdictions ~~,~~ **and** ~~affecting~~ --- **affect** our operations in areas including, but not limited to: IP ownership and infringement; tax; import and export requirements; anti- corruption; foreign exchange controls and cash repatriation restrictions; data privacy and localization requirements; competition; advertising; employment and labor; product regulations; environment, health, and safety requirements; and consumer laws. Compliance with such requirements can be onerous and expensive and may otherwise impact our business operations negatively. For example, unfavorable developments with evolving laws and regulations worldwide related to 5G or autonomous driving technology and MaaS may limit global adoption, impede our strategy, or negatively impact our long- term expectations for our investments in these areas. Expanding privacy legislation and compliance costs of privacy- related and data- protection measures could adversely affect our customers and their products and services, particularly in cloud, Internet of Things, and AI applications, which could in turn reduce demand for our products used for those workloads. Our policies, controls, and procedures designed to help provide for compliance with applicable laws cannot provide assurance that our employees, contractors, suppliers, or agents will not violate such laws or our policies. Violations of these laws and regulations can result in fines; criminal sanctions against us, our officers, or our employees; prohibitions on the conduct of our business; and damage to our reputation. The technology industry is subject to intense media, political, and regulatory scrutiny, which can increase our exposure to government investigations, legal actions, and penalties. We are affected by fluctuations in currency exchange rates. We are exposed to adverse as well as beneficial movements in currency exchange rates. Although most of our sales occur in US dollars, expenses may be paid in local currencies. An increase in the value of the dollar can increase the real cost to our customers of our products in those markets outside the US where we sell in dollars, and a weakened dollar can increase the cost of expenses such as payroll, utilities, tax, and marketing expenses, as well as ~~overseas~~ **non- US dollar** capital expenditures. We also conduct certain investing and financing activities in local currencies. Our hedging programs may not be effective to offset any, or more than a portion, of the adverse impact of currency exchange rate movements; therefore, changes in exchange rates can harm our results of operations and financial condition. Changes in our effective tax rate may impact our net income. A number of factors can impact our **future** effective tax rate **or cash payments** , which could ~~reduce~~ **cause significant variability in** ~~or~~ **our financial results** ~~increase our net income,~~ including: ~~•~~ **▪** changes in the volume and mix of profits earned and location of assets across jurisdictions with varying tax rates; ~~•~~ **▪ changes in our business or legal entity operating model; ▪** the resolution of issues arising from tax audits, including payment of interest and penalties; ~~•~~ **▪** changes in the valuation of our deferred tax assets and liabilities, and in deferred tax valuation allowances; ~~•~~ **▪** adjustments to ~~income~~ **estimated** taxes upon finalization of tax returns; ~~•~~ **▪** increases in expenses not deductible for tax purposes, including impairments of goodwill; ~~•~~ **▪** changes in available tax credits **, including non- US tax credits, R & D credits and refundable tax credits** ; ~~•~~ **▪ expirations or** changes in our ability to secure new ~~, or renew existing,~~ tax holidays and incentives; ~~•~~ **▪** changes in US federal, state, or foreign tax laws or their interpretation, including ~~changes in the US to the taxation of manufacturing enterprises and of non- US income and expenses, and changes resulting from the adoption by countries of the Organization for Economic Co- operation and Development recommendations or other~~ -- **the** ~~legislative actions~~ **global implementation of a minimum tax under Pillar Two of the OECD BEPS initiative** ; ~~Other Key Information61~~ ▪ changes in ~~accounting standards~~ **US GAAP** ; and ▪ our decision to repatriate non- US earnings for which we have not previously provided for **incremental taxes including any** local country withholding taxes incurred upon repatriation. Catastrophic events can have a material adverse effect on our operations and financial results. Our operations and business, and those of our customers and suppliers, can be disrupted by natural disasters; industrial accidents; public health issues **and global pandemics such as COVID 19** ; cybersecurity incidents; interruptions of service from utilities, transportation **restrictions or disruptions** , telecommunications, or IT systems providers; manufacturing equipment failures; **geopolitical conflict; terrorism;** or other catastrophic events. For example, we have at times experienced disruptions in our manufacturing processes as a result of power outages, improperly functioning equipment, and disruptions in supply of raw materials or components, including ~~due to~~ cybersecurity incidents affecting our suppliers. Our headquarters and many of our operations and facilities are in locations that are prone to earthquakes and other natural disasters. Global climate change can result in certain natural disasters occurring more frequently or with greater intensity, such as drought, wildfires, storms, sea- level rise, and flooding, and could disrupt the availability of water necessary for the operation of our fabrication facilities, including our facilities located in water- sensitive regions such as Arizona and Israel. In addition, to the extent we are unable to successfully manage and conserve water resources, our reputation could be harmed. In recent years, the west coast of the US has experienced significant wildfires, including in Oregon, where we have major manufacturing facilities, and in California, where we are headquartered. The long- term effects of climate change on the global economy and the technology industry in particular are unclear but could be severe. **Risk Factors and Other Key Information61** Catastrophic events **including global pandemics** could make it difficult or impossible to manufacture or deliver products to our customers, receive production materials from our suppliers, or perform critical functions, which could adversely affect our revenue and require significant recovery time and expenditures to resume operations **. The COVID- 19 pandemic previously resulted in substantial economic uncertainty and volatility and disrupted historical patterns related to demand for our products and services that may impact our ability to accurately predict future demand, trends, or other matters that may impact our financial performance** . While we maintain business recovery plans, some of our systems are not fully redundant and we cannot be sure that our plans will fully protect us from such disruptions. Furthermore, even if our operations are unaffected or recover quickly, if our customers or suppliers cannot timely resume their own operations due to a catastrophic event, we may experience reduced or cancelled orders or disruptions to our supply chain that may adversely affect our results of operations. We ~~maintain a program of insurance coverage for a variety of property, casualty, and other risks. The types and amounts of insurance we obtain vary depending on availability, cost, and decisions with respect to risk retention. Some of our policies have large deductibles and broad exclusions. In addition, one or more of our insurance providers may be unable or unwilling to pay a claim. Losses not covered by insurance may be large, which could harm our results of operations and financial condition. Damage to our reputation can damage our business. Our reputation is a critical factor in our relationships with customers, employees, governments, suppliers, and other stakeholders. Our failure to address, or the appearance of our failure to address, issues that give rise to reputational risk, including those described throughout these risk factors, could significantly harm our reputation and our brands. Our reputation can be impacted by catastrophic events; incidents involving unethical behavior or misconduct; product quality, security, or safety issues; allegations of legal noncompliance; internal control failures; corporate responsibility and governance issues; data breaches; workplace safety incidents; environmental incidents; our response to climate change, including our greenhouse gas emission levels; the use of our products for illegal or objectionable applications, including AI and machine learning applications that present ethical, regulatory, or other issues; marketing practices; media statements; the conduct of our suppliers or representatives; and other issues, incidents, or statements that, whether actual or perceived, result in adverse publicity. To the extent we fail to respond quickly and effectively to address corporate crises, the ensuing negative public reaction could significantly harm our reputation and our brands and could lead to increases in litigation claims and asserted damages or subject us to regulatory actions or restrictions. Damage to our reputation could reduce demand for our products and adversely affect our business and operating environment. It could reduce investor confidence in us, adversely affecting our stock price. It may also limit our ability to be seen as an employer of choice when competing for highly skilled employees. Moreover, repairing our reputation and brands may be difficult, time-consuming, and expensive. We~~ are subject to ~~cybersecurity and privacy~~ risks ~~. We face risks related to cybersecurity threats~~ **associated with environmental, health, safety,** and ~~incidents~~ **product regulations** . ~~We regularly face attempts~~ **The design, manufacturing, assembly and test of our products require the use and purchase of materials and chemicals that are subject to a broad array of environmental, health, and safety laws and regulations. Our operations and those of our suppliers are further governed** by **regulations prohibiting** ~~others to gain unauthorized access through~~ the ~~Internet, or to introduce malicious software, to our IT systems. Individuals or organizations, including malicious hackers, state- sponsored organizations, insider threats including employees and third- party service providers, or intruders into our physical facilities, at times attempt to gain unauthorized access and / or corrupt the processes used to design and manufacture our hardware products and our associated software and services. Due to the widespread~~ use of ~~our products~~ **forced labor (e. g.** , **mining conflict minerals)** ~~we are a frequent target of computer hackers and organizations that intend to sabotage~~ , **and restrictions on** ~~compromise, take control of, or otherwise corrupt our manufacturing or~~ other **materials** ~~processes, products, and services. We are also a target of malicious attackers who attempt to gain access to our network or data centers or those of our suppliers, customers, partners, or end users; steal proprietary information related to our business, products, employees, suppliers, and customers; interrupt our systems and services or those of our suppliers, customers, or others; or demand ransom to return control of such systems and services. Such attempts are increasing in number and in technical sophistication, and if successful, expose us and the affected parties to risk of loss or misuse of proprietary or confidential information or disruptions of our business operations, including our manufacturing operations. Our IT infrastructure also includes products and services provided by third parties, and these providers can experience breaches of their systems and products, or provide inadequate updates or support, which can impact the security of our systems and our proprietary or confidential information. In addition, we are a global company with operations and employees around the world. We face risks related to the use or misuse, inadvertent or otherwise, of our IT systems by employees, vendors, and other individuals with access to our systems. Other Key Information62 From time to time, we encounter intrusions or unauthorized access to our network, products, services, or infrastructure~~ , as well as **laws or regulations governing** ~~those~~ -- **the operation** of **our facilities, sale and distribution of our products, and use of our real property. The scope and interpretation of such laws and regulations, including the materials they govern, are complex**

**and continue to evolve. The procedures and processes in place under our compliance program may become onerous or increasingly expensive to maintain and cannot guarantee compliance by employees or** third parties **to** ~~who~~ **whom such laws apply** ~~provide products and services to us. For example, in the fourth quarter of 2020, our Habana Labs subsidiary' s network was breached, resulting in unauthorized third- party access of certain confidential information, in connection with a suspected unsuccessful ransomware attack~~ . The **amendment** ~~breach was confined to our~~ - **or expansion** ~~subsidiary' s network and has not had a material impact on Habana Labs' business. We are also subject to risks associated with attacks involving our supply chain, such as the compromise~~ of ~~IT infrastructure management software provided by SolarWinds Corporation, reported in the fourth quarter of 2020. During 2021, we have observed an increase in ransomware attacks in our supply chain. In December 2021, a vulnerability named " Log4Shell " was reported for the widely used Java logging library, Apache Log4j 2. We reviewed the use of this library within our software product portfolio and in our IT environment, but the steps we have taken to mitigate the vulnerability may not be sufficient to mitigate all related risks. To date, cybersecurity incidents have not resulted in a material adverse impact to our business or operations, but there~~ **these laws** ~~can be no guarantee we will not experience such an impact. Such incidents, whether or not successful, could result in our~~ - **or** ~~incurring significant costs related to, for example, rebuilding internal systems, writing down inventory value, implementing additional threat protection measures, providing modifications to our products and services, defending against litigation, responding to regulatory inquiries or actions, paying damages, providing customers with incentives to maintain the business relationship~~ --- **regulations** ~~, or taking other remedial steps with respect to third parties~~ , as well as ~~reputational harm. In addition, these threats are constantly evolving, thereby increasing the difficulty of successfully defending against them or~~ **our failure** ~~implementing adequate preventative measures. As a result of the COVID- 19 pandemic, remote work and remote access to our~~ - **or** ~~systems has increased significantly, which also increases our cybersecurity attack surface. We have also seen an increase in cyberattack volume, frequency, and sophistication driven by the global enablement of remote workforces. We seek to detect and investigate unauthorized attempts and attacks against our network, products, and services, and to prevent their recurrence where practicable through changes or updates to our internal processes and tools and changes or updates to our products and services; however, we remain potentially vulnerable to additional known or unknown threats. In some instances, we, our suppliers, our customers, and the users of our products and services can be unaware of an incident or its magnitude and effects. There is increasing regulation regarding responses to cybersecurity incidents, including reporting to regulators, which could subject us to additional liability~~ - **inability** ~~and reputational harm. Theft, loss, or misuse of personal data about our employees, customers, or other third parties could increase our expenses, damage our reputation, or result in legal or regulatory proceedings. The theft, loss, or misuse of personal data collected, used, stored, or transferred by us to run our business, including data stored with vendors or other third parties, could result in significantly increased business and security costs or costs related to defending legal claims. We anticipate that our collection of such personal data will increase as we enter into the MaaS market in our Mobileye business, and it may increase as we enter into other new or adjacent businesses. Global privacy legislation, enforcement, and policy activity in this area are rapidly expanding and creating a complex regulatory compliance environment. Costs~~ to comply with and implement these privacy- related and...... adopting procedural and substantive rules that make them **(** more favorable for patent asserters, including...... resolve impasses or disputes with partners, including as a result of ~~differences~~ **acquired entities) can result** in ~~our interests or goals~~ **regulatory penalties, fines, and legal liabilities** ; **increased** ~~• our failure to identify, or our underestimation of, commitments, liabilities, and other risks associated with acquired businesses or assets, majority- owned businesses or novel transactions; and • the potential for our transactions to result in dilutive issuances of our equity securities or significant additional debt. Any of these risks could have a material adverse effect on our business, results of operations, financial condition, or cash flows, particularly in the case of a large acquisition, divestiture or partial divestiture or several concurrent strategic transactions. Moreover, our resources are limited and our decision to pursue a transaction has opportunity~~ costs; ~~accordingly~~ **additional remediation obligations; suspension of production; alteration** , ~~if ,~~ suspension,or termination of our manufacturing and assembly and test processes,including due to an inability to find,afford,or attain adequate substitute materials,equipment,or processes;damage to our reputation;and restrictions on our operations or sales.In addition,the failure or inability to comply by our suppliers of these materials can require us to suspend or alter our production processes and sources,and result in increased risks and costs.The failure or inability by us or our customers and suppliers to manage the use,transportation,emissions,discharge,storage,recycling,or disposal of hazardous materials can lead to increased costs or future liabilities.Environmental regulations, ~~such as air quality~~ **including with respect to the materials** and **processes** ~~wastewater requirements~~ we ~~pursue~~ **are permitted to use and as to air quality and wastewater requirements, may impede our ability to manufacture products or expand or modify our manufacturing capability in the future. Environmental laws and regulations sometimes require us to acquire additional pollution abatement or remediation equipment, modify product designs, cease the use of** a particular ~~transaction~~ **material or process** , **remove or remediate hazardous substances, or incur** ~~we at times need to forgo the prospect of entering into~~ other **expenses** ~~transactions or otherwise investing our~~ - **or** ~~resources~~ **liabilities. Regulations** in ~~a manner that~~ **response to climate change** could help us achieve our financial or strategic...... on our business relationships, operating results - **result in increased manufacturing** ~~, or business due to the announcement and pendency of such transactions; and continued financial obligations, unanticipated liabilities, or transition~~ costs associated with **air pollution requirements. For example, semiconductor manufacturing uses perfluorocarbons, which have historically made up a large portion of our direct greenhouse gas emissions. New or increased regulations limiting the use of** such ~~transactions~~ **compounds, or other greenhouse gas emissions, could require us to install additional abatement equipment, purchase carbon offsets, and / or alter, where feasible, our production processes and sources** . In ~~some~~ **addition, new or increased climate change regulation could increase our energy costs, for example as a result of carbon pricing impacts on electrical utilities. Regulations in response to human health concerns may also limit or prohibit the use of a** ~~cases~~ - **class of chemicals known as per- and polyfluoroalkyl substances (PFAS)** , **which are found in parts, components, process**

**chemicals and other materials used in semiconductor manufacturing. Such chemicals are critical to the manufacturing and functioning of many semiconductor products and there are limited technically and commercially feasible alternatives to them. As we expand our manufacturing capacity as part of our IDM 2. 0 strategy, the impacts of future regulation could be magnified. Many new materials that** we are **evaluating for use** ~~that may influence how they assess,invest~~ in ~~,~~ **our operations are also subject to regulation under environmental laws and regulations.These restrictions could harm our business and results of operations by increasing our expenses** or ~~utilize other businesses~~ **requiring us to alter manufacturing and assembly and test processes** . ~~If we fail~~ **Our initiatives and new legal requirements with respect** to ~~set or achieve~~ corporate responsibility **matters present various risks** ~~initiatives that meet our stakeholders' expectations,that could negatively impact us~~ .Our corporate responsibility initiatives,including our ~~2030~~ RISE strategy and related goals,could ~~also~~ expose us to heightened scrutiny and numerous financial,legal,reputational,operational,compliance **,** and other risks,including lost customer opportunities, ~~that~~ **which** could negatively impact us.Our achievement of initiatives,aspirations,and goals related to corporate responsibility matters,including those related to sustainability,is ~~not guaranteed and is subject to numerous conditions,risks,and expectations;standards,processes,and methodologies~~ not **guaranteed** ~~able to divest investments on acceptable terms or at all. We invest in public~~ and private companies and do not always realize...... a private company, if any, is **subject to numerous conditions** ~~typically dependent on the company participating in a liquidity event~~ , ~~such as a public offering or acquisition. To the extent any of the companies in which we invest are not successful, which at times includes bankruptcy, we could recognize an impairment and / or lose all or part of our investment. We face~~ risks ~~related to our debt obligations. Our debt obligations could adversely affect our business and financial condition~~ , ~~including our ability to implement our strategy. We currently have $ 39. 3 billion in aggregate principal amount of senior unsecured notes outstanding. In addition, we have a commercial paper program of up to $ 10. 0 billion~~ and **expectations;** ~~credit facilities to backstop these programs and otherwise provide access to committed capital of up to $ 10. 0 billion. From time to time, we may incur additional indebtedness, refinance our existing debt, and issue additional notes or other debt securities in the future at a variety of interest rates, maturities, and terms. The semiconductor industry is a cyclical business and our revenue, cash flows, and outlook often fluctuate in accordance with this cycle,~~ as well as **standards** ~~prevailing macroeconomic conditions~~ , **processes, and methodologies that continue to evolve. Further, any failure to set** ~~our~~ - **or** ~~business strategy~~ **achieve corporate responsibility initiatives that meet our stakeholders' evolving expectations could also negatively impact us. In addition** , **we are or expect to become subject to various new or proposed climate- related** and other ~~risks described in~~ **sustainability laws and regulations, including, for example,** ~~these~~ -- **the** ~~risk factors. These fluctuations~~ **state of California' s new climate change disclosure requirements** , ~~together~~ **the EU' s new Corporate Sustainability Reporting Directive and proposed climate- change disclosure requirements from the SEC. Compliance** with **such laws** ~~our debt level~~ and **regulations** ~~related debt service obligations, could have the effect of, among other things, reducing our flexibility to respond to changing business and economic conditions and increasing the risk of a future downgrade in our credit ratings that can potentially impact the value of our outstanding debt and increase our borrowing costs. We may also be required to raise additional financing for working capital, capital expenditures, debt service obligations, debt refinancing, future acquisitions, or other general corporate purposes, which will depend on, among other factors, our financial position and performance~~ , as well as ~~prevailing market conditions~~ **the overall increased focus and scrutiny from the SEC** and other **regulators** ~~factors beyond our control. Consequently~~ , ~~we may not be able to obtain~~ **investors, customers, vendors, employees, and other stakeholders concerning ESG and climate matters, could impose** additional **costs** ~~financing or refinancing~~ on ~~terms acceptable to~~ us ~~, or at all, which could adversely impact our ability to service to repay, outstanding indebtedness as it becomes due~~ and **expose us** ~~could adversely impact our business, financial condition, and the cost of borrowing. We are subject~~ to **new** ~~sales- related~~ risks ~~. We face risks related~~ **, including resulting in changes** to ~~sales through distributors~~ **our current ESG goals. Risk Factors** and ~~other~~ **Other** ~~third parties.~~ **Key Information62 Sales and Marketing Customers** We sell ~~a significant portion of~~ our products **primarily** ~~through third parties, such as distributors, value- added resellers, and channel partners (collectively referred~~ to ~~as distributors), as well as~~ OEMs ~~and~~ **,** ODMs ~~. We depend on many distributors to help us create end- customer demand~~ , provide technical support and other value- ...... are resold by third parties in an **and** unauthorized" gray market." Our...... purchasing power of certain customers, particularly cloud service providers ~~, in some of our data center- focused businesses~~ . ~~The cloud~~ **ODMs provide design** and **manufacturing services to branded** ~~cloud applications represent a new~~ and ~~increasingly demanding computing environment~~ **unbranded private- label resellers** . **In addition, our customers include** ~~The further consolidation of computing workloads in the~~ **other manufacturers** ~~cloud,~~ and ~~consolidation among~~ **service providers, such as industrial and communication equipment manufacturers and other** cloud service providers **who buy** , can heighten the competitive importance of...... workloads. To the extent we differentiate our products through **distributor** ~~customization to meet cloud customer specifications~~ , ~~order~~ **reseller, retail, and OEM** ~~changes~~ **channels throughout** ~~, delays, or cancellations may result in non- recoverable costs. The loss of key customers, a substantial reduction in sales to them~~ - **the world** ~~, or changes in the timing of their orders can lead to a reduction in our revenue, increase the volatility of our results, and harm our results of operations and financial condition~~ . For ~~more~~ information **on** ~~about our customers, including~~ customers who accounted for greater than 10 % of our net consolidated revenue, see" Note 3: Operating Segments" within the Notes to Consolidated Financial Statements. ~~We face risks related to transactions with government entities. We receive proceeds~~ **Our worldwide reseller sales channel consists of thousands of indirect customers — systems builders that purchase Intel processors and other products** from ~~domestic and foreign, local, regional, and national governments associated with grants, incentives, and sales of~~ our **distributors. Certain of our microprocessors and other** products ~~and services~~ **are also available in direct retail outlets** . ~~Government demand~~ **Sales Arrangements Our products are sold through distribution channels throughout the world. Sales of our products are frequently made via purchase order acknowledgments that contain standard terms** and **conditions covering matters such**

**as pricing,** payment **terms** ~~are often affected by public sector budgetary cycles and funding authorizations~~ , ~~including, with respect to US government contracts, congressional approval of appropriations. Government contracts are subject to procurement laws~~ and **warranties** ~~regulations relating to the award, administration, and performance of those contracts~~ , as well as **indemnities** ~~oversight and penalties~~ for ~~violations~~ **issues specific to our products, such as patent and copyright indemnities** . **Because our customers generally order from us on a purchase order basis, they can typically cancel, change,** ~~For~~ - **or** ~~example~~ **delay product purchase commitments with little or no notice to us and without penalty. From time to time** , ~~certain~~ **we may enter into additional** agreements with ~~the US government~~ **customers covering, for example, changes from our standard terms and conditions, new product development and marketing, and private- label branding. Our sales** are ~~subject~~ **routinely made using electronic and web- based processes that allow customers** to ~~special rules~~ **review inventory availability and track the progress of specific goods ordered. Pricing** on ~~accounting~~ **particular products may vary based on volumes ordered and other factors. We also offer discounts** , **rebates** ~~IP rights~~ , **and other incentives to** ~~expenses, reviews, information handling, security,~~ customers ~~, and /~~ **to increase acceptance of** ~~or~~ **our products** ~~employees,~~ and **technology. In accordance with contract terms, the revenue for combined performance obligations and standalone product sales is recognized at the time of product shipment from our facilities or delivery to the customer location, as determined by the agreed- upon shipping terms. Our standard terms and conditions of sale typically provide that payment is due at a later date, usually 30 days after shipment or delivery. We assess credit risk through quantitative and qualitative analysis. From this analysis, we establish shipping and credit limits and determine whether we will seek to use one or more credit support protection devices, such as obtaining a parent guarantee, standby letter of credit, or credit insurance. Credit losses may still be incurred due to bankruptcy, fraud, or other** failure **of the customer to pay. Our sales to distributors are typically made under agreements allowing** ~~or~~ **for** ~~inability to comply~~ **price protection on unsold merchandise and a right of return on stipulated quantities of unsold merchandise. Under the price protection program, we give distributors credits for the difference between the original price paid and the current price that we offer. Our products typically have no contractual limit on the amount of price protection, nor is there a limit on the time horizon under which price protection is granted. The right of return granted generally consists of a stock rotation program in which distributors can exchange certain products based on the number of qualified purchases made by the distributor. Distribution Distributors typically handle a wide variety of products, including those that compete** with ~~these rules could result in civil and criminal penalties and sanctions, including termination of contracts, fines, and suspension or~~ **our** ~~debarment from future business~~ **products, and fill orders for many customers. Customers may place orders directly** with ~~the US government~~ **us or through distributors** . We have ~~fluctuations~~ **several distribution warehouses that are located** in **proximity to key customers. Seasonal Trends Historically, our net revenue has typically been higher in the second half of the year than in the first half of the year, accelerating in the third quarter and peaking in the fourth quarter. In 2021, continued strong COVID- driven notebook demand in the first half of the year contributed to a flatter trend than we historically observe. In 2022, we had a flatter trend than we historically observe as we experienced the uncertainty and impacts, including demand volatility and supply chain disruption, of macroeconomic conditions, the potential for a recession, and the risk for continued COVID- related disruptions** ~~our~~ - **or** ~~stock~~ **shutdowns. In 2023, our net revenue seasonality was more consistent with our historical** ~~price~~ -- **pre- pandemic trend** ~~and the amount and frequency of our stock repurchases~~ . Our **global marketing objectives are to build** ~~stock price can experience periods of significant volatility. For example, in 2022, our stock price ranged from~~ a ~~closing high of $ 55. 91~~ **strong, well- known, differentiated, and meaningful Intel corporate brand that drives preference with businesses and consumers, and** to **offer** a ~~closing low~~ **limited number** of **meaningful and valuable brands** ~~$ 25. 04. Changes~~ in ~~stock price or~~ **our** ~~volume can~~ **portfolio to aid businesses and consumers in making informed choices about technology purchases. The Intel Core processor family and the Intel Atom, Celeron ®, Pentium ®, Intel ® Movidius ™, and Intel Xeon trademarks make up our key CPU brands. This year we introduced our new Intel ® Core ™ Ultra processors, powering the latest AI PCs, and our 5th Gen Intel Xeon processors, built with AI acceleration in every core. We** also ~~occur~~ **continue to bring to market new software services including independent attestation security with Intel ® Trust Authority, Intel ® Granulate ™** for **workload compute optimization** ~~the semiconductor industry more broadly~~ , and **Intel Developer Cloud** ~~may occur without regard~~ to ~~underlying company performance~~ **accelerate AI development** . ~~Changes in our stock price can be driven by~~ **Our foundry services business aims to offer leading- edge packaging and process technology, geographically balanced manufacturing capacity and** a ~~variety of~~ **world- class IP portfolio. Risk** ~~factors~~ **Factors** ~~within~~ **and Other Key Information63 We promote brand awareness and preference and generate demand through** ~~or~~ **our own direct marketing** ~~outside of our control, including the risks described above in these risk factors~~ , as well as **through co-** ~~: fluctuations in national and global markets~~ **marketing** ~~; fluctuations in our operating results~~ **programs. Our direct marketing activities primarily include advertising through digital** and ~~projections; announcements by us or our competitors; sentiment, speculation, valuation, analyses, or recommendations of stock analysts,~~ social media ~~,~~ and ~~the~~ **television, as well as consumer and trade events, industry and consumer communications, and** press ~~; our credit~~ **relations. We market to consumer and business audiences and focus on building awareness and** ~~rating~~ **generating demand** ~~; changes in holders of our stock; significant litigation or~~ **for** ~~regulatory actions;~~ **our products. Our key messaging focuses on increased performance, improved energy efficiency,** and other ~~periodic events~~ **capabilities such as connectivity** . **Certain customers participate in cooperative advertising and marketing programs. These cooperative advertising and marketing programs broaden the reach of our brands beyond the scope of our own direct marketing. Certain customers are licensed to place Intel ® logos on computing devices containing our microprocessors and processor technologies, and to use our brands in their marketing activities. The program partially reimburses customers for marketing activities for products featuring Intel brands, subject to customers meeting defined criteria. These marketing activities primarily include advertising through digital and social media and television, as well**

**as press relations. We have also entered into joint marketing arrangements with certain customers. Quantitative and Qualitative Disclosures About Market Risk** We are **affected by changes in currency exchange and interest rates, as well as equity and commodity prices. Our risk management programs are designed to reduce, but may** not **eliminate** ~~obligated to make repurchases under our stock repurchase program. The amount~~ , **the impacts** ~~timing, and execution~~ of ~~any~~ **these risks. All of the following potential changes** ~~share~~ - **are** ~~repurchases fluctuate~~ based on **sensitivity analyses performed on our financial positions as of December 30, 2023 and December 31, 2022. Actual results may differ materially. Currency Exchange Rates We are exposed to currency exchange risks of non- US- dollar- denominated investments in debt and equity instruments, and may economically hedge this risk with foreign currency contracts, such as currency forward contracts or currency interest rate swaps. Gains or losses on these non- US- currency investments are generally offset by corresponding losses or gains on the related hedging instruments. Substantially all of our revenue is transacted in US dollars. However, a portion of our operating expenditures and capital purchases are incurred in other currencies, primarily the Israeli shekel, the Malaysian ringgit, the European Union euro, the Japanese yen, and the Chinese yuan. We have established currency risk management programs to protect against currency exchange rate risks associated with non- US- dollar forecasted future cash flows and existing non- US- dollar monetary assets and liabilities. We may also hedge currency risk arising from funding of foreign currency- denominated future investments. We may utilize foreign currency contracts, such as currency forwards or option contracts in these hedging programs. We considered the historical trends in currency exchange rates and determined that it was reasonably possible that a weighted average adverse change of 10 % in currency exchange rates could be experienced in the near term. Such an adverse change, after taking into account balance sheet hedges only and offsetting recorded monetary asset and liability positions outstanding as of December 30, 2023 and December 31, 2022, would result in an adverse impact on income before taxes of less than $ 53 million and less than $ 64 million, respectively. Interest Rates We are exposed to interest rate risk related to our fixed- rate investment portfolio and outstanding debt. The primary objective of our investment policy is to preserve principal and provide financial flexibility to fund our business while maximizing yields, which generally track the SOFR. We generally enter into interest rate contracts to convert the returns on our fixed- rate debt investment with remaining maturities longer than six months into SOFR- based returns. We also entered into swaps to convert fixed- rate coupon payments into floating- rate coupon payments for a portion of our existing indebtedness. Gains or losses on these instruments are generally offset by corresponding losses or gains on the related hedging instruments. A hypothetical change in benchmark interest rates of 1 %, after taking into account investment hedges, would have resulted in a change in the fair value of our investment portfolio of less than $ 100 million as of December 30, 2023 and as of December 31, 2022. Taking into account fixed- rate debt that is swapped to floating- rate debt, a hypothetical increase in interest rates of 1 % would result in an increase in annual interest expense of approximately $ 120 million from debt outstanding as of December 30, 2023 (a hypothetical increase of 1 % would have resulted in an increase in annual interest expense of approximately $ 120 million from debt outstanding as of December 31, 2022). Equity Prices We are exposed to equity market risk through our investments in marketable equity securities, which we typically do not attempt to reduce or eliminate through hedging activities. As of December 30, 2023, the fair value of our marketable equity securities was $ 1. 2 billion ($ 1. 3 billion as of December 31, 2022). The substantial majority of our marketable equity securities portfolio as of December 30, 2023 was concentrated in securities traded on the Chinese Shanghai Stock Exchange Science and Technology Innovation Board. To determine reasonably possible decreases in the market value of our marketable equity securities, we have analyzed the historical market price sensitivity of our portfolio. Assuming a decline of 35 % in market prices, the aggregate value of our marketable equity securities could decrease by $ 418 million, based on the value as of December 30, 2023 (a decrease in value of $ 670 million, based on the value as of December 31, 2022 using an assumed decline of 50 %). Risk Factors and Other Key Information64 We utilize total return swaps to offset changes in liabilities related to the equity market risks of certain deferred compensation arrangements. Gains or losses from changes in fair value of these total return swaps are generally offset by the losses or gains on the related liabilities. Many of the same** factors that ~~include prioritizing cash for~~ **could result in an adverse movement of equity market prices affect our non- marketable equity investments, although we cannot always quantify the impacts directly. Financial markets are volatile, which could negatively affect the prospects of the companies we invest in,** ~~other~~ - **their** ~~purposes~~ **ability to raise additional capital** , **and the likelihood of our ability to realize value in our investments through liquidity events** such as ~~investing~~ **IPOs, mergers, and private sales. These types of investments involve a great deal of risk, and there can be no assurance that any specific company will grow or become successful; consequently, we could lose all or part of our investment. Our non- marketable equity securities had a carrying amount of $ 4. 6 billion as of December 30, 2023 ($ 4. 6 billion as of December 31, 2022) and include our investment** in **Beijing Unisoc Technology Ltd. of $ 1. 1 billion ($ 1. 1 billion as of December 31, 2022). Commodity Price Risk Although we operate facilities that consume commodities, we are not directly affected by commodity price risk to a material degree. We have established forecasted transaction risk management programs to protect against fluctuations in commodity prices. We may use commodity derivatives contracts, such as commodity swaps, in these hedging programs. In addition, we have sourcing plans in place that are designed to mitigate the risk of a potential supplier concentration for our key commodities. Cybersecurity We face significant and persistent cybersecurity risks due to: the breadth of geographies, networks, and systems we must defend against cybersecurity attacks; the complexity, technical sophistication, value, and widespread use of our systems, products and processes; the attractiveness of our systems, products and processes to threat actors (including state- sponsored organizations) seeking to inflict harm on us or our customers; the substantial level of harm that could occur to us and our customers were we to suffer impacts of a material cybersecurity incident; and our use of third- party products, services and components. We are committed to maintaining robust governance and oversight of these risks**

**and to implementing mechanisms, controls, technologies, and processes designed to help us assess, identify, and manage these risks. While we have not, as of the date of this Form 10- K, experienced a cybersecurity threat or incident that resulted in a material adverse impact to** our business **or** ~~, including operational~~ **operations** ~~spending~~ , **there can** ~~capital spending, and acquisitions, returning cash to our stockholders as dividend payments, and any regulatory restrictions. Our stock repurchase program may~~ be **no** ~~suspended or terminated at any time. Moreover, we cannot~~ guarantee that ~~repurchases~~ **we** will ~~enhance long- term stockholder~~ **not experience such an incident in the future. Such incidents, whether or not successful, could result in our incurring significant costs related to, for example, rebuilding our internal systems, writing down inventory** value **, implementing additional threat protection measures, providing modifications or replacements to our products and services, defending against litigation, responding to regulatory inquiries or actions, paying damages, providing customers with incentives to maintain a business relationship with us, or taking other remedial steps with respect to third parties, as well as incurring significant reputational harm. In addition, these threats are constantly evolving, thereby increasing the difficulty of successfully defending against them or implementing adequate preventative measures** . We ~~expect~~ **have seen an increase in cyberattack volume, frequency, and sophistication. We seek to detect and investigate unauthorized attempts and attacks against our network, products, and services, and to prevent their occurrence and recurrence where practicable through changes** ~~our~~ - **or updates** ~~future stock repurchases~~ to **our internal processes and tools and changes or updates to our products and services; however, we remain potentially vulnerable to known or unknown threats. In some instances, we, our suppliers, our customers, and the users of our products and services can** be ~~significantly below~~ **unaware of a threat** ~~our~~ - **or** ~~levels~~ **incident or its magnitude and effects. Further, there is increasing regulation regarding responses to cybersecurity incidents, including reporting to regulators, which could subject us to additional liability and reputational harm. See" Risk Factors" for more information on our cybersecurity risks and product vulnerability risks. We aim to incorporate industry best practices throughout our cybersecurity program. Our cybersecurity strategy focuses on implementing effective and efficient controls, technologies, and other processes to assess, identify, and manage material cybersecurity risks. Our cybersecurity program is designed to be aligned with applicable industry standards and is assessed annually by independent third- party auditors. We have processes in place to assess, identify, manage, and address material cybersecurity threats and incidents. These include, among other things: annual and ongoing security awareness training for employees; mechanisms to detect and monitor unusual network activity; and containment and incident response tools. We actively engage with industry groups for benchmarking and awareness of best practices. We monitor issues that are internally discovered or externally reported that may affect our products, and have processes to assess those issues for potential cybersecurity impact or risk. We also have a process in place to manage cybersecurity risks associated with third- party service providers. We impose security requirements upon our suppliers, including: maintaining an effective security management program; abiding by information handling and asset management requirements; and notifying us in the event of any known or suspected cyber incident. Our Board of Directors has ultimate oversight of cybersecurity risk, which it manages as part of our enterprise risk management program. That program is utilized in making decisions with respect to company priorities, resource allocations, and oversight structures. The Board of Directors is assisted by the Audit & Finance Committee, which regularly reviews our cybersecurity program with management and reports to the Board of Directors. Cybersecurity reviews by the Audit & Finance Committee or the Board of Directors generally occur at least twice annually, or more frequently as determined to be necessary or advisable. A number of Intel directors have experience in assessing and managing cybersecurity risk. Risk Factors and Other Key Information65 Our cybersecurity program is run by our Chief Information Security Officer (CISO), who reports to our Executive Vice President and Chief Technology Officer (CTO). Our CISO is informed about and monitors prevention, detection, mitigation, and remediation efforts through regular communication and reporting** from **professionals in** the ~~last few years.~~ **information security team, many of whom hold cybersecurity certifications such as a Certified Information Systems Security Professional** ~~For~~ - **or** ~~example~~ **Certified Information Security Manager** , **and through the use of technological tools and software and results from third party audits. Our CISO and CTO have extensive experience assessing and managing cybersecurity programs and cybersecurity risk. Our CISO has served** in **that position since 2015 and, before Intel, was previously the Chief Security Officer at McAfee and the Chief Information Officer and CISO for the US House of Representatives. Our CTO joined Intel in** ~~2022~~ **2021 and was previously Senior Vice President and CTO at VMware, with responsibility for product security. Our CISO and CTO regularly report directly to the Audit & Finance Committee or the Board of Directors on our cybersecurity program and efforts to prevent, detect, mitigate, and remediate issues. In addition** , we **have** ~~did not repurchase any~~ - **an** ~~shares under our authorized stock repurchase program~~ **escalation process in place to inform senior management and the Board of Directors of material issues** . Properties As of December ~~31~~ **30** , ~~2022~~ **2023** , our major facilities consisted of: (Square Feet in Millions) UnitedStatesOtherCountriesTotalOwned ~~facilities34~~ **facilities38** ~~25 59~~ **28 66** Leased ~~facilities1~~ **facilities2** 5 ~~6~~ **7** Total **facilities40 33 73 The** ~~facilities35~~ -- **facilities** ~~30 65 Our~~ **described above, including our** principal executive offices **located in the US,** are ~~located~~ **suitable for our present purposes. The productive capacity** in ~~the US~~ **our facilities is being utilized or being prepared for utilization as we continue to make investments to expand our manufacturing capacity in support of our IDM 2. 0 strategy** . For more information on our **manufacturing sites** ~~wafer fabrication and our assembly and test facilities~~ , see" Manufacturing Capital" within Fundamentals of Our Business. ~~The facilities described above are suitable for our present purposes, and the productive capacity in our facilities is being utilized or being prepared for utilization as we continue to make investments to expand our manufacturing capacity in support of our IDM 2. 0 strategy. Other Key Information67~~ We do not identify or allocate assets by operating segment, as they are interchangeable in nature and used by multiple operating segments. For information on net property, plant **,** and equipment by country, see" Note 6: Other Financial Statement Details" within the Notes to Consolidated Financial Statements. Market for

Our Common Stock The principal US market on which Intel' s common stock (symbol INTC) is traded is the Nasdaq Global Select Market. As of January ~~20~~ **19** , ~~2023~~ **2024** , there were approximately ~~100~~ **97** , ~~835~~ **000** registered holders of record of Intel' s common stock. A substantially greater number of holders of Intel common stock are" street name" or beneficial holders, whose shares of record are held by banks, brokers, and other financial institutions. **Risk Factors and Other Key Information66** Stock Performance Graph The graph and table that follow compare the cumulative TSR of Intel' s common stock with the cumulative total return of the S & P 100 Index *, the S & P 500 Index *, the S & P 500 IT Index *, and the SOX Index * 1 for the five years ended December ~~31~~ **30** , ~~2022~~ **2023** . The cumulative returns shown on the graph are based on Intel' s fiscal year. Comparison of Five- Year Cumulative Return for Intel, S & P 100 Index, S & P 500 Index, S & P 500 IT Index, and SOX Index Years EndedDec ~~30, 2017Dec~~ 29, 2018Dec 28, 2019Dec 26, 2020Dec 25, 2021Dec 31, **2022Dec 30,** ~~2022Intel~~ **2023Intel** Corporation $ 100 $ ~~104~~ **132** $ ~~137~~ **106** $ ~~110~~ **118 $ 63** $ 123 ~~$ 66~~ S & P 100 Index $ 100 $ ~~95~~ **134** $ ~~128~~ **160** $ ~~152~~ **209** $ ~~199~~ **166** $ ~~158~~ **221** S & P 500 Index $ 100 $ ~~95~~ **133** $ ~~126~~ **155** $ ~~147~~ **200** $ ~~190~~ **165** $ ~~157~~ **209** S & P 500 IT Index $ 100 $ ~~99~~ **152** $ ~~150~~ **216** $ ~~214~~ **292** $ ~~289~~ **211** $ ~~208~~ **333** SOX Index $ 100 $ ~~93~~ **165** $ ~~154~~ **248** $ ~~232~~ **360** $ ~~336~~ **235** $ ~~219~~ **392** 1 The graph and table assume that $ 100 was invested on the last day of trading for the fiscal year ended December ~~30~~ **29** , ~~2017~~ **2018** in Intel' s common stock, the S & P 100 Index, S & P 500 Index, S & P 500 IT Index, and PHLX Semiconductor Sector Index (SOX), and that all dividends were reinvested. ~~Other Key Information68~~ Issuer Purchases of Equity Securities We have an ongoing authorization, originally approved by our Board of Directors in 2005 and ~~subsequently~~ **most recently** amended **on October 24, 2019** , to repurchase shares of our common stock in open market or negotiated transactions. ~~No~~ **Our last share repurchase under this authorization occurred in Q1 2021, and no** shares were repurchased during the **fiscal** year ending December ~~31~~ **30** , ~~2022~~ **2023** . As of December ~~31~~ **30** , ~~2022~~ **2023** , we were authorized to repurchase up to $ 110 **. 0** billion, of which $ 7. 2 billion remained available. We issue RSUs as part of our equity incentive plans. In our Consolidated Financial Statements, we treat shares of common stock withheld for tax purposes on behalf of our employees in connection with the vesting of RSUs as common stock repurchases because they reduce the number of shares that would have been issued upon vesting. These withheld shares of common stock are not considered common stock repurchases under our authorized common stock repurchase program. **Rule 10b5- 1 Trading Arrangements Our directors and officers (as defined in Rule 16a- 1 under the Exchange Act) may from time to time enter into plans or other arrangements for the purchase or sale of our shares that are intended to satisfy the affirmative defense conditions of Rule 10b5 – 1 (c) or may represent a non- Rule 10b5- 1 trading arrangement under the Exchange Act. During the quarter ended December 30, 2023, no such plans or arrangements were adopted or terminated, including by modification. Risk Factors and** Other Key ~~Information69~~ **Information67** Information About Our Executive Officers Name Current TitleAgeExperiencePatrick P. ~~Gelsinger61Mr~~ **Gelsinger62Mr** . Gelsinger has been our Chief Executive Officer and a member of our Board of Directors since February 2021. He has also served as a member and Chair of the Board of Directors of Mobileye, a subsidiary of Intel, since September 2022. He joined Intel from VMware, Inc., a provider of cloud computing and virtualization software and services, where he served as Chief Executive Officer from September 2012 to February 2021. Prior to VMware, Mr. Gelsinger served as President and Chief Operating Officer, EMC Information Infrastructure Products at EMC Corp., a data storage, information security, and cloud computing company, from September 2009 to August 2012. Mr. Gelsinger ~~'~~ **'** s career began at Intel, where he spent 30 years before joining EMC Corp. During his initial tenure at Intel, Mr. Gelsinger served in a number of roles, including Senior Vice President and Co- General Manager of the Digital Enterprise Group from 2005 to September 2009, Senior Vice President, Chief Technology Officer from 2002 to 2005, and leader of **the** Desktop Products Group prior to that. Chief Executive OfficerMichelle Johnston ~~Holthaus49Ms~~ **Holthaus50Ms** . Johnston Holthaus has been our Executive Vice President and General Manager of the Client Computing Group since April 2022. She is responsible for running and growing the client business, including strategy, financial performance, and product development for the full portfolio of client technologies and platforms designed to enable exceptional personal computing experiences across mobile, desktop, and workstation devices. Ms. Johnston Holthaus previously served as Executive Vice President, Chief Sales Officer and General Manager, Sales, Marketing and Communications Group, from September 2019 to January 2022, and as Senior Vice President of Sales and Marketing and Acting Chief Marketing Officer from September 2017 to September 2019. In these roles, she was responsible for global sales and revenue and leading the company ~~'~~ **'** s efforts to foster innovative sales and marketing approaches that broaden Intel ~~'~~ **'** s business opportunities and enhance customer relationships worldwide. Ms. Johnston Holthaus joined Intel in 1996 and has served in a variety of sales and marketing, channel mobile, and channel desktop positions. Executive Vice President and General Manager, Client Computing GroupApril Miller ~~Boise54Ms~~ **Boise55Ms** . Miller Boise has been our Executive Vice President and Chief Legal Officer since July 2022 and Corporate Secretary since August 2022. Ms. Miller Boise leads Intel ~~'~~ **'** s global legal, trade, and government affairs team, is a member of Intel' s Executive Leadership Team, and is a strategic advisor to the Company and the Board of Directors. Prior to joining Intel, she was Executive Vice President and Chief Legal Officer at Eaton Corp **, a power management company** . Before joining Eaton in 2020, she was Senior Vice President, Chief Legal Officer, and Corporate Secretary at Meritor **Inc., a supplier of drivetrain, mobility, braking, aftermarket and electric powertrain solutions acquired by Cummins** Inc. Ms. Miller Boise has more than 25 years of experience and has served in executive leadership roles, including **chief legal officer, general counsel, and head of global mergers and acquisitions. Executive Vice President,** Chief Legal Officer ~~, General Counsel,~~ and **Corporate SecretaryChristoph Schell52Mr** ~~Head of Global Mergers and Acquisitions~~ . **Schell has been our** Executive Vice President and Chief **Commercial Officer** ~~Legal OfficerSandra L. Rivera58Ms. Rivera is Executive Vice President~~ and General Manager of the ~~Data Center~~ **Sales, Marketing** and ~~AI~~ **Communications** Group ~~, serving in~~ **since March 2022. In** ~~this~~ **his** role **,** ~~since July 2021. She~~ **he oversees** ~~leads strategy and product development for~~ Intel' s ~~data center solutions, including Intel Xeon processor line, Intel Agilex FPGA and Habana Gaudi AI Accelerators. She also leads overall AI strategy and product execution. Before her current role, Ms. Rivera served as our Chief People Officer from June 2019 to July 2021. Prior to that, she oversaw strategy and product development for network~~

~~infrastructure solutions, serving as General Manager of Intel' s Network Platforms Group from January 2015 to June 2019. She also led Intel' s 5G strategy and execution. Ms. Rivera joined Intel in 2000 and has served in a variety of engineering, marketing and business development positions. Before joining Intel, she held management positions with Dialogic Corporation and Catalyst Telecom, Inc. and was co- founder and President of The CTI Authority, Inc. Ms. Rivera holds a bachelor' s degree in electrical engineering from the Pennsylvania State University. She sits on the Equinix, Inc. board of directors, is a member of U. C. Berkeley' s engineering advisory board and a member of the Intel Foundation Board, and she is part of Intel' s Latinx Leadership Council. Executive Vice President and General Manager, Data Center and AI Group Other Key Information70 Christoph Schell51Mr. Schell has been our Executive Vice President and Chief Commercial Officer since March 2022. In his role, he oversees Intel' s~~ global sales, business management, marketing, communications, corporate planning, customer support, and customer success teams, leading the company ~~'~~ **'** s efforts to foster innovative go- to- market approaches that broaden Intel ~~'~~ **'** s business opportunities and deepen customer and partner relationships and outcomes worldwide. Prior to joining Intel, Mr. Schell served as the Chief Commercial Officer of HP Inc., an American multinational information technology company, from November 2019 to March 2022. During his 25 years with HP, Mr. Schell held various senior management roles across the globe, including President of 3D Printing and Digital Manufacturing from November 2018 to October 2019 and President of the Americas region from November 2015 to November 2018. Prior to rejoining HP in 2014, Mr. Schell served as Executive Vice President of Growth Markets for Philips, a lighting solutions company, where he led the lighting business across Asia Pacific, Japan, Africa, Russia, India, Central Asia, and the Middle East. He started his career in his family ~~'~~ **'** s distribution and industrial solutions company before working in brand management at Procter & Gamble. Executive Vice President ~~and~~ **,** Chief Commercial Officer **and General Manager** , Sales, Marketing and ~~CommunicationsDavid~~ ----- **Communications GroupDavid** ~~Zinsner54Mr~~ **Zinsner55Mr** . Zinsner has been our Executive Vice President and Chief Financial Officer since January 2022, overseeing our global finance organization. He joined Intel from Micron Technology, Inc., a manufacturer of memory and storage products, where he most recently served as Executive Vice President and Chief Financial Officer ~~. From~~ **from** February 2018 to October 2021 ~~, he served as Senior Vice President and Chief Financial Officer of Micron~~ . From April 2017 to February 2018, he served as President and Chief Operating Officer of Affirmed Networks, Inc. From January 2009 to April 2017, he served as ~~Senior Vice President of Finance and~~ Chief Financial Officer of Analog Devices, Inc. From July 2005 to January 2009, Mr. Zinsner served as ~~Senior Vice President and~~ Chief Financial Officer of Intersil Corporation. Executive Vice President and Chief Financial Officer **Risk Factors and Other Key Information68** Disclosure Pursuant to Section 13 (r) of the Securities Exchange Act of 1934 Section 13 (r) of the Exchange Act requires an issuer to disclose certain information in its periodic reports if it or any of its affiliates knowingly engaged in certain activities, transactions, or dealings with individuals or entities subject to specific US economic sanctions during the reporting period, even when the activities, transactions, or dealings are conducted in compliance with applicable law. On March 2, 2021, the US Secretary of State designated the Federal Security Service of the Russian Federation (FSB) as a party subject to one such sanction. ~~From time to time~~ **Though Intel has suspended sales in Russia** , **there may be a need to file documents** ~~our~~ - **or** ~~local subsidiary is required to~~ engage with ~~the~~ FSB as **Intel winds up our local offices** ~~a licensing authority and file documents in order to conduct business within the Russian Federation~~ . All such dealings are explicitly authorized by General License 1B issued by the US Department of the Treasury ~~'~~ **'** s Office of Foreign Assets Control (OFAC), and there are no gross revenues or net profits directly associated with any such dealings by us with the FSB. ~~We plan to continue these activities as required to conduct business in the Russian Federation to the extent permitted by applicable law.~~ On April 15, 2021, the US Department of the Treasury designated Pozitiv Teknolodzhiz, AO (Positive Technologies), a Russian IT security firm, as a party subject to one of the sanctions specified in Section 13 (r). Prior to the designation, we communicated with Positive Technologies regarding its IT security research and coordinated disclosure of security vulnerabilities identified by the firm. Based on a license issued by OFAC, we resumed such communications. There are no gross revenues or net profits directly associated with any such activities. We plan to continue these communications in accordance with the terms and conditions of the OFAC license. **Risk Factors and** Other Key ~~Information71~~ **Information69** We have defined certain terms and abbreviations used throughout our Form 10- K in" Key Terms" within this section. Index to Consolidated Financial StatementsPageReports of Independent Registered Public Accounting Firm (PCAOB ID: 42) ~~73Consolidated~~ **71Consolidated** Statements of ~~Income76Consolidated~~ **Income74Consolidated** Statements of Comprehensive ~~Income77Consolidated~~ **Income75Consolidated** Balance ~~Sheets78Consolidated~~ **Sheets76Consolidated** Statements of Cash ~~Flows79Consolidated~~ **Flows77Consolidated** Statements of Stockholders' ~~Equity80Notes~~ - **Equity78Notes** to Consolidated Financial ~~Statements81BasisNote~~ **Statements79BasisNote** 1: Basis of ~~Presentation81Note~~ **Presentation79Note** 2: Accounting ~~Policies81Performance~~ **Policies79Performance** and OperationsNote 3: Operating ~~Segments88Note~~ **Segments85Note** 4: Non-Controlling ~~Interests90Note~~ **Interests86Note** 5: Earnings Per ~~Share91Note~~ **Share88Note** 6: Other Financial Statement ~~Details92Note~~ **Details88Note** 7: Restructuring and Other ~~Charges93Note~~ **Charges90Note** 8: Income ~~Taxes94Investments~~ **Taxes91Investments** , Long- Term Assets, and DebtNote 9: ~~Investments96Note~~ **Investments93Note** 10: Acquisitions and ~~Divestitures97Note~~ **Divestitures95Note** 11: ~~Goodwill99Note~~ **Goodwill95Note** 12: Identified Intangible ~~Assets100Note~~ **Assets96Note** 13: ~~Borrowings100Note~~ **Borrowings96Note** 14: Fair ~~Value103Risk~~ **Value99Risk** Management and OtherNote 15: Other Comprehensive Income (Loss) ~~104Note~~ **100Note** 16: Derivative Financial ~~Instruments105Note~~ **Instruments101Note** 17: Retirement Benefit ~~Plans107Note~~ **Plans103Note** 18: Employee Equity Incentive ~~Plans110Note~~ - **Plans106Note** 19: Commitments and ~~Contingencies112Key~~ **Contingencies108Key** ~~Terms115Index~~ **Terms112Index** to Supplemental DetailsControls and ~~Procedures118Exhibits119Form~~ **Procedures115Exhibits116Form** 10- K Cross- Reference ~~Index124~~ **Index121** Report of Independent Registered Public Accounting Firm To the Stockholders and the Board of Directors of Intel Corporation Opinion on the Financial Statements We have audited the accompanying ~~Consolidated~~ **consolidated** ~~Balance~~ **balance** ~~Sheets~~ **sheets** of Intel Corporation (the Company) as of December **30, 2023 and December** 31, 2022 ~~and December 25, 2021~~ , the related ~~Consolidated~~ **consolidated** ~~Statements~~ **statements** of ~~Income~~ **income** , ~~Comprehensive~~ **comprehensive**

~~Income~~ **income** , ~~Cash~~ **cash** ~~Flows~~ **flows** and ~~Stockholders~~ **stockholders** ' ~~Equity~~ **equity** for each of the three years in the period ended December ~~31~~ **30** , ~~2022~~ **2023** , and the related notes (collectively referred to as the" ~~Consolidated~~ **consolidated** ~~Financial~~ **financial** ~~Statements~~ **statements** "). In our opinion, the ~~Consolidated~~ **consolidated** ~~Financial~~ **financial** ~~Statements~~ **statements** present fairly, in all material respects, the financial position of the Company at December **30, 2023 and December** 31, 2022 ~~and December 25, 2021~~ , and the results of its operations and its cash flows for each of the three years in the period ended December ~~31~~ **30** , ~~2022~~ **2023** , in conformity with U. S. generally accepted accounting principles. We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company' s internal control over financial reporting as of December ~~31~~ **30** , ~~2022~~ **2023** , based on criteria established in Internal Control — Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) and our report dated January ~~26~~ **25** , ~~2023~~ **2024** expressed an unqualified opinion thereon. Basis for Opinion These financial statements are the responsibility of the Company' s management. Our responsibility is to express an opinion on the Company' s financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the **US** ~~U. S.~~ federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB. We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion. Critical Audit Matter The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the ~~Consolidated~~ **consolidated** ~~Financial~~ **financial** ~~Statements~~ **statements** , taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates. Auditor' s ~~Reports73~~ **Reports71** Inventory ValuationDescription of the MatterThe Company' s net inventory totaled $ ~~13~~ **11** . ~~2~~ **1** billion as of December ~~31~~ **30** , ~~2022~~ **2023** , representing ~~7~~ **5** . ~~3~~ **8** % of total assets. As explained in" Note 2: Accounting Policies" within the ~~Consolidated~~ **consolidated** ~~Financial~~ **financial** ~~Statements~~ **statements** , the Company computes inventory cost on a first- in, first- out basis, and applies judgment in determining saleability of products and the valuation of inventories. The Company assesses inventory at each reporting date in order to assert that it is recorded at net realizable value, giving consideration to, among other factors: whether the products have achieved the substantive engineering milestones to qualify for sale to customers; the determination of normal capacity levels in its manufacturing process to determine which manufacturing overhead costs can be included in the valuation of inventory; whether the product is valued at the lower of cost or net realizable value; and the estimation of excess and obsolete inventory or that which is not of saleable quality. Auditing management ~~'~~ **’** s assessment of net realizable value for inventory was challenging because the determination of **excess and obsolete inventory reserves and** lower of cost or net realizable value ~~and excess and obsolete inventory reserves~~ is judgmental and considers a number of factors that are affected by market and economic conditions, such as customer forecasts, dynamic pricing environments, and industry supply and demand. Additionally, for certain new product launches there is limited historical data with which to evaluate forecasts. How We Addressed the Matter in Our AuditWe evaluated and tested the design and operating effectiveness of the Company ~~'~~ **’** s internal controls over the costing of inventory, the determination of whether inventory is of saleable quality, **the determination of demand forecasts and related application against on hand inventory, and** the calculation of lower of cost or net realizable value reserves including related estimated costs and selling prices ~~, and the determination of demand forecasts and related application against on hand inventory~~ . Our audit procedures included, among others, testing the significant assumptions (e. g., estimated product **demand forecasts,** costs and selling prices ~~, and product demand forecasts~~ ) ~~and~~ **of** the underlying data used in management ~~'~~ **’** s inventory valuation assessment. We compared the significant assumptions used by management to current industry and economic trends. We assessed whether there were any potential sources of contrary information, including historical forecast accuracy or history of significant revisions to previously recorded inventory valuation adjustments, and performed sensitivity analyses over significant assumptions to evaluate the changes in inventory valuation that would result from changes in the assumptions. / s / Ernst & Young LLP We have served as the Company' s auditor since 1968. San Jose, California Auditor' s ~~Reports74~~ **Reports72** Opinion on Internal Control Over Financial Reporting We have audited Intel Corporation' s internal control over financial reporting as of December ~~31~~ **30** , ~~2022~~ **2023** , based on criteria established in Internal Control — Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) ~~,~~ (the COSO criteria). In our opinion, Intel Corporation (the Company) maintained, in all material respects, effective internal control over financial reporting as of December ~~31~~ **30** , ~~2022~~ **2023** , based on the COSO criteria. We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the ~~2022~~ **2023** ~~Consolidated~~ **consolidated** ~~Financial~~ **financial** ~~Statements~~ **statements** of the Company and our report dated January ~~26~~ **25** , ~~2023~~ **2024** expressed an unqualified opinion thereon. The Company' s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company' s internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the **US** ~~U. S.~~ federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB. We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Definition and Limitations of Internal Control Over Financial Reporting A company' s internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company' s internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company' s assets that could have a material effect on the financial statements. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. / s / Ernst & Young LLP Auditor' s ~~Reports75~~ **Reports73** Years Ended (In Millions, Except Per Share Amounts) Dec **30, 2023Dec** 31, 2022Dec 25, ~~2021Dec 26, 2020Net~~ **2021Net** revenue $ **54, 228 $** 63, 054 $ 79, 024 ~~$ 77, 867~~ Cost of ~~sales36~~ **sales32 , 517 36** , 188 35, 209 ~~34, 255~~ Gross ~~margin26~~ **margin21 , 711 26** , 866 43, 815 ~~43, 612~~ Research and ~~development17~~ **development16 , 046 17** , 528 15, 190 ~~13, 556~~ Marketing, general **,** and ~~administrative7~~ **administrative5 , 634 7** , 002 6, 543 ~~6, 180~~ Restructuring and other ~~charges2~~ - **charges (62)** 2 **2** , 626 ~~198~~ Operating ~~expenses24~~ **expenses21 , 618 24** , 532 24, 359 ~~19, 934~~ Operating ~~income2~~ **income93 2** , 334 19, 456 ~~23, 678~~ Gains (losses) on equity investments, ~~net4~~ **net40 4** , 268 2, 729 **Interest and other, net629** 1, ~~904 Interest and other, net1,~~ 166 (482 ~~) (504~~ ) Income before ~~taxes7~~ **taxes762 7** , 768 21, 703 ~~25, 078~~ Provision for (benefit from) taxes ( **913) (** 249) 1, 835 ~~4, 179~~ Net ~~income8~~ **income1 , 675 8** , 017 19, 868 ~~20, 899~~ Less: Net income **(loss)** attributable to non- controlling ~~interests3~~ - **interests ~~—~~ (14) 3** — Net income attributable to Intel $ **1, 689 $** 8, 014 $ 19, 868 ~~$ 20, 899~~ Earnings per share attributable to Intel — basic $ **0. 40 $** 1. 95 $ 4. 89 ~~$ 4. 98~~ Earnings per share attributable to Intel — diluted $ **0. 40 $** 1. 94 $ 4. 86 ~~$ 4. 94~~ Weighted average shares of common stock outstanding: Basic4, **190 4,** 108 4, 059 **Diluted4, 212** 4 ~~, 199 Diluted4~~ , 123 4, 090 ~~4, 232~~ See accompanying notes. Financial StatementsConsolidated Statements of ~~Income76~~ **Income74** Years Ended (In Millions) Dec **30, 2023Dec** 31, 2022Dec 25, ~~2021Dec 26, 2020Net~~ **2021Net** income $ **1, 675 $** 8, 017 $ 19, 868 ~~$ 20, 899~~ Changes in other comprehensive income **(loss)** , net of tax: Net unrealized holding gains (losses) on ~~derivatives~~ **derivatives272** (510) (520) ~~677~~ Actuarial valuation and other pension benefits (expenses), ~~net855~~ **net66 855** 451 ~~(183)~~ Translation adjustments and ~~other~~ **other9** (27) (60) ~~35~~ Other comprehensive income (loss) **347** 318 (129) ~~529~~ Total comprehensive ~~income8~~ **income2 , 022 8** , 335 19, 739 ~~21, 428~~ Less: ~~Comprehensive~~ **comprehensive** income **(loss)** attributable to non- controlling ~~interests3~~ - **interests ~~—~~ (14) 3** — Total comprehensive income attributable to Intel $ **2, 036 $** 8, 332 $ 19, 739 ~~$ 21, 428~~ Financial StatementsConsolidated Statements of Comprehensive ~~Income77~~ **Income75** (In Millions, Except Par Value) Dec **30, 2023Dec** 31, ~~2022Dec 25, 2021AssetsCurrent~~ **2022AssetsCurrent** assets: Cash and cash equivalents $ **7, 079 $** 11, 144 ~~$ 4, 827~~ Short- term investments17, **955 17,** 194 ~~24, 426~~ Accounts receivable, ~~net4~~ **net3 , 402 4** , 133 ~~9, 457 Inventories13~~ **Inventories11 , 127 13** , 224 ~~10, 776 Assets held for sale45 6, 942~~ Other current ~~assets4~~ **assets3** , ~~667 2~~ **706 4** , ~~130~~ **712** Total current ~~assets50~~ **assets43 , 269 50** , 407 ~~58, 558~~ Property, plant **,** and equipment, ~~net80~~ **net96, 647 80** , 860 ~~63, 245~~ Equity investments5, **829 5,** 912 ~~6, 298~~ Goodwill27, 591 ~~26~~ **27** , ~~963~~ **591** Identified intangible assets, ~~net6~~ **net4 , 589 6** , 018 ~~7, 270~~ Other long- term ~~assets11~~ **assets13 , 647 11** , 315 ~~6, 072~~ Total assets $ **191, 572 $** 182, 103 ~~$ 168, 406~~ Liabilities and stockholders' equityCurrent liabilities: Short- term debt $ **2, 288 $** 4, 367 ~~$ 4, 591~~ Accounts ~~payable9~~ **payable8 , 578 9** , 595 ~~5, 747~~ Accrued compensation and ~~benefits4~~ **benefits3 , 655 4** , 084 ~~4, 535~~ Income taxes ~~payable2~~ **payable1 , 107 2** , 251 ~~1, 076~~ Other accrued ~~liabilities11~~ **liabilities12 , 425 11** , 858 ~~11, 513~~ Total current ~~liabilities32~~ - **liabilities28 , 053 32** , 155 ~~27~~ **Debt46** , ~~462 Debt37~~ **978 37** , 684 ~~33, 510 Long- term income taxes payable3, 796 4, 305 Deferred income taxes202 2, 667~~ Other long- term ~~liabilities4~~ **liabilities6** , ~~980 5~~ **576 8** , ~~071~~ **978** Commitments and Contingencies (Note 19) Stockholders' equity: Preferred stock, $ 0. 001 par value, 50 shares authorized; none issued — — Common stock, $ 0. 001 par value, 10, 000 shares authorized; 4, ~~137~~ **228** shares issued and outstanding (4, ~~070~~ **137** issued and outstanding in ~~2021~~ **2022** ) and capital in excess of par ~~value31~~ **value36 , 649 31** , 580 ~~28, 006~~ Accumulated other comprehensive income (loss) ( **215) (** 562) ~~(880)~~ Retained ~~earnings70~~ **earnings69 , 156 70** , 405 ~~68, 265~~ Total Intel stockholders' ~~equity101~~ **equity105 , 590 101** , 423 ~~95, 391~~ Non- controlling ~~interests1~~ **interests4 , 375 1** , 863 ~~—~~ Total stockholders ~~'~~ **'** ~~equity103~~ **equity109 , 965 103** , 286 ~~95, 391~~ Total liabilities and stockholders' equity $ **191, 572 $** 182, 103 ~~$ 168, 406~~ Financial StatementsConsolidated Balance ~~Sheets78~~ **Sheets76** Years Ended (In Millions) Dec **30, 2023Dec** 31, 2022Dec 25, ~~2021Dec 26, 2020Cash~~ **2021Cash** and cash equivalents, beginning of period $ **11, 144 $** 4, 827 $ 5, 865 ~~$ 4, 194~~ Cash flows provided by (used for) operating activities: Net ~~income8~~ **income1 , 675 8** , 017 19, 868 ~~20, 899~~ Adjustments to reconcile net income to net cash provided by operating activities: ~~Depreciation11~~ **Depreciation7 , 847 11** , 128 9, 953 ~~10, 482~~ Share- based compensation3, **229 3,** 128 2, 036 **Restructuring and other charges (424)** 1 ~~, 854 Restructuring and other charges1~~ , 074 2, 626 ~~198~~ Amortization of intangibles1 **, 755 1** , 907 1, 839 ~~1, 757~~ (Gains) losses on equity investments, net ( **42) (** 4, 254) (1, 458 ~~) (1, 757~~ ) (Gains) losses on divestitures **—** (1, 059) — ~~(30)~~ Changes in assets and liabilities: Accounts ~~receivable5~~ **receivable731 5** , 327 (2, 674) ~~883 Inventories~~ **Inventories2 , 097** (2, 436) (2, 339 ~~) (687~~ ) Accounts payable ( **801) (** 29) 1, 190 ~~405~~ Accrued compensation and benefits ( **614) (** 1, 533) 515 ~~348~~ Prepaid customer supply agreements **—** (24) (1, 583 ~~) (181~~ ) Income taxes ( **3, 531) (** 4, 535) (441) ~~1, 620~~ Other assets and liabilities ( **451) (** 1, 278) (76) ~~73~~ Total ~~adjustments7~~ **adjustments9 , 796 7** , 416 9, 588 ~~14, 965~~ Net cash provided by operating ~~activities15~~ **activities11 , 471 15** , 433 29, 456 ~~35, 864~~ Cash flows provided by (used for) investing activities: Additions to property, plant **,** and equipment ( **25, 750) (** 24, 844) (18, 733 ~~) (14, 259~~ ) Additions to held for sale NAND property, plant **,** and equipment **—** (206) (1, 596) ~~(194)~~ **Proceeds from capital- related government incentives1, 011 246 166** Purchase of short- term investments ( **44, 414) (** 43, 647) (40, 554) ~~(29, 239)~~ Maturities and sales of short- term ~~investments48~~ **investments44 , 077 48** , 730 35, 299 ~~22, 158~~ Purchases of equity investments ( **399) (** 510) (613) ~~(720)~~ Sales of equity ~~investments4~~ **investments472 4** , 961 581 ~~910~~ Proceeds from ~~divestitures6~~ - **divestitures — 6** , 579 — ~~123~~ Other ~~investing~~ **investing962** (1, 540) 1, 167 ~~(303)~~ Net cash used for investing activities ( **24, 041) (** 10, ~~477~~ **231** ) (24, **283** ~~449) (21, 524~~ ) Cash flows provided by (used for) financing activities: Issuance of commercial paper, net of issuance ~~costs3~~ - **costs — 3** , 945 **— Repayment of commercial paper (3, 944)** — — Payments on finance leases ( **96) (** 345) ~~—~~ — Partner ~~contributions874~~ **contributions1 ~~—~~ , 511 874** — Proceeds from ~~Mobileye IPO1~~ **sales of subsidiary shares2, 959 1** , 032 — ~~—~~ Issuance of **long-** term debt, net of issuance ~~costs6~~ **costs11 , 391 6** , 548 4, 974 ~~10, 247~~ Repayment of ~~term~~ debt ~~and debt conversions~~ **(423)** (4, 984) (2, 500 ~~) (4, 525~~ ) Proceeds from sales of common stock through employee equity incentive ~~plans977~~ **plans1, 042 977** 1, 020 ~~897~~ Repurchase of common stock — **—** (2, 415) ~~(14, 229)~~ Payment of dividends to stockholders ( **3, 088) (** 5, 997) (5, 644 ~~) (5, 568~~ ) Other financing ( ~~689~~ **847) (935** ) (1, ~~480~~ **646** ) ~~509~~ Net cash provided by (used for) financing ~~activities1~~ **activities8** , ~~361~~ **505 1, 115** (6, **211** ~~045) (12, 669~~ ) Net increase (decrease) in cash and cash ~~equivalents6~~ - **equivalents (4, 065) 6** , 317 (1, 038) ~~1, 671~~ Cash and cash equivalents, end of period $ **7, 079 $** 11, 144 $ 4, 827 ~~$ 5, 865~~ Supplemental disclosures: Acquisition of property, plant **,** and equipment included in accounts payable and accrued liabilities $ **4, 804 $** 5, 431 $ 1, 619 ~~$ 2, 973~~ Cash paid during the year for: Interest, net of capitalized interest $ **613 $** 459 $ 545 ~~$ 594~~ Income taxes, net of refunds $ **2, 621 $** 4, 282 $ 2, 263 ~~$ 2, 436~~ See accompanying notes. Financial StatementsConsolidated Statements of Cash ~~Flows79~~ **Flows77** Common Stock and Capitalin Excess of Par ValueAccumulatedOtherComprehensiveIncome (Loss) RetainedEarningsNon- Controlling InterestsTotal (In Millions, Except Per Share Amounts) Number ofSharesAmountBalance as of December ~~28~~ **26** , ~~20194~~ **20204** , ~~290~~ **062** $ 25, ~~261~~ **556** $ ( **751** ~~1, 280~~ ) $ ~~53~~ **56** , ~~523~~ **233 $** — $ ~~77, 504 Components of comprehensive income, net of tax: Net income — — — 20, 899 — 20, 899 Other comprehensive income (loss) — — 529 — — 529 Total comprehensive income21, 428 Employee equity incentive plans and other55 1, 018 — — — 1, 018 Share- based compensation — 1, 854 — — — 1, 854 Temporary equity reduction — 155 — — — 155 Convertible debt — (750) — — — (750) Repurchase of common stock (275) (1, 628) — (12, 481) — (14, 109) Restricted stock unit withholdings (8) (354) — (140) — (494) Cash dividends declared ($ 1. 32 per share of common stock) — — — (5, 568) — (5, 568) Balance as of December 26, 20204, 062 25, 556 (751) 56, 233 —~~ 81, 038 Adjustment to opening balance ~~from~~ **for** change in accounting principle35 35 Opening ~~balance~~ **Balance** as of December 27, 20204, 062 25, 556 (751) 56, 268 — 81, 073 ~~Components of comprehensive income, net of tax:~~ Net income **(loss)** — — — 19, 868 — 19, 868 Other comprehensive income (loss) — — (129) — — (129) ~~Total comprehensive income19, 739~~ Employee equity incentive plans and other54 1, 022 — — — 1, 022 Share- based compensation — 2, 036 — — — 2, 036 Repurchase of common stock (40) (249) — (2, 166) — (2, 415) Restricted stock unit withholdings (6) (359) — (61) — (420) Cash dividends declared ($ 1. 39 per share of common stock) — — — (5, 644) — (5, 644) Balance as of December 25, 20214, 070 28, 006 (880) 68, 265 — 95, 391 ~~Components of comprehensive income, net of tax:~~ Net income **(loss)** — — — 8, 014 3 8, 017 Other comprehensive income (loss) — — 318 — — 318 ~~Total comprehensive income8, 335 Net proceeds~~ **Proceeds** ~~received~~ from ~~IPO~~ **sales of subsidiary shares** and partner contributions — 75 — — 1, 831 1, 906 Employee equity incentive plans and other79 1, 009 — — — 1, 009 Share- based compensation — 3, 099 — — 29 3, 128 Restricted stock unit withholdings (12) (609) — 123 — (486) Cash dividends declared ($ 1. 46 per share of common stock) — — — (5, 997) — (5, 997) Balance as of December 31, 20224, 137 ~~$~~ 31, 580 ~~$~~ (562) ~~$~~ 70, 405 ~~$~~ 1, 863 ~~$~~ 103, 286 **Net income (loss) — — — 1, 689 (14) 1, 675 Other comprehensive income (loss) — — 347 — — 347 Proceeds from sales of subsidiary shares and partner contributions — 1, 620 — — 2, 385 4, 005 Employee equity incentive plans and other107 1, 044 — — — 1, 044 Share- based compensation — 3, 088 — — 141 3, 229 Restricted stock unit withholdings (16) (683) — 150 — (533) Cash dividends declared ($ 0. 74 per share of common stock) — — — (3, 088) — (3, 088) Balance as of December 30, 20234, 228 $ 36, 649 $ (215) $ 69, 156 $ 4, 375 $ 109, 965** Financial StatementsConsolidated Statements of Stockholders' ~~Equity80~~ - **Equity78** Note 1: Basis of Presentation We have a 52- or 53- week fiscal year that ends on the last Saturday in December. Fiscal ~~year~~ **years 2023 and 2021 were 52- week fiscal years;** 2022 was a 53- week fiscal year. Fiscal ~~years 2021~~ **2024** ~~and 2020 were 52- week fiscal years. Fiscal 2023~~ is a 52- week fiscal year. Our Consolidated Financial Statements include the accounts of Intel and our wholly ~~-~~ owned and majority- owned subsidiaries, which include entities consolidated under the variable interest **and voting interest** ~~model~~ **models** . We have eliminated intercompany accounts and transactions. We have reclassified certain prior period amounts to conform to current period presentation ~~. In the first quarter of 2022, we reclassified the presentation of cash paid and received under our credit support annex agreements with derivative counterparties within our Consolidated Statements of Cash Flows. These reclassifications better reflect the economic intent of the credit support annex agreements, and result in changes to amounts previously reported for net cash provided by (used for) operating, investing, and financing activities. In the first quarter of 2022, we reclassified the presentation of certain marketable debt investments within our Consolidated Balance Sheets, combining all marketable debt investments with original contractual maturities of three months or more into short- term investments as they represent the investment of cash available for current operations. These reclassifications simplify our Consolidated Balance Sheets and result in changes to amounts previously reported as short- term investments, trading assets, and other long- term investments~~ . Use of Estimates The preparation of Consolidated Financial Statements in conformity with US GAAP requires us to make estimates and judgments that affect the amounts reported in our Consolidated Financial Statements and the accompanying notes. The actual results that we experience may differ materially from our estimates. Note 2: Accounting Policies Revenue Recognition We recognize net product revenue when we satisfy performance obligations as evidenced by the

transfer of control of our products or services to customers. Substantially all of our revenue is derived from product sales. Our products often include a software component, such as firmware, that is highly interdependent and interrelated with the product and is substantially accounted for as a combined performance obligation. In accordance with contract terms, the revenue for combined performance obligations and standalone product sales is recognized at the time of product shipment from our facilities or delivery to the customer location, as determined by the agreed- upon shipping terms. We measure revenue based on the amount of consideration we expect to be entitled to in exchange for products or services. Variable consideration is estimated and reflected as an adjustment to the transaction price. We determine variable consideration, which consists primarily of various sales price concessions, by estimating the most likely amount of consideration we expect to receive from the customer based on historical analysis of customer purchase volumes. Sales rebates earned by customers are offset against their receivable balances. Rebates earned by customers when they do not have outstanding receivable balances are recorded within other accrued liabilities. We make payments to our customers through cooperative advertising programs for marketing activities for some of our products. We generally record the payment as a reduction in revenue in the period that the revenue is earned, unless the payment is for a distinct service, which we record as an expense when the marketing activities occur. ~~Financial StatementsNotes to Consolidated Financial Statements81~~ We compute inventory cost on a first- in, first- out basis. Our process and product development life cycle corresponds with substantive engineering milestones. These engineering milestones are regularly and consistently applied in assessing the point at which our activities and associated costs change in nature from R & D to cost of sales, and when cost of sales can be capitalized as inventory. For a product to be manufactured in high volumes and sold to our customers under our standard warranty, it must meet our rigorous technical quality specifications. This milestone is known as PRQ. We have identified PRQ as the point at which the costs incurred to manufacture our products are included in the valuation of inventory. A single PRQ has previously valued inventory up to $ 870 million in the quarter the PRQ milestone was achieved. Prior to PRQ, costs that do not meet the criteria for R & D are included in cost of sales in the period incurred. The valuation of inventory includes determining which fixed production overhead costs can be included in inventory based on the normal capacity of our manufacturing and assembly and test facilities. We apply our historical ~~loadings~~ - **loading** compared to our total available capacity in a statistical model to determine our **expectations of** normal capacity level. If the factory ~~loadings~~ - **loading** ~~are~~ **is** below the established normal capacity level, a portion of our fixed production overhead costs would not be included in the cost of inventory; instead, it would be recognized as cost of sales in that period. We refer to these costs as excess capacity charges. Excess capacity charges were $ **834 million in 2023, $** 423 million in 2022 **,** and insignificant in **2021** ~~the comparative periods presented. Charges in years prior to those presented have ranged up to $ 1. 1 billion taken in a particular fiscal year, such as in connection with the 2009 economic recession~~ . Inventory is valued at the lower of cost or net realizable value, based upon assumptions about future demand and market conditions. Product- specific facts and circumstances reviewed in the inventory valuation process include a review of our customer base, the stage of the product life cycle, variations in market pricing, and an assessment of selling price in relation to product cost. Lower of cost or net realizable value inventory reserves fluctuate as we ramp new process technologies, with costs generally improving over time due to scale and improved yields. Additionally, inventory valuation is impacted by cyclical changes in market conditions and the associated pricing environment. **Financial StatementsNotes to Consolidated Financial Statements79** The valuation of inventory also requires us to estimate obsolete and excess inventory, as well as inventory that is not of saleable quality. We use a demand forecast to develop our short- term manufacturing plans to enable consistency between inventory valuations and build decisions. For certain new products, we have limited historical data when developing these demand forecasts. We compare the estimate of future demand to work in process and finished goods inventory levels to determine the amount, if any, of obsolete or excess inventory. When our demand forecast for specific products is greater than actual demand and we fail to reduce manufacturing output accordingly, we write off amounts considered to be excess inventory. Long- Lived Assets Property, Plant **,** and Equipment We compute depreciation using the straight- line method over the estimated useful life of assets. We also capitalize interest on borrowings related to eligible capital expenditures. Capitalized interest is added to the cost of qualified assets and depreciated together with that asset cost. At least annually, we evaluate the period over which we expect to recover the economic value of our property, plant **,** and equipment, considering factors such as the process technology cadence between node transitions, changes in machinery and equipment technology, and re- use of machinery and tools across each generation of process technology. As we make manufacturing process conversions and other factory planning decisions, we use assumptions involving the use of management judgments regarding the remaining useful lives of assets, primarily process- specific semiconductor manufacturing tools and building improvements. When we determine that the useful lives of assets are shorter or longer than we had originally estimated, we adjust the rate of depreciation to reflect the assets' revised useful lives. ~~Based on our latest evaluation, effective~~ **Effective** January 2023, the estimated useful ~~life~~ **lives** of certain machinery and equipment in our wafer fabrication facilities ~~will~~ **were** ~~increase~~ **increased** from 5 to 8 years. This change in estimate **was** ~~will be~~ applied prospectively beginning in the first quarter of 2023. Assets are categorized and evaluated for impairment at the lowest level of identifiable cash flows. Factors that we consider in deciding when to perform an impairment review include significant under- performance of a business or product line in relation to expectations, significant negative industry or economic trends, and significant changes or planned changes in our use and fungibility of the assets. If an asset grouping carrying value is not recoverable through the related undiscounted cash flows, the asset grouping is considered to be impaired. We amortize acquisition- related intangible assets that are subject to amortization over their estimated useful lives. Acquisition- related, in- process R & D assets represent the fair value of incomplete R & D projects that had not reached technological feasibility as of the date of acquisition; initially, these are classified as in- process R & D and are not subject to amortization. Once these R & D projects are completed, the asset balances are transferred from in- process R & D to acquisition- related developed technology and are subject to amortization from that point forward. The asset balances relating to projects that are abandoned after acquisition are impaired and expensed to R & D. ~~Financial StatementsNotes to Consolidated Financial Statements82~~ We perform periodic reviews of significant finite- lived identified intangible assets to determine whether facts and circumstances indicate that the carrying amount may not be recoverable. These reviews can be affected by various factors, including external factors such as industry and economic trends, and internal factors such as changes in our business strategy and our forecasts for specific product lines. Periodically, we also evaluate the estimated remaining useful lives of purchased intangible assets and whether events or changes in circumstances warrant a revision to the remaining periods of amortization. We may adjust the period over which these assets are amortized to reflect the period in which they contribute to our cash flows. Our reporting units are the same as our operating segments. We evaluate our reporting units annually or when triggered, such as upon reorganization of our operating segments. We perform an annual impairment assessment of goodwill at the reporting unit level in the fourth quarter of each year, or more frequently if indicators of potential impairment exist. The reporting unit' s carrying value used in an impairment assessment represents the assignment of various assets and liabilities, excluding certain corporate assets and liabilities, such as cash, investments, and debt. The impairment assessment may include both qualitative and quantitative factors to assess the likelihood of an impairment. Qualitative factors used include industry and market considerations, overall financial performance, and other relevant events and factors affecting the reporting unit. We may also perform a quantitative analysis to support the qualitative factors by applying sensitivities to assumptions and inputs used in measuring a reporting unit' s fair value. Our quantitative impairment assessment considers both the income approach and the market approach to estimate a reporting unit' s fair value. Significant estimates include market segment growth rates, our assumed market segment share, estimated gross margins, operating expenses, and discount rates based on a reporting unit' s weighted average cost of capital. We test the reasonableness of the inputs and outcomes of our discounted cash flow analysis against available market data. These estimates change from year to year based on operating results, market conditions, and other factors and could materially affect the determination of each reporting unit' s fair value and potential goodwill impairment for each reporting unit. Our quantitative assessment is sensitive to changes in underlying estimates and assumptions, the most sensitive of which is the discount rate. ~~Our~~ **Financial StatementsNotes to Consolidated Financial Statements80 We test the reasonableness of the inputs and outcomes of our discounted cash flow analysis against available market data. In** ~~2022~~ **2023 , the fair value for all of our reporting units exceeded their carrying value, and our** annual qualitative assessment **did not** ~~indicated~~ - **indicate** that a more detailed quantitative analysis was necessary ~~for one of our reporting units. No impairment was required, even when considering a hypothetical increase in the discount rate of 1 %, which would cause a material decrease in the estimated fair value of the reporting unit~~ . Government Incentives ~~We enter into government~~ **Government** ~~incentive~~ **incentives** ~~arrangements with domestic and foreign~~ , **including** ~~local, regional, and national governments, which vary in size, duration, and conditions. These arrangements allow us to maintain a market- comparable foothold across various geographies. We receive capital- related and operating grants, the benefits of which generally offset the cost of acquired capital and other expenses and are primarily structured as~~ cash grants and **refundable** ~~non- income~~ tax **credits** ~~incentives. Government grants, including non- income tax incentives~~ , are recognized when there is reasonable assurance that the ~~grant~~ **incentive** will be received and we will comply with the conditions specified in the ~~grant~~ agreement **or statutory** ~~. We are eligible to receive these grants because we engage in qualifying capital investments, research and development, and other activities as defined by the relevant government entities awarding the grants. Each grant agreement requires~~ **requirements** ~~that we comply with certain conditions, including achievement of future operational targets and committing to minimum levels of capital investment~~ . We record capital- related ~~grants~~ **incentives** as a reduction to property, plant **,** and equipment, net within our Consolidated Balance Sheets and recognize a reduction to depreciation ~~and amortization~~ expense over the useful life of the corresponding acquired asset. We record operating ~~grants~~ **- related incentives** as a reduction to expense in the same line item on the Consolidated Statements of Income as the expenditure for which the ~~grant~~ **incentive** is intended to compensate. ~~Capital- related grants reduced gross property, plant and equipment by $ 3. 3 billion as of December 31, 2022, of which $ 373 million was recognized in 2022. Contra- depreciation expense reduced cost of sales by $ 230 million in 2022. A majority of operating grants are recognized as a reduction to cost of sales, benefiting operating income by $ 104 million in 2022. Capital- related and operating grants receivables totaled $ 437 million as of December 31, 2022 and a substantial majority of the capital- related and operating grants receivables were reflected within other long- term assets on our Consolidated Balance Sheets. Financial StatementsNotes to Consolidated Financial Statements83~~ When determining fair value, we consider the principal or most advantageous market in which we would transact, as well as assumptions that market participants would use when pricing the asset or liability. Our financial assets are measured and recorded at fair value on a recurring basis, except for equity securities measured using the measurement alternative, equity method investments, and grants receivable. We assess fair value hierarchy levels for our issued debt and fixed- income investment portfolio based on the underlying instrument type. The three levels of inputs that may be used to measure fair value are: ▪ Level 1. Quoted prices in active markets for identical assets or liabilities. We evaluate security- specific market data when determining whether a market is active. ▪ Level 2. Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in less active markets, or model- derived valuations. All significant inputs used in our valuations, such as discounted cash flows, are observable or can be derived principally from or corroborated with observable market data for substantially the full term of the assets or liabilities. We use ~~LIBOR- and SOFR- based~~ yield curves, overnight indexed swap curves, currency spot and forward rates, and credit ratings as significant inputs in our valuations. Level 2 inputs also include non- binding market consensus prices, as well as quoted prices that were adjusted for security- specific restrictions. When we use non- binding market consensus prices, we corroborate them with quoted market prices for similar instruments or compare them to output from internally developed pricing models such as discounted cash flow models. ▪ Level 3. Unobservable inputs to the valuation methodology that are significant to the measurement of the fair value of assets or liabilities. We monitor and review the inputs and results of these valuation models to help confirm that the fair value measurements are reasonable and consistent with market experience in similar asset classes. Level 3 inputs also include non- binding market consensus prices or non- binding broker quotes that we were unable to corroborate with observable market data. Debt Investments Debt investments include investments in corporate debt, government debt, and financial institution instruments. **Unhedged** ~~Debt~~ **debt** investments with original maturities of approximately three months or less from the date of purchase are classified within cash and cash equivalents. **Unhedged** ~~Debt~~ **debt** investments with original maturities at the date of purchase greater than approximately three months **and all economically hedged debt investments** are classified as short- term investments, as they represent the investment of cash available for current operations. For certain of our marketable debt investments, we economically hedge market risks at inception with a related derivative instrument, or the marketable debt investment itself is used to economically hedge currency exchange rate risk from remeasurement. These hedged investments are reported at fair value. Gains or losses on these investments arising from changes in fair value due to interest rate and currency market fluctuations and credit market volatility, largely offset by losses or gains on the related derivative instruments and balance sheet remeasurement, are recorded in interest and other, net. Our remaining unhedged marketable debt investments are reported at fair value, with unrealized gains or losses, net of tax, recorded in accumulated other comprehensive income (loss). We determine the cost of the investment sold based on an average cost basis at the individual security level and record the interest income and realized gains or losses on the sale of these investments in interest and other, net. Unhedged debt investments are subject to periodic impairment reviews. For investments in an unrealized loss position, we determine whether a credit loss exists by considering information about the collectability of the instrument, current market conditions, and reasonable and supportable forecasts of economic conditions. We recognize an allowance for credit losses, up to the amount of the unrealized loss when appropriate, and write down the amortized cost basis of the investment if it is more likely than not we will be required or we intend to sell the investment before recovery of its amortized cost basis. Allowances for credit losses and write- downs are recognized in interest and other, net, and unrealized losses not related to credit losses are recognized in **accumulated** other comprehensive income (loss). **Financial StatementsNotes to Consolidated Financial Statements81** Equity Investments We regularly invest in equity securities of public and private companies to promote business and strategic objectives. Equity investments are measured and recorded as follows: ▪ Marketable equity securities are equity securities with RDFV that are measured and recorded at fair value on a recurring basis with changes in fair value, whether realized or unrealized, recorded through the income statement. ▪ Non- marketable equity securities are equity securities without RDFV that are measured and recorded using a measurement alternative that measures the securities at cost minus impairment, if any, plus or minus changes resulting from qualifying observable price changes. ▪ Equity method investments are equity securities in investees we do not control but over which we have the ability to exercise significant influence. Equity method investments are measured at cost minus impairment, if any, plus or minus our share of equity method investee income or loss. Our proportionate share of the income or loss from equity method investments is recognized on a one- quarter lag. ~~Financial StatementsNotes to Consolidated Financial Statements84~~ Realized and unrealized gains and losses resulting from changes in fair value or the sale of our equity investments are recorded in gains (losses) on equity investments, net. The carrying value of our non- marketable equity securities is adjusted for qualifying observable price changes resulting from the issuance of similar or identical securities in an orderly transaction by the same issuer. Determining whether an observed transaction is similar to a security within our portfolio requires judgment based on the rights and preferences of the securities. ~~Recording upward and downward adjustments to the carrying value of our equity securities as a result of observable price changes requires quantitative assessments of the fair value of our securities using various valuation methodologies and involves the use of estimates.~~ Non- marketable equity securities and equity method investments (collectively referred to as non- marketable equity investments) are also subject to periodic impairment reviews. Our quarterly impairment analysis considers both qualitative and quantitative factors ~~that may have a significant impact on the investee' s fair value. Qualitative factors considered include the investee' s financial condition and business outlook, industry and sector performance, market for technology, operational and financing cash flow activities, and other relevant events and factors affecting the investee~~ . When indicators of impairment exist, we prepare quantitative assessments of the fair value of our non- marketable equity investments using both the market and income approaches ~~, which require judgment and the use of estimates, including discount rates, investee revenue and costs, and comparable market data of private and public companies, among others~~ . ▪ Non- marketable equity securities are tested for impairment using a qualitative model similar to the model used for goodwill and property, plant **,** and equipment. Upon determining that an impairment may exist, the security' s fair value is calculated and compared to its carrying value **,** and an impairment is recognized immediately if the carrying value exceeds the fair value. ▪ Equity method investments are subject to periodic impairment reviews using the other- than- temporary impairment model, which considers the severity and duration of a decline in fair value below cost and our ability and intent to hold the investment for a sufficient period of time to allow for recovery. Impairments of equity investments are recorded in gains (losses) on equity investments, net. Our primary objective for holding derivative financial instruments is to manage currency exchange rate risk and interest rate risk, and, to a lesser extent, equity market risk, commodity price risk, and credit risk. We enter into master netting arrangements to mitigate credit risk in derivative transactions by permitting net settlement of transactions with the same counterparty. We also enter into collateral security arrangements with certain of our counterparties to exchange cash collateral when the net fair value of certain derivative instruments fluctuates from contractually established thresholds. For presentation on our Consolidated Balance Sheets, we do not offset fair value amounts recognized for derivative instruments under master netting arrangements. Our derivative financial instruments, including related collateral amounts, are presented at fair value on a gross basis and are included in other current assets, other long- term assets, other accrued liabilities, or other long- term liabilities. Cash flow hedges use foreign currency contracts, such as currency forwards and currency interest rate swaps, to hedge exposures for variability in the US- dollar equivalent of non- US- dollar- denominated cash flows associated with our forecasted operating and capital purchases spending. The after- tax gains or losses from the effective portion of a cash flow hedge is reported as a component of accumulated other comprehensive income (loss) and reclassified into earnings in the same period or periods in which the hedged transaction affects earnings, and in the same line item on the Consolidated Statements of Income as the impact of the hedge transaction. For foreign currency contracts hedging our capital purchases, forward points are excluded from the hedge effectiveness assessment, and are recognized in earnings in the same income statement line item used to present the earnings effect of the hedged item. If the cash flow hedge transactions become improbable, the corresponding amounts deferred in accumulated other comprehensive income (loss) would be immediately reclassified to interest and other, net. Cash flows associated with these derivatives are classified in the Consolidated Statements of Cash Flows in the same section as the underlying item. Fair value hedges use interest rate contracts, such as interest rate swaps, to hedge against changes in the fair value on certain of our fixed- rate indebtedness attributable to changes in the benchmark interest rate. The gains or losses on these hedges, as well as the offsetting losses or gains related to the changes in the fair value of the underlying hedged item attributable to the hedged risk, are recognized in earnings in the current period, primarily in interest and other, net. Cash flows associated with these derivatives are classified in the Consolidated Statements of Cash Flows in the same section as the underlying item, primarily within **net** cash ~~flows from~~ **provided by (used for)** financing activities. **Financial StatementsNotes to Consolidated Financial Statements82** Non- designated hedges use foreign currency contracts to economically hedge the functional currency equivalent cash flows of recognized monetary assets and liabilities, **and** non- US- dollar- denominated debt instruments classified as hedged investments ~~, and non- US- dollar- denominated loans receivable recognized at fair value~~ . We also use interest rate contracts to hedge interest rate risk related to our US- dollar- denominated fixed- rate debt investments classified as hedged investments. The change in fair value of these derivatives is recorded through earnings in the line item on the Consolidated Statements of Income to which the derivatives most closely relate, primarily in interest and other, net. Changes in the fair value of the underlying assets and liabilities associated with the hedged risk are generally offset by the changes in the fair value of the related derivatives. ~~Financial StatementsNotes to Consolidated Financial Statements85~~ Credit Risk Financial instruments that potentially subject us to concentrations of credit risk consist principally of investments in debt instruments, derivative financial instruments, ~~loans receivable,~~ reverse repurchase agreements, and trade **and other** receivables. We generally place investments with high- credit- quality counterparties and, by policy, we limit the amount of credit exposure to any one counterparty based on our analysis of that counterparty' s relative credit standing. As required per our investment policy, substantially all of our investments in debt instruments are in investment- grade instruments. Credit- rating criteria for derivative instruments are similar to those for other investments. We enter into master netting arrangements to mitigate credit risk in derivative transactions by permitting net settlement of transactions with the same counterparty. Due to master netting arrangements, the amounts subject to credit risk related to derivative instruments are generally limited to the amounts, if any, by which the counterparty' s obligations exceed our obligations with that counterparty. As of December ~~31~~ **30** , ~~2022~~ **2023** , our total credit exposure to any single counterparty, excluding money market funds invested in US treasury and US agency securities and reverse repurchase agreements collateralized by treasury and agency securities, did not exceed $ ~~2~~ **1** . ~~9~~ **6** billion. To further reduce credit risk, we enter into collateral security arrangements with certain of our derivative counterparties and obtain and secure collateral from counterparties against obligations, including securities lending transactions when we deem it appropriate. Cash collateral exchanged under our collateral security arrangements is included in other current assets, other long- term assets, other accrued liabilities, or other long- term liabilities. For reverse repurchase agreements collateralized by other securities, we do not record the collateral as an asset or a liability unless the collateral is repledged. A **substantial** majority of our trade receivables are derived from sales to OEMs and ODMs. We also have accounts receivable derived from sales to industrial and communications equipment manufacturers in the computing and communications industries. We believe the net accounts receivable balances from our three largest customers ( ~~53~~ **50** % as of December ~~31~~ **30** , ~~2022~~ **2023** ) do not represent a significant credit risk, based on cash flow forecasts, balance sheet analysis, and past collection experience. We have adopted credit policies and standards intended to accommodate industry growth and inherent risk. We believe credit risks are moderated by the financial stability of our major customers. We assess credit risk through quantitative and qualitative analysis. From this analysis, we establish shipping and credit limits and determine whether we will seek to use one or more credit support protection devices, such as obtaining a parent guarantee, standby letter of credit, or credit insurance. Variable Interest Entities We have economic interests in entities that are VIEs. If we conclude we are the primary beneficiary of the VIE, we are required to consolidate the entity in our financial statements. To determine if we are the primary beneficiary, we evaluate whether we have the power to direct the activities that most significantly impact the VIE ~~’~~ **'** s economic performance and the obligation to absorb losses or the right to receive benefits of the VIE that could potentially be significant to the VIE. Our evaluation includes identification of significant activities and an assessment of our ability to direct those activities based on governance provisions and arrangements to provide services to the VIE. Periodically, we assess whether any changes in our interest or relationship with the entity affect our determination of whether the entity is a VIE and, if so, whether we are the primary beneficiary. **Our Consolidated Financial Statements include the accounts of majority- owned subsidiaries consolidated under the variable interest and voting interest models. Non- controlling interests represent the portion of equity not attributable to Intel and are reported as a separate component of equity, net of tax and transaction costs, on our Consolidated Balance Sheets. Net income (loss) and comprehensive income (loss) for majority- owned subsidiaries are attributed to Intel and to non- controlling interest holders on our Consolidated Statements of Income and Consolidated Statements of Comprehensive Income based on respective ownership percentages. We account for changes in ownership of our majority- owned subsidiaries as equity transactions when we retain a controlling financial interest. Financial StatementsNotes to Consolidated Financial Statements83** Business Combinations We allocate the purchase price paid for assets acquired and liabilities assumed in connection with our acquisitions based on their estimated fair values at the time of acquisition. This allocation involves a number of assumptions, estimates, and judgments in determining the fair value of the following: ▪ inventory; property, plant **,** and equipment; pre- existing liabilities or legal claims; and contingent consideration; each as may be applicable; ▪ intangible assets, including the valuation methodology, estimations of future cash flows, discount rates, market segment growth rates, and our assumed market segment share, as well as the estimated useful life of intangible assets; ▪ deferred tax assets and liabilities, uncertain tax positions, and tax- related valuation allowances, which are initially estimated as of the acquisition date; and ▪ goodwill as measured as the excess of consideration transferred over the net of the acquisition date fair values of the assets acquired and the liabilities assumed. Our assumptions and estimates are based upon comparable market data and information obtained from our management and the management of the acquired companies. ~~We~~ **These assumptions and estimates are used to value assets acquired and liabilities assumed, and to** allocate goodwill to the reporting units of the business that are expected to benefit from the business combination **. During the measurement period, which may be up to one year from the business acquisition date, we may recognize adjustments to the assets acquired, liabilities assumed, and related goodwill** . We use the straight- line amortization method to recognize share- based compensation expense over the service period of the award, net of estimated forfeitures. Upon exercise, cancellation, forfeiture, or expiration of stock options, or upon vesting or forfeiture of RSUs, we eliminate deferred tax assets for options and RSUs with multiple vesting dates for each vesting period on a first- in, first- out basis as if each vesting period were a separate award. ~~Financial StatementsNotes to Consolidated Financial Statements86~~ For the majority of RSUs granted, the number of shares of common stock issued on the date the RSUs vest is net of the minimum statutory withholding requirements that we pay in cash to the appropriate taxing authorities on behalf of our employees. The obligation to pay the relevant taxing authority is contingent upon continued employment. In addition, the amount of the obligation is unknown, as it is based in part on the market price of our common stock when the awards vest. We compute the provision for income taxes using the asset and liability method, under which deferred tax assets and liabilities are recognized for the expected future tax consequences of temporary differences between the financial reporting and tax bases of assets and liabilities, and for operating losses and tax credit carryforwards. We measure deferred tax assets and liabilities using the currently enacted tax rates that apply to taxable income in effect for the years in which those tax assets are expected to be realized or settled. We assess the likelihood that we will be able to recover our deferred tax assets. If recovery is not likely, we must increase our provision for taxes by recording a valuation allowance against the deferred tax assets that we estimate will not ultimately be recoverable. We believe that we will ultimately recover the deferred tax assets recorded on our Consolidated Balance Sheets. Recovery of a portion of our deferred tax assets is affected by management' s plans with respect to holding or disposing of certain investments; therefore, such changes could also affect our future provision for taxes. We recognize tax benefits from uncertain tax positions only if (based on the technical merits of the position) it is more likely than not that the tax positions will be sustained on examination by the tax authority. The tax benefits recognized in the financial statements from such positions are measured based on the largest amount that is more than 50 % likely to be realized upon ultimate settlement. We recognize interest and penalties related to unrecognized tax benefits within the provision for (benefit from) taxes on the Consolidated Statements of Income. We recognize the tax impact of including certain foreign earnings in US taxable income as a period cost. We have recognized deferred income taxes for local country income and withholding taxes that could be incurred on distributions of certain non- US earnings or for outside basis differences in our subsidiaries, because we do not plan to indefinitely reinvest such earnings and basis differences. Remittances of non- US earnings are based on estimates and judgments of projected cash flow needs, as well as the working capital and investment requirements of our non- US and US operations. Material changes in our estimates of cash, working capital, and investment needs in various jurisdictions could require repatriation of indefinitely reinvested non- US earnings, which could be subject to applicable non- US income and withholding taxes. **Financial StatementsNotes to Consolidated Financial Statements84** Leases Leases consist of real property and machinery and equipment. Our lease terms may include options to extend when it is reasonably certain that we will exercise such options. **For** ~~We have lease~~ **leases** ~~agreements with~~ **for supplier capacity, we account for the** lease and non- lease components ~~, and~~ **as a single lease component. For all** ~~the~~ **other leases, we account for the lease and** non- lease components ~~are accounted for~~ separately and **do** not ~~included~~ - **include the non- lease components** in our leased assets and corresponding liabilities. Payments on leases may be fixed or variable, and variable lease payments are based on output of the underlying leased assets. Loss Contingencies We are subject to loss contingencies, including various legal and regulatory proceedings, asserted and potential claims, liabilities related to repair or replacement of parts in connection with product defects, as well as product warranties and potential asset impairments that arise in the ordinary course of business and are subject to change, including due to sudden or rapid developments in proceedings or claims. An estimated loss from such contingencies is recognized as a charge to income if it is probable that a liability has been incurred and the amount of the loss can be reasonably estimated. We evaluate developments that could affect prior disclosures or previously ~~-~~ accrued liabilities, and make adjustments as appropriate. Significant judgment is required to determine both likelihood of there being, and the estimated amount of, a loss related to such matters. If one or more of these matters were resolved against us for amounts in excess of management' s estimates of losses, our results of operations and financial condition could be materially adversely affected. ~~Financial StatementsNotes to Consolidated Financial Statements87~~ Note 3: Operating Segments We previously announced ~~several~~ **the** organizational ~~changes~~ - **change** ~~that would~~ **to integrate AXG into CCG and DCAI. This change is intended to drive a more effective go- to- market capability and to** accelerate the **scale** ~~execution and innovation~~ of **these** ~~our company by allowing us to capture growth in both large traditional markets and high- growth emerging markets. This includes reorganization of our business~~ **businesses** ~~units to capture this growth and to provide increased transparency~~ , ~~focus, and accountability~~ **while also reducing costs** . As a result, we modified our segment reporting in the first quarter of ~~2022~~ **2023** to align to **this and certain** ~~the~~ **other** ~~previously announced~~ business ~~reorganization~~ **reorganizations** . All prior- period segment data has been retrospectively adjusted to reflect the way our CODM internally receives information and manages and monitors our operating segment performance starting in fiscal year ~~2022~~ **2023** . We manage our business through the following operating segments: ▪ Client Computing Group ▪ Data Center and AI ▪ Network and Edge ▪ Mobileye ▪ ~~Accelerated Computing Systems and Graphics ▪~~ Intel Foundry Services We derive a substantial majority of our revenue from our principal products that incorporate various components and technologies, including a microprocessor and chipset, a stand- alone SoC, or a multichip package, which are based on Intel architecture. CCG, DCAI, **and** NEX ~~and AXG~~ are our reportable operating segments. Mobileye ~~,~~ and IFS do not ~~meet the quantitative thresholds to~~ qualify as reportable operating segments; however, we have elected to disclose the results of these non- reportable operating segments ~~. AXG revenue includes integrated graphics royalties from our CCG and NEX operating segments and are recorded as if the sales or transfers were to third parties at prices that approximate market- based selling prices~~ . When we enter into federal contracts, they are aligned to the sponsoring operating segment. We have sales and marketing, manufacturing, engineering, finance, and administration groups. Expenses for these groups are generally allocated to the operating segments. We have an" all other" category that includes revenue, expenses, and charges such as: ▪ **results of operations from non- reportable segments not otherwise presented, and from start- up businesses that support our initiatives; ▪** historical results of operations from divested businesses; ▪ ~~results of operations of start- up businesses that support our initiatives; ▪~~ amounts included within restructuring and other charges; ▪ employee benefits, compensation, impairment charges, and other expenses not allocated to the operating segments ~~(beginning the first quarter of 2022, this includes all of our stock- based compensation)~~ ; and ▪ acquisition- related costs, including amortization and any impairment of acquisition- related intangibles and goodwill. The CODM, who is our CEO, allocates resources to and assesses the performance of each operating segment using information about the operating segment' s revenue and operating income (loss). The CODM does not evaluate operating segments using discrete asset information **,** and we do not identify or allocate assets by operating segments. Based on the interchangeable nature of our manufacturing and assembly and test assets, most of the related depreciation expense is not directly identifiable within our operating segments, as it is included in overhead cost pools and subsequently absorbed into inventory as each product passes through our manufacturing process. Because our products are then sold across multiple operating segments, it is impracticable to determine the total depreciation expense included as a component of each operating segment' s operating income (loss) results. We do not allocate gains and losses from equity investments, interest and other income, share- based compensation, or taxes to our operating segments. Although the CODM uses operating income (loss) to evaluate the segments, operating costs included in one segment may benefit other segments. The accounting policies for segment reporting are the same as for Intel as a whole. Financial StatementsNotes to Consolidated Financial ~~Statements88~~ **Statements85** Net revenue and operating income (loss) for each period were as follows: Years Ended (In Millions) Dec **30, 2023Dec** 31, 2022Dec 25, **2021Net** ~~2021Dec 26, 2020Operating segment~~ revenue: Client ComputingDesktop $ 10, **166 $ 10,** 661 $ 12, 437 ~~$ 11, 179 Notebook18~~ **Notebook16** , ~~783~~ **990 18, 781** 25, 443 ~~24, 897~~ Other2, ~~264~~ **102 2, 331** 3, ~~187 4~~ **201 29** , ~~459~~ **258** 31, ~~708~~ **773** 41, **081** ~~067 40, 535~~ Data Center and ~~AI19~~ **AI $ 15** , **521 $** ~~196~~ - **19, 445 $** 22, **774** ~~691 23, 413~~ Network and ~~Edge8~~ **Edge5** , ~~873~~ **774 8, 409** 7, **665** ~~976 7, 132 Mobileye1~~ **Mobileye2 , 079 1** , 869 1, 386 ~~967 Accelerated Computing Systems and Graphics837 774 651~~ Intel Foundry ~~Services895~~ - **Services952** ~~786 715~~ **469 347** All ~~other196~~ -- **other644 1, 089** 5, **771** ~~019 5, 091~~ Total **net** ~~operating segment~~ revenue $ **54, 228 $** 63, ~~574~~ **054** $ 79, **024** ~~699 $ 78, 504~~ Operating income (loss): Client Computing $ 6, ~~266~~ **520 $ 5, 569** $ 15, **523** ~~704 $ 15, 800~~ Data Center and ~~AI2~~ - **AI (530) 1** , ~~288 8~~ **300 7** , **376** ~~439 11, 076~~ Network and ~~Edge740~~ **Edge (482)** 1, ~~711 846~~ **033 1, 935** ~~Mobileye690~~ **Mobileye664 690** 554 ~~323 Accelerated Computing Systems and Graphics (1, 716) (1, 207) (403)~~ Intel Foundry Services ( ~~320~~ **482** ) ( ~~23~~ **281** ) ~~45~~ **76** All other (5, ~~614~~ **597** ) (5, ~~722~~ **977** ) ( ~~4~~ **6** , ~~009~~ **008** ) Total operating income **(loss) $ 93** $ 2, 334 $ 19, 456 ~~$ 23, 678 The following table presents intersegment revenue before eliminations: Total operating segment revenue $ 63, 574 $ 79, 699 $ 78, 504 Less: Accelerated Computing Systems and Graphics intersegment revenue (520) (675) (637) Total net revenue $ 63, 054 $ 79, 024 $ 77, 867~~ In 2022, we initiated the wind- down of our Intel Optane memory business, which is part of our DCAI operating segment. While Intel Optane is a leading technology, it was not aligned to our strategic priorities. Separately, we continue to embrace the CXL standard. As a result, we recognized an inventory impairment of $ 723 million in cost of sales on the Consolidated Statements of Income in 2022. The impairment charge is recognized as a ~~Corporate~~ **corporate** charge in the" all other" category presented above. ~~As we wind down the Intel Optane business, we expect to continue to meet existing customer commitments.~~ In ~~2022~~ **2023** , **substantially all of the revenue from** our **three largest customers was from the sale of platforms and other components by our CCG and DCAI operating segments. Our** three largest customers accounted for **the following percentage of our net revenue: Years EndedDec 30, 2023Dec 31, 2022Dec 25, 2021Dell Inc. 19 % 19 % 21 % Lenovo Group Limited11 % 12 % 12 % HP Inc. 10 % 11 % 10 % Total percentage of net revenue40 %** 42 % ~~of our net revenue (~~ 43 % ~~in 2021 and 39 % in 2020), with Dell Inc. accounting for 19 % (21 % in 2021 and 17 % in 2020), Lenovo Group Limited accounting for 12 % (12 % in 2021 and 12 % in 2020), and HP Inc. accounting for 11 % (10 % in 2021 and 10 % in 2020). Substantially all of the revenue from these customers was from the sale of platforms and other components by the CCG and DCAI operating segments. Financial StatementsNotes to Consolidated Financial Statements89~~ Net revenue by region, based on the billing location of the customer, was as follows: Years Ended (In Millions) Dec **30, 2023Dec** 31, 2022Dec 25, ~~2021Dec 26, 2020China~~ **2021China $ 14, 854** $ 17, 125 $ 22, 961 ~~$ 20, 257 Singapore9~~ **Singapore8 , 602 9** , 664 18, 096 ~~17, 845~~ United ~~States16~~ **States13 , 958 16** , 529 14, 322 ~~16, 573 Taiwan8~~ **Taiwan6 , 867 8** , 287 11, 418 **Other regions9, 947** 11 ~~, 605 Other regions11~~ , 449 12, 227 ~~11, 587~~ Total net revenue $ **54, 228 $** 63, 054 $ 79, 024 **Financial StatementsNotes** ~~$ 77, 867 The 2021 net revenue by region presented in the table above has been adjusted from our Form 10- K filed January 27, 2022~~ to **Consolidated Financial Statements86** ~~reflect the correct allocation to each region.~~ Note 4: Non- Controlling Interests **Dec 30, 2023Dec 31, 2022 (In Millions) Non- Controlling InterestsNon- Controlling Ownership % Non- Controlling InterestsNon- Controlling Ownership % Arizona Fab LLC $ 2, 359 49 % $ 874 49 % Mobileye1, 838 12 % 989 6 % IMS Nanofabrication178 32 % — — % Non- controlling interests, net of tax $ 4, 375 $ 1, 863** Semiconductor Co- Investment Program In ~~the fourth quarter of~~ 2022, we closed a transaction with Brookfield Asset Management (Brookfield) resulting in the formation of Arizona Fab LLC (Arizona Fab), a VIE **that** ~~for which~~ we **consolidate into our financial statements** ~~and Brookfield own 51 % and 49 %, respectively. Because~~ **because** we are the primary beneficiary ~~of the VIE, we fully consolidate the results of Arizona Fab into our consolidated financial statements~~ . Generally, contributions will be made to, and distributions will be received from, Arizona Fab based on both parties ~~'~~ **'** proportional ownership. We will be the sole operator ~~and majority owner~~ of two new chip factories that will be constructed by Arizona Fab, and we will have the right to purchase 100 % of the related factory output. Once production commences, we will be required to operate Arizona Fab at minimum production levels measured in wafer starts per week and will be required to limit excess inventory held on site **,** or we will be subject to certain penalties. We have an unrecognized commitment to fund our respective share of the total construction costs of **Arizona Fab of** $ 29. 0 billion. ~~Refer to" Note 19: Commitments and Contingencies" within the Notes to Consolidated Financial Statements.~~ As of December ~~31~~ **30** , ~~2022~~ **2023** , **a** ~~substantially~~ -- **substantial** ~~all~~ **majority** of the assets of Arizona Fab consisted of property, plant **,** and equipment. The assets held by Arizona Fab, which can be used only to settle obligations of the VIE and are not available to us, were $ ~~1~~ **4** . 8 billion as of December ~~31~~ **30** , ~~2022~~ **2023 (** ~~. Non- controlling interest in Arizona Fab was~~ $ ~~874~~ **1. 8** ~~million~~ **billion** as of December 31, 2022 ~~and there was no net income (loss~~ ) ~~attributable to Arizona Fab' s non- controlling interest in 2022~~ . In ~~the fourth quarter of~~ 2022, Mobileye completed its IPO and certain other equity financing transactions that resulted in net proceeds of $ 1. 0 billion. ~~As~~ **During the second quarter** of ~~December 31, 2022~~ **2023** , ~~Intel held approximately 94~~ **we converted 38. 5 million of our Mobileye Class B shares into Class A shares, representing 5** % of ~~the outstanding equity interest in Mobileye. Non- controlling interest in Mobileye was $ 989 million as of December 31, 2022. Net Income attributable to~~ Mobileye' s ~~non- controlling interest~~ **outstanding capital stock, and subsequently sold the Class A shares for $ 42 per share** ~~was~~ - **as part of a secondary offering, receiving net proceeds of** $ ~~3~~ **1. 6 billion and increasing our capital in excess of par value by $ 663** million ~~in~~ **, net of tax. We continue to consolidate the results of Mobileye into our consolidated financial statements. IMS Nanofabrication In the third and fourth quarters of** ~~2022~~ **2023 , we closed agreements to sell a combined 32 % minority stake in our IMS business, a business within our IFS operating segment — including a 20 % stake to Bain Capital and a 10 % stake to TSMC. Net proceeds resulting from the minority stake sales totaled $ 1. 4 billion, and our capital in excess of par value increased by $ 958 million, net of tax. We continue to consolidate the results of IMS into our consolidated financial statements** . Financial StatementsNotes to Consolidated Financial ~~Statements90~~ **Statements87** Note 5: Earnings Per Share Years Ended (In Millions, Except Per Share Amounts) Dec **30, 2023Dec** 31, 2022Dec 25, ~~2021Dec 26, 2020Net~~ **2021Net** income $ **1, 675 $** 8, 017 $ 19, 868 ~~$ 20, 899~~ Less: Net income **(loss)** attributable to non- controlling ~~interests3~~ - **interests —(14) 3** — Net income attributable to Intel $ **1, 689 $** 8, 014 $ 19, 868 ~~$ 20, 899~~ Weighted average shares of common stock outstanding — basic4, **190 4,** 108 4, 059 ~~4, 199~~ Dilutive effect of employee incentive ~~plans15~~ **plans22 15** 31 ~~33~~ Weighted average shares of common stock outstanding — diluted4, **212 4,** 123 4, 090 ~~4, 232~~ Earnings per share attributable to Intel — basic $ **0. 40 $** 1. 95 $ 4. 89 ~~$ 4. 98~~ Earnings per share attributable to Intel — diluted $ **0. 40 $** 1. 94 $ 4. 86 ~~$ 4. 94~~ We computed diluted earnings per share of common stock based on the weighted average number of shares of common stock outstanding plus potentially dilutive shares of common stock outstanding during the period. Potentially dilutive shares of common stock from employee incentive plans are determined by applying the treasury stock method to the assumed exercise of outstanding stock options, the assumed vesting of outstanding RSUs, and the assumed issuance of common stock under the 2006 ESPP. During 2022, 70 million RSUs and stock options, as calculated on a weighted average basis for the year, were excluded from the computation of diluted earnings per share in the table above because they would have been anti- dilutive. These RSUs and options could potentially be included in the diluted earnings per share calculation in the future if the average market value of the common shares increases above the exercise price. For ~~2021 and 2020,~~ all other periods presented, securities ~~which~~ **that** would have been anti- dilutive were insignificant and have been excluded from the computation of diluted earnings per share. ~~Financial StatementsNotes to Consolidated Financial Statements91~~ Note 6: Other Financial Statement Details Accounts Receivable **We sell** ~~In 2022, we began selling~~ certain of our accounts receivable on a non- recourse basis to third- party financial institutions. We record these transactions as sales of receivables and present cash proceeds as cash **flows** provided by operating activities in the Consolidated Statements of Cash Flows. Accounts receivable sold under non- recourse factoring arrangements were $ **2. 0 billion during 2023 and $** 665 million during 2022 ~~and $ 0 during 2021~~ . After the sale of our accounts receivable, we ~~will~~ **expect to** collect payment from the ~~customer~~ **customers** and remit it to the third- party financial institution. (In Millions) Dec **30, 2023Dec** 31, ~~2022Dec 25, 2021Raw~~ **2022Raw** materials $ 1, **166 $ 1,** 517 ~~$ 1, 441~~ Work in ~~process7~~ **process6 , 203 7** , 565 ~~6, 656~~ Finished ~~goods4~~ **goods3 , 758 4** , 142 ~~2, 679~~ Total inventories $ **11, 127 $** 13, 224 ~~$ 10, 776~~ **Financial StatementsNotes to Consolidated Financial Statements88** (In Millions) Dec **30, 2023Dec** 31, ~~2022Dec 25, 2021Land~~ **2022Land** and buildings $ **51, 182 $** 44, 808 ~~$ 40, 039~~ Machinery and ~~equipment92~~ **equipment100 , 033 92** , 711 ~~86, 955~~ Construction in ~~progress36~~ - **progress43 , 442 36** , 727 ~~21, 545~~ Total property, plant **,** and equipment, ~~gross174~~ **gross194 , 657 174** , 246 ~~148, 539~~ Less: Accumulated depreciation ( **98, 010) (** 93, 386 ~~) (85, 294~~ ) Total property, plant **,** and equipment, net $ **96, 647 $** 80, 860 ~~$ 63, 245~~ Our depreciable property, plant **,** and equipment assets are depreciated over the following estimated useful lives: machinery and equipment, 3 to ~~5~~ **8** years; and buildings, 10 to 25 years. **Effective January 2023, we increased the estimated useful life of certain production machinery and equipment from 5 to 8 years. When compared to the estimated useful life in place as of the end of 2022, we estimate this change increased gross margin in 2023 by approximately $ 2. 5 billion and decreased R & D expense by approximately $ 400 million. As of December 30, 2023, we estimate this change decreased ending inventory values by approximately $ 1. 3 billion. These estimates are based on the assets in use and under construction as of the beginning of 2023 and are calculated at that point in time.** Net property, plant **,** and equipment by country at the end of each period was as follows: (In Millions) Dec **30, 2023Dec** 31, ~~2022Dec 25, 2021United~~ **2022United** States $ **63, 234 $** 53, 681 ~~$ 43, 428 Ireland13~~ **Ireland16 , 746 13** , 179 **Israel9, 290** 7, ~~503 Israel7,~~ 908 ~~7, 754~~ Other ~~countries6~~ **countries7 , 377 6** , 092 ~~4, 560~~ Total property, plant **,** and equipment, net $ **96, 647 $** 80, 860 ~~$ 63~~ **We enter into government incentive arrangements with local** , ~~245~~ **regional, and national governments, both US and non- US. These arrangements vary in size, duration, and conditions and allow us to maintain a market- comparable foothold across various geographies. These incentives are primarily structured as cash grants and refundable tax credits. Capital- related incentives have terms of up to 15 years and operating- related incentives have terms that can vary widely. We are eligible to receive these incentives because we engage in qualifying capital investments, R & D, and other activities as defined by the relevant government entities. This includes qualifying capital investments for semiconductor wafer and advanced packaging manufacturing facilities**

**construction and acquisition of equipment. Each incentive requires that we comply with certain conditions for a period that may exceed the incentive terms. These conditions can include achievement of future operational targets and committing to minimum levels of capital investment. If conditions are not satisfied, the incentives may be subject to reduction, recapture, or termination. Capital- related incentives reduced gross property, plant, and equipment by $ 5. 5 billion as of December 30, 2023 ($ 3. 3 billion as of December 31, 2022), of which $ 2. 2 billion was recognized in 2023 ($ 373 million in 2022). Capital- related incentives reduced depreciation expense by $ 226 million in 2023, of which substantially all reduced cost of sales ($ 230 million in 2022, all of which reduced cost of sales). Related incentives recognized during each period consisted of the following: ▪ US federal government pursuant to the US CHIPS and Science Act- We recognized a non- cash refundable advanced manufacturing investment tax credit of $ 845 million in 2023, which is recorded as an offset to income taxes payable. No incentives were recognized in 2022. ▪ US state governments- We recognized $ 723 million of grants in 2023 related to two new leading- edge chip factories in Ohio. No incentives were recognized in 2022. ▪ Non- US governments- We recognized $ 645 million of grants and refundable tax credits in 2023 ($ 373 million in 2022), a majority of which related to the expansion of silicon wafer manufacturing facilities in Ireland. Operating- related incentives benefited operating income by $ 202 million in 2023 ($ 104 million in 2022), a majority of which was recorded in cost of sales. Capital- related and operating- related grants receivables totaled $ 559 million as of December 30, 2023 ($ 437 million as of December 31, 2022), a majority of which pertained to capital- related grants and were recognized as non- cash investing activities. A substantial majority of the grants receivables were recorded within other long- term assets on our Consolidated Balance Sheets as of December 30, 2023 and as of December 31, 2022. Capital- related refundable tax credits totaled $ 365 million as of December 30, 2023 (no balance as of December 31, 2022) and were recorded within income taxes payable on our Consolidated Balance Sheets. Financial StatementsNotes to Consolidated Financial Statements89** Other Accrued Liabilities Other accrued liabilities include deferred compensation of $ 2. **9 billion as of December 30, 2023 ($ 2.** 4 billion as of December 31, 2022 ~~($ 2. 8 billion as of December 25, 2021) and collateral received for derivatives under credit support annex agreements of $ 0. 7 billion as of December 31, 2022 ($ 1. 0 billion as of December 25, 2021~~ ). Advertising Advertising costs, including direct marketing, are expensed as incurred and recorded within MG & A expenses. Advertising costs were $ **950 million in 2023 ($** 1. 2 billion in 2022 ~~(~~ **and** $ 1. 1 billion in 2021 ~~and $ 763 million in 2020~~ ). ~~Financial StatementsNotes to Consolidated Financial Statements92~~ Interest and Other, Net Years Ended (In Millions) Dec **30, 2023Dec** 31, 2022Dec 25, ~~2021Dec 26, 2020Interest~~ **2021Interest** income $ **1, 335 $** 589 $ 144 ~~$ 272~~ Interest expense ( **878) (** 496) (597) ~~(629)~~ Other, ~~net1~~ **net172 1** , 073 (29 ~~) (147~~ ) Total interest and other, net $ **629 $** 1, 166 $ (482 ~~) $ (504~~ ) Interest expense is net of $ **1. 5 billion of interest capitalized in 2023 ($** 785 million ~~of interest capitalized~~ in 2022 ~~(~~ **and** $ 398 million in 2021 ~~and $ 338 million in 2020~~ ). Other, net includes a $ 1. 0 billion gain recognized in 2022 from the first closing of the divestiture of our NAND memory business. Note 7: Restructuring and Other Charges Years Ended (In Millions) Dec **30, 2023Dec** 31, 2022Dec 25, ~~2021Dec 26, 2020Employee~~ **2021Employee** severance and benefit arrangements $ **222 $** 1, 038 $ 48 ~~$ 124~~ Litigation charges and other ( **329) (** 1, 187) 2, 291 ~~67~~ Asset impairment ~~charges151~~ - **charges45 151** 287 ~~7~~ Total restructuring and other charges $ **(62) $** 2 $ 2, 626 ~~$ 198~~ The 2022 Restructuring Program was approved to rebalance our workforce and operations to create efficiencies and improve our product execution in alignment with our strategy. Restructuring charges are primarily comprised of employee severance and benefit arrangements and are recorded as corporate charges in the" all other" category presented in" Note 3: Operating Segments" within the Notes to Consolidated Financial Statements. ~~As~~ **These actions were substantially complete as of December 30, 2023. Restructuring activity for the 2022 Restructuring Program was as follows: (In Millions) Employee Severance and Benefit ArrangementsAccrued restructuring balance as of December 25, 2021 $ — Accruals and adjustments1, 038 Cash payments (165) Accrued restructuring balance as** of December 31, **2022873 Accruals and adjustments222 Cash payments (1, 013) Accrued restructuring balance as of December 30, 2023 $ 82 The accrued restructuring balances as of December 30, 2023 and December 31,** 2022 ~~, we have~~ **were recorded as current liabilities within** accrued ~~$ 873 million as a current liability within Accrued~~ compensation and benefits on ~~our~~ **the** Consolidated Balance Sheets ~~; $ 165 million in payments or other adjustments were made during the period~~ . **The cumulative cost** ~~We expect these actions to be substantially completed by the end~~ of ~~2023, but this is subject to change. Any changes to the estimates or timing of executing~~ the 2022 Restructuring Program **as** ~~will be reflected in our future results~~ of ~~operations~~ **December 30, 2023 was $ 1. 3 billion** . Litigation charges and other includes a $ 1. 2 billion benefit in ~~2022~~ **2023 due** ~~from the annulled penalty related~~ to **a reduction in the previously accrued $ 2. 2 billion charge as a result of developments in the VLSI litigation in the fourth quarter of 2023. 2023 charges also include a $ 401 million charge for** an EC **- imposed fine. In 2009, we recorded and paid an EC- imposed** fine that was **subsequently annulled** ~~recorded and paid in 2009~~ , ~~and~~ **resulting in** a ~~charge~~ **benefit** of $ ~~2~~ **1** . 2 billion in ~~2021~~ **2022** ~~related to the VLSI litigation. These were recorded as a corporate benefit and charge in the" all other" category presented in" Note 3: Operating Segments" within the Notes to Consolidated Financial Statements~~ . Refer to" Note 19: Commitments and Contingencies" within the Notes to Consolidated Financial Statements for further information on legal proceedings related to the **VLSI litigation and** EC fine ~~and~~ **. Also in 2023, we mutually agreed with Tower to terminate** the ~~VLSI~~ **agreement we entered into during 2022 to acquire Tower due to our inability to obtain required regulatory approvals in a timely manner. We paid a termination fee in accordance with the terms of the agreement, resulting in a $ 353 million charge included in** litigation ~~. Asset impairment~~ charges ~~includes $ 238 million of goodwill~~ and other **. Financial StatementsNotes** ~~impairments related to the shutdown in 2021 of two of our non- strategic businesses, the results of which are included in the " all other " category presented in " Note 3: Operating Segments " within the Notes~~ to Consolidated Financial ~~Statements. Financial StatementsNotes to Consolidated Financial Statements93~~ **Statements90** Note 8: Income Taxes Provision for (Benefit From) Taxes Years Ended (In Millions) Dec **30, 2023Dec** 31, 2022Dec 25, ~~2021Dec 26, 2020Income~~ **2021Income (losses)** before taxes: US $ ( **4, 749) $ (** 1, 161) $ 9, 361 ~~$ 15, 452~~ Non- ~~US8~~ **US5, 511 8** , 929 12, 342 ~~9, 626~~ Total income before ~~taxes7~~

**taxes762 7** , 768 21, 703 ~~25, 078~~ Provision for (benefit from) taxes: Current: ~~Federal4~~ **Federal538 4** , 106 1, 304 **State23 68 75 Non- US535 735** 1, ~~120 State68 75 46 Non- US735 1,~~ 198 ~~1, 244~~ Total current provision for (benefit from) ~~taxes4~~ **taxes1 , 096 4** , 909 2, 577 ~~2, 410~~ Deferred: Federal ( **2, 048) (** 5, 806) (863) ~~1, 369~~ State ( **21) (** 40) (25) ~~25~~ Non- **US60** ~~US688~~ -- **688** 146 ~~375~~ Total deferred provision for (benefit from) taxes ( **2, 009) (** 5, 158) (742) ~~1, 769~~ Total provision for (benefit from) taxes $ ( **913) $ (** 249) $ 1, 835 ~~$ 4, 179~~ Effective tax rate ( **119. 8) % (** 3. 2) % 8. 5 ~~% 16. 7~~ % The difference between the tax provision at the statutory federal income tax rate and the tax provision as a percentage of income before income taxes (effective tax rate) for each period was as follows: Years EndedDec **30, 2023Dec** 31, 2022Dec 25, ~~2021Dec 26, 2020Statutory~~ **2021Statutory** federal income tax rate21. 0 % 21. 0 % 21. 0 % Increase (reduction) in rate resulting from: **Research and development tax credits (99. 0) (11. 4) (2. 4)** Non- US income taxed at different rates ( **60. 6) (** 13. 4) (5. 9 ~~) (3. 7) Research and development tax credits (11. 4) (2. 4) (2. 1~~ ) Foreign derived intangible income benefit ( **25. 1) (** 9. 7) (2. 2) **Restructuring of certain non- US subsidiaries** ( ~~1~~ **15** . ~~9~~ **8** ) **(2. 2) (3. 4) Share- based compensation34. 3 3. 0 —** Unrecognized tax benefits and ~~settlements4~~ **settlements16 . 3 4** . 5 1. 1 **Non- deductibility of European Commission fine11. 1 (4. 1) — Other (2.** 0 **) 9** . **1 0.** ~~6 Restructuring of certain non- US subsidiaries — (~~ 3 ~~. 4) — Change in permanent reinvestment assertion — — 1. 6 Other5. 8 0. 3 1. 2~~ Effective tax rate ( **119. 8) % (** 3. 2) % 8. 5 % ~~16~~ **Our effective tax rate decreased in 2023 compared to 2022, primarily driven by our R & D tax credits, which provide a tax benefit based on our eligible R & D spending and are not dependent on lower income before taxes, and a higher proportion of our income being taxed in non- US jurisdictions** . ~~7 %~~ Our effective tax rate decreased in 2022 compared to 2021, primarily driven by a higher proportion of our income being taxed in non- US jurisdictions and a change in tax law from 2017 Tax Reform related to the capitalization of R & D expenses that went into effect in January 2022 ~~. Our effective tax rate decreased in 2021 compared to 2020, primarily driven by one- time tax benefits due to the restructuring of certain non- US subsidiaries as well as a higher proportion of our income in non- US jurisdictions. As a result of the restructuring, we established deferred tax assets and released the valuation allowances of certain foreign deferred tax assets. The majority of these deferred tax assets established in 2021 fully offset the deferred tax liabilities recognized in 2020 driven by a change in our permanent reinvestment assertion with respect to undistributed earnings in China, as a result of the divestiture of our NAND memory business~~ . We derive the effective tax rate benefit attributed to non- US income taxed at different rates primarily from our operations in Hong Kong, Ireland, Israel, and Malaysia. The statutory tax rates in these jurisdictions range from 12. 5 % to 24. 0 %. We are subject to reduced tax rates in Israel and Malaysia as long as we conduct certain eligible activities and make certain capital investments. We have conditional reduced tax rates that expire at various dates through 2056 **,** and we expect to apply for renewals upon expiration. In ~~2022~~ **2023** ~~,~~ the tax benefit specifically attributable to tax holidays was $ **129 million ($** 220 million ~~(~~ **for 2022 and** $ 187 million for 2021 ~~and $ 134 million for 2020~~ ) with a $ 0. ~~05~~ **03** impact on diluted earnings per share ($ 0. 05 for **2022 and $ 0. 05 for** 2021 ~~and $ 0. 03 for 2020~~ ). Financial StatementsNotes to Consolidated Financial ~~Statements94~~ **Statements91** Deferred and Current Income Taxes Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts for income tax purposes. Significant components of our deferred tax assets and liabilities at the end of each period were as follows: (In Millions) Dec **30, 2023Dec** 31, ~~2022Dec 25, 2021Deferred~~ **2022Deferred** tax assets: R & D expenditures capitalization $ **7, 726 $** 5, 067 ~~$ 519~~ State credits and net operating losses2, **624 2,** 259 ~~2, 010~~ Inventory1, **430 1,** 788 ~~914~~ Accrued compensation and other ~~benefits1~~ **benefits931 1** , 031 ~~1, 019~~ Share- based ~~compensation557~~ **compensation586** ~~477~~ **557** Litigation ~~charge470~~ **charge308** ~~467~~ **470** Other, ~~net709 819~~ **net926 709** Gross deferred tax ~~assets11~~ **assets14 , 531 11** , 881 ~~6, 225~~ Valuation allowance ( **3, 047) (** 2, 586 ~~) (2, 259~~ ) Total deferred tax ~~assets9~~ **assets11 , 484 9** , 295 ~~3, 966~~ Deferred tax liabilities: Property, plant **,** and equipment ( **5, 156) (** 4, 776) ~~(4, 213)~~ Licenses and intangibles ( **494) (** 386 ~~) (486~~ ) Unrealized gains on investments and derivatives ( **358) (** 415) ~~(819)~~ Other, net ( **203) (** 470 ~~) (241~~ ) Total deferred tax liabilities (6, **211) (6,** 047 ~~) (5, 759~~ ) Net deferred tax assets (liabilities) $ **5, 273 $** 3, 248 ~~$ (1, 793)~~ Reported as: Deferred tax ~~assets3~~ **assets5 , 459 3** , 450 ~~874~~ Deferred tax liabilities ( **186) (** 202 ~~) (2, 667~~ ) Net deferred tax assets (liabilities) $ **5, 273 $** 3, 248 ~~$ (1, 793)~~ Changes in the valuation allowance for deferred tax assets were as follows: Years Ended (In Millions) Balance at Beginning of YearAdditions Charged to Expenses / Other AccountsNet (Deductions) RecoveriesBalance atEnd of YearValuation allowance for deferred tax assetsDecember **30, 2023 $ 2, 586 $ 461 $ — $ 3, 047 December** 31, 2022 $ 2, 259 $ 401 $ (74) $ 2, 586 December 25, 2021 $ 1, 963 $ 442 $ (146) $ 2, 259 ~~December 26, 2020 $ 1, 534 $ 378 $ 51 $ 1, 963~~ Deferred tax assets are included within other long- term assets on the Consolidated Balance Sheets. The valuation allowance as of December ~~31~~ **30** , ~~2022~~ **2023** included allowances primarily related to unrealized state credit carryforwards of $ 2. ~~3~~ **6** billion. As of December ~~31~~ **30** , ~~2022~~ **2023** , our federal and non- US net operating loss carryforwards for income tax purposes were $ ~~379~~ **325** million and $ ~~478~~ **1. 7** ~~million~~ **billion** , respectively. The majority of the federal and non- US net operating loss carryforwards have no expiration date. The remaining federal and non- US net operating loss carryforwards expire at various dates through 2040. The federal and non- US net operating loss carryforwards include $ 141 million and $ ~~442~~ **1. 7** ~~million~~ **billion** , respectively, that ~~is~~ **are** not likely to be recovered and ~~has~~ **have** been reduced by a valuation allowance. As of December ~~31~~ **30** , ~~2022~~ **2023** , we have undistributed earnings of certain foreign subsidiaries of approximately $ 19. ~~3~~ **9** billion that we have indefinitely invested, and on which we have not recognized deferred taxes. Estimating the amount of potential tax is not practicable because of the complexity and variety of assumptions necessary to compute the tax. Financial StatementsNotes to Consolidated Financial ~~Statements95~~ **Statements92** Current income taxes receivable of $ **59 million as of December 30, 2023 ($** 138 million as of December 31, 2022 ~~($ 23 million as of December 25, 2021~~ ) are included in other current assets. Long- term income taxes payable of $ **2. 6 billion as of December 30, 2023 ($** 3. 8 billion as of December 31, 2022 ~~($ 4. 3 billion as of December 25, 2021~~ ) ~~is~~ **are** primarily ~~comprised~~ **composed** of the transition tax from Tax Reform, which is payable over eight years beginning in 2018, as well as amounts for uncertain tax positions, reduced by the associated deduction for state taxes and non- US tax credits. Uncertain Tax Positions (In Millions) Dec **30, 2023Dec** 31, 2022Dec 25, ~~2021Dec 26, 2020Beginning~~ **2021Beginning** gross unrecognized tax benefits $ 1, **229 $ 1,** 020 $ 828 ~~$ 548~~ Settlements and effective settlements with tax authorities ( **288) (** 18) (25 ~~) (142~~ ) Changes in balances related to tax position taken during prior periods **—** (120) (26) ~~165~~ Changes in balances related to tax position taken during current ~~period347243257Ending~~ --- **period183347243Ending** gross unrecognized tax benefits $ 1, **124 $ 1,** 229 $ 1, 020 ~~$ 828~~ If the remaining balance of unrecognized tax benefits were recognized in a future period, it would result in a tax benefit of $ **962 million as of December 30, 2023 ($** 914 million as of December 31, 2022 ~~($ 721 million as of December 25, 2021~~ ) and a reduction in the effective tax rate. Interest, penalties, and accrued interest related to unrecognized tax benefits were insignificant in the periods presented. We regularly engage in discussions and negotiations with tax authorities regarding tax matters in the various jurisdictions in which we conduct business. Although the timing of the resolutions and / or closures of audits is highly uncertain, it is reasonably possible that certain US federal and non- US tax audits may be concluded within the next 12 months, which could increase or decrease the balance of our gross unrecognized tax benefits. We estimate that the unrecognized tax benefits as of December ~~31~~ **30** , ~~2022~~ **2023** could decrease by as much as $ ~~366~~ **314** million in the next 12 months. We file federal, state, and non- US tax returns. **We** ~~Excluding pre- acquisition Altera tax years, we~~ are no longer subject to US federal and non- US tax examinations for years prior to ~~2013~~ **2018** and ~~2012~~ **2015 , respectively** . For US state tax returns, we are no longer subject to tax examination for years prior to 2015. Note 9: Investments Short- term Investments Short- term investments include marketable debt investments in corporate debt, government debt, and financial institution instruments **, and are recorded within cash and cash equivalents and short- term investments on the Consolidated Balance Sheets** . Government debt includes instruments such as non- US government **bills and** bonds and US agency securities. Financial institution instruments include instruments issued or managed by financial institutions in various forms, such as commercial paper, fixed- and floating- rate bonds, money market fund deposits, and time deposits. As of December **30, 2023 and December** 31, 2022 ~~and December 25, 2021~~ , substantially all time deposits were issued by institutions outside the US. ~~For certain~~ **The fair value** of our **economically hedged** marketable debt investments ~~, we economically hedge market risks at inception with a related derivative instrument or the marketable debt investment itself is used to economically hedge currency exchange rate risk from remeasurement. These hedged investments are reported at fair value with gains or losses from the investments and the related derivative instruments recorded in interest and other, net. The fair value of our hedged investments~~ was **$ 17. 1 billion as of December 30, 2023 (** $ 16. 2 billion as of December 31, 2022 ~~($ 21. 5 billion as of December 25, 2021~~ ). For hedged investments still held at the reporting date, we recorded net **gains of $ 534 million in 2023 (net** losses of $ 748 million in 2022 ~~(~~ **and** net losses of $ 606 million in 2021 ~~and net gains of $ 694 million in 2020~~ ). Net ~~gains~~ **losses** on the related derivatives were $ **472 million in 2023 (net gains of $** 752 million in 2022 ~~(~~ **and** net gains of $ 609 million in 2021 ~~and net losses of $ 667 million in 2020~~ ). Our remaining unhedged marketable debt investments are reported at fair value, with unrealized gains or losses, net of tax, recorded in accumulated other comprehensive income (loss). The adjusted cost of our unhedged investments was $ **4. 7 billion as of December 30, 2023 ($** 10. 2 billion as of December 31, 2022 ~~($ 5. 0 billion as of December 25, 2021~~ ), which approximated the fair value for these periods. The fair value of marketable debt investments, by contractual maturity, as of December ~~31~~ **30** , ~~2022~~ **2023** , was as follows: (In Millions) Fair ValueDue in 1 year or less $ ~~12~~ **9** , ~~680~~ **575** Due in 1 – 2 ~~years1~~ **years2** , ~~844~~ **375** Due in 2 – 5 ~~years4~~ **years7** , ~~139~~ **134** Due after 5 ~~years665~~ **years442** Instruments not due at a single maturity ~~date7~~ **date2** , ~~095~~ **274** Total $ ~~26~~ **21** , ~~423~~ **800** Financial StatementsNotes to Consolidated Financial ~~Statements96~~ **Statements93 Equity Investments** (In Millions) Dec **30, 2023Dec** 31, ~~2022Dec 25, 2021Marketable~~ **2022Marketable** equity securities1 $ 1, **194 $ 1,** 341 ~~$ 2, 171~~ Non- marketable equity securities4, **630 4,** 561 ~~4, 111~~ Equity method ~~investments10~~ **investments5** ~~16~~ **10** Total $ 5, **829 $ 5,** 912 ~~$ 6, 298~~ 1 Over 90 % of our marketable equity securities are subject to trading- volume or market- based restrictions, which limit the number of shares we may sell in a specified period of time, impacting our ability to liquidate these investments. The trading volume restrictions generally apply for as long as we own more than 1 % of the outstanding shares. Market- based restrictions result from the rules of the respective exchange. The components of gains (losses) on equity investments, net for each period were as follows: Years Ended (In Millions) Dec **30, 2023Dec** 31, 2022Dec 25, ~~2021Dec 26, 2020Ongoing~~ **2021Ongoing** mark- to- market adjustments on marketable equity securities $ ( **36) $ (** 787) $ (130 ~~) $ (133~~ ) Observable price adjustments on non- marketable equity ~~securities299~~ **securities17 299** 750 ~~176~~ Impairment charges ( **214) (** 190) (154 ~~) (303~~ ) Sale of equity investments and other ~~14~~ **1273 4** , 946 2, 263 ~~2, 164~~ Total gains (losses) on equity investments, net $ **40 $** 4, 268 $ 2, 729 ~~$ 1, 904~~ 1 Sale of equity investments and other includes initial fair value adjustments recorded upon a security becoming marketable, realized gains (losses) on sales of non- marketable equity investments and equity method investments, and our share of equity method investee gains (losses) and distributions. ~~In 2022, we recognized impairments of $ 190 million on non- marketable equity securities ($ 154 million in 2021 and $ 290 million in 2020).~~ As of December ~~31~~ **30** , ~~2022~~ **2023** , the cumulative amount of impairments for equity securities without readily determinable fair value was $ **1. 1 billion ($** 955 million ~~($ 916 million~~ as of December ~~25~~ **31** , ~~2021~~ **2022** ) and upward observable price adjustments were $ 1. 4 billion ($ 1. ~~1~~ **4** billion as of December ~~25~~ **31** , ~~2021~~ **2022** ). Net unrealized gains and losses for our marketable and non- marketable equity securities during each period **still held at the reporting date** were as follows: (In Millions) Dec **30, 2023Dec** 31, 2022Dec 25, ~~2021Dec 26, 2020Net~~ **2021Net** ~~unrealized~~ gains (losses) recognized during the period on equity securities $ **19 $** (314) $ 1, 210 ~~$ 1, 679~~ Less: Net (gains) losses recognized during the period on equity securities sold during the ~~period1~~ - **period (5) 1** (259 ~~) (254~~ ) Net unrealized gains (losses) recognized during the period on equity securities still held at the reporting date $ **14 $** (313) $ 951 ~~$ 1, 425~~ McAfee Corp ~~. McAfee Corp. (McAfee) completed its IPO offering in October 2020. Due to our 41 % ownership and significant influence as of December 25, 2021, we accounted for our investment in McAfee as an equity method investment. We had no accounting carrying value as of December 25, 2021~~ . During 2022, the sale of McAfee' s consumer business was completed and we received $ 4. 6 billion in cash for the sale of our remaining share of McAfee, recognizing a $ 4. 6 billion gain in sale of equity investments and other. In 2021, we recognized McAfee dividends of $ 1. 3 billion, which included a special dividend of $ 1. 1 billion paid in connection with the sale of McAfee' s enterprise business, and recognized $ 228 million related to the partial sale of our investment in McAfee. We **account for our interest** ~~recognized McAfee dividends of $ 126 million~~ in ~~2020.~~ Beijing

Unisoc Technology Ltd. ~~We account for our interest in Beijing Unisoc Technology Ltd.~~ (Unisoc) as a non- marketable equity security. During 2021, we recognized $ 471 million in observable price adjustments in our investment in Unisoc and as of December ~~31~~ **30**, ~~2022~~ **2023**, the net book value of the investment was $ 1. 1 billion ($ 1. 1 billion as of December ~~25~~ **31**, ~~2021~~ **2022**). **Financial StatementsNotes to Consolidated Financial Statements94** Note 10: ~~Acquisitions and~~ Divestitures ~~We completed eight acquisitions in 2022 and four acquisitions in 2021, all of which qualified as business combinations. The consideration for the acquisitions in 2022 and 2021 primarily consisted of cash and was substantially all allocated to goodwill and identified intangible assets. For information on the assignment of goodwill to our operating segments, see" Note 11: Goodwill," and for information on the classification of intangible assets, see" Note 12: Identified Intangible Assets" within the Notes to Consolidated Financial Statements. Financial StatementsNotes to Consolidated Financial Statements97 Acquisition of Tower Semiconductor During the first quarter of 2022, we entered into a definitive agreement to acquire Tower Semiconductor Ltd. (Tower) in a cash- for- stock transaction. Tower is a leading foundry for analog semiconductor solutions. The acquisition is expected to advance our IDM 2. 0 strategy by accelerating our global end- to- end systems foundry business. Upon completion of the acquisition, each issued and outstanding ordinary share of Tower will be converted into the right to receive $ 53 per share in cash, representing a total enterprise value of approximately $ 5. 4 billion as of the agreement date. While we continue to work to close within the first quarter of 2023, the transaction may close in the first half of 2023, subject to certain regulatory approvals and customary closing conditions. If the agreement is terminated under certain circumstances involving the failure to obtain required regulatory approvals, we will be obligated to pay Tower a termination fee of $ 353 million. Tower will be included in our IFS operating segment.~~ NAND Memory Business ~~In October~~ **On December 29,** ~~2020~~ **2021**, we ~~signed an~~ **closed the first phase of our** agreement with SK hynix Inc. (SK hynix) to divest our NAND memory business for $ 9. 0 billion in cash. ~~The~~ **Our** NAND memory business includes our NAND memory ~~fabrication facility in Dalian, China and certain related equipment and tangible assets (the Fab Assets), our NAND SSD business (the NAND SSD Business), and our NAND memory~~ technology and manufacturing business (the NAND OpCo Business) **, of which we deconsolidated our ongoing interests as part of the sale**. The transaction will be completed in two closings ~~. The~~ **and upon the** first closing **in the** ~~was completed on December 29, 2021. At~~ first ~~closing~~ **quarter of 2022**, SK hynix paid $ 7. 0 billion of consideration ~~, with the remaining~~ **and we recognized a pre- tax gain of** $ ~~2~~ **1**. 0 billion ~~to be~~ **within interest and other, net, and tax expense of $ 495 million. We recorded a receivable in other long- term assets for the remaining proceeds we will** ~~received~~ - **receive** ~~at~~ **upon** the second closing of the transaction, expected to be no earlier than March 2025. **The receivable outstanding was** ~~In connection with the first closing, we recognized a pre- tax gain of~~ $ ~~1~~ **2**. 0 billion ~~within interest and other, net, and tax expense of $ 495 million. Based on our ongoing obligation under the NAND wafer manufacturing and sale agreement, $ 583 million of the first closing consideration was~~ - **as** ~~deferred and will be recognized between the first and second closing within interest and other, net. At the first closing, we sold to SK hynix the Fab Assets and the NAND SSD Business and transferred certain employees, IP, and other assets related to the NAND OpCo Business to separately created wholly owned subsidiaries~~ of **December 30** ~~Intel. The equity interest of the NAND OpCo Business will transfer to SK hynix at the second closing. In connection with the first closing~~ , we **2023** and ~~certain affiliates of SK hynix also entered into a NAND wafer manufacturing and sale agreement, pursuant to which we will manufacture and sell to SK hynix NAND memory wafers to be manufactured using the Fab Assets in Dalian, China until the second closing. We have concluded, based on the terms of the transaction agreements, that the subsidiaries are VIEs for which we are not the primary beneficiary, because the governance structure of these entities does not allow us to direct the activities that would most significantly impact their economic performance. In line with this conclusion, we fully deconsolidated our ongoing interests in the NAND OpCo Business, and recorded a receivable for the remaining proceeds of~~ $ 1. 9 billion ~~in other long- term assets, which remains outstanding as of~~ December 31, 2022. ~~The carrying amounts of the major classes of NAND assets as of the first closing date included the following: (In Millions) Dec 29, 2021Inventories $ 941 Property, plant and equipment, net6, 018 Total assets $ 6, 959~~ The wafer manufacturing and sale agreement includes incentives and penalties that are contingent on the cost of operation and output of the NAND OpCo Business. These incentives and penalties present a maximum exposure of up to $ 500 million annually, and $ 1. 5 billion in the aggregate. We are currently in negotiations with SK hynix to update the operating plan of the NAND OpCo Business in light of the current business environment and projections, which may impact the metrics associated with the incentives and penalties and our expectations of the performance of the NAND OpCo Business against those metrics. **We were reimbursed** ~~Our transactions with the NAND OpCo Business between the first and second closings are considered related party transactions due to our equity interest and the wafer manufacturing and sales agreement. Related party transactions include certain assets that transferred at first closing between Intel and the NAND OpCo Business, or~~ **for** costs that we incurred on behalf of the NAND OpCo Business ~~, for which we are entitled to be reimbursed, including approximately $ 35 million per quarter in 2022~~ for corporate function services, ~~such as~~ **which include** human resources, information technology, finance, supply chain, and other compliance requirements ~~associated with being wholly owned subsidiaries~~ . ~~As of December 31,~~ **Reimbursed expenses approximated $ 145 million in** 2022 ~~, we have~~ **and $ 125 million in 2023. We recorded** a receivable due ~~to Intel~~ **from the NAND OpCo Business, a deconsolidated entity,** of $ ~~133~~ **145** million ~~recorded~~ within other current assets ~~on our Consolidated Balance Sheets. Home Gateway Platform Division On July~~ **as of December 30, 2023 ($ 133 million recorded as of December** 31, ~~2020~~ **2022 )** ~~, we completed the divestiture of the majority of Home Gateway Platform, a division of CCG, for proceeds of $ 150 million~~ . ~~The divestiture included the transfer of certain employees, equipment, and an ongoing supply agreement for future units. Financial StatementsNotes to Consolidated Financial Statements98~~ Note 11: Goodwill (In Millions) Dec ~~25, 2021AcquisitionsOtherDec~~ 31, **2022AcquisitionsTransfersOtherDec 30,** ~~2022Client~~ **2023Client** Computing $ 4, **254** ~~237 $ 17~~ $ — $ **495 $ — $** 4, ~~254~~ **749** Data Center and ~~AI8~~ **AI9**, **013** ~~595 418~~ — ~~9~~ **(292) — 8**, ~~013~~ **721** Network and Edge2, ~~774 35~~ **809 — —** — 2, 809 Mobileye10, ~~928~~ **919** — **— —** ~~(9)~~ 10, 919 Accelerated Computing Systems and **Graphics596 — (596) — — All other — — 393 — 393 Total $ 27, 591 $ — $ — $ — $ 27, 591 (In Millions) Dec 25, 2021AcquisitionsTransfersOtherDec 31, 2022Client**

**Computing $ 4, 237 $ 17 $ — $ — $ 4, 254 Data Center and AI8, 595 418 — — 9, 013 Network and Edge2, 774 35 — — 2, 809 Mobileye10, 928 — — (9) 10, 919 Accelerated Computing Systems and** Graphics429 167 **—** — 596 All other — — — — ~~Total $ 26, 963 $ 637 $ (9) $ 27, 591 (In Millions) Dec 26, 2020AcquisitionsOtherDec 25, 2021Client Computing $ 4, 164 $ 73 $ — $ 4, 237 Data Center and AI8, 476 85 34 8, 595 Network and Edge2, 774 — — 2, 774 Mobileye10, 928 — — 10, 928 Accelerated Computing Systems and Graphics391 38 — 429 All other238 — (238)~~ — Total $ 26, ~~971 $ 196 $ (204) $ 26,~~ 963 **$ 637 $ — $ (9) $ 27, 591** As described in" Note 3: Operating Segments" within the Notes to Consolidated Financial Statements, we ~~modified our segment reporting~~ **integrated AXG into CCG and DCAI** in the first quarter of ~~2022~~ **2023** ~~to align to our~~ **. As a result, of the total $ 596 million of goodwill** previously **allocated** ~~announced business reorganization, and have retrospectively adjusted all prior- period amounts in our goodwill footnote~~ to **AXG, we** ~~reflect the changes in our operating segments. We~~ reallocated ~~goodwill among our affected reporting units~~ **$ 495 million to CCG and $ 101 million to DCAI** based on the relative fair value of our ~~new~~ **updated** operating segments. We performed a quantitative impairment assessment for each of our reporting units immediately before and after our business reorganization, concluding that goodwill was not impaired. ~~Goodwill~~ **We also** reallocated **$ 393 million of goodwill from DCAI to other businesses during 2023. During the fourth quarter of 2023 and 2022, we completed our annual impairment assessments and concluded that goodwill** was **not impaired.** ~~as follows: (In Millions) Dec 25, 2021Transfers OutTransfers InDec 25, 2021Client Computing $ 4, 433 $ (275) $ 79 $ 4, 237 Data Center Group7, 355 (7, 355) — — Data Center and AI — — 8, 595 8, 595 Internet of Things Group1, 591 (1, 591) — — Network and Edge — — 2, 774 2, 774 Mobileye10, 928 — — 10, 928 Accelerated Computing Systems and Graphics — — 429 429 Programmable Solutions Group2, 656 (2, 656) — — Total $ 26, 963 $ (11, 877) $ 11, 877 $ 26, 963~~ During the second quarter of 2021, we recognized a goodwill impairment loss of $ 238 million related to two non- strategic businesses that we exited, recorded within our **"** all other **"** category. ~~During~~ **The accumulated impairment loss as of December 30, 2023 was $ 957 million: $ 365 million associated with CCG, $ 275 million associated with DCAI, $ 79 million associated with NEX, and** the ~~fourth~~ **remainder associated with non- reportable segments. Financial StatementsNotes to Consolidated Financial Statements95 In the first** ~~quarters~~ - **quarter** of 2022 ~~and 2021~~ , we ~~completed~~ **retrospectively adjusted all prior- period amounts in** our ~~annual~~ **goodwill footnote to reflect changes to our operating segments. We reallocated goodwill among our affected reporting units based on the relative fair value of our new operating segments. We performed a quantitative** impairment ~~assessments~~ - **assessment for each of our reporting units immediately before** and ~~concluded~~ **after our business reorganization, concluding** that goodwill was not impaired. ~~The accumulated impairment loss as of December 31, 2022 was $ 957 million: $ 365 million associated with CCG, $ 275 million associated with DCAI, $ 79 million associated with NEX, and the remainder associated with non- reportable segments. Financial StatementsNotes to Consolidated Financial Statements99~~ Note 12: Identified Intangible Assets December **30, 2023December** 31, ~~2022December 25, 2021~~ **2022** (In Millions) Gross AssetsAccumulated AmortizationNetGross AssetsAccumulated AmortizationNetDeveloped technology $ 10, **520 $ (7, 996) $ 2, 524 $ 10,** 964 $ (7, 216) $ 3, 748 ~~$ 11, 102 $ (6, 026) $ 5, 076~~ Customer relationships and brands1, 986 (1, **286) 700 1, 986 (1,** 114) 872 ~~2, 110 (1, 063) 1, 047~~ Licensed technology and patents3, **088 (1, 728) 1, 360 3,** 219 (1, 821) 1, 398 **Other non- amortizing intangibles5 — 5 — — —** ~~2, 893 (1, 746) 1, 147~~ Total identified intangible assets $ **15, 599 $ (11, 010) $ 4, 589 $** 16, 169 $ (10, 151) $ 6, 018 ~~$ 16, 105 $ (8, 835) $ 7, 270~~ During 2022 **and 2023** , we entered into and / or renewed several licensed technology arrangements totaling $ 634 million **and $ 309 million respectively** , which are subject to amortization. Amortization expenses recorded for identified intangible assets in the Consolidated Statements of Income for each period and the weighted average useful life were as follows: Years Ended (In Millions) LocationDec **30, 2023Dec** 31, 2022Dec 25, ~~2021Dec 26, 2020Weighted~~ **2021Weighted** Average Useful Life1Developed technologyCost of sales $ 1, **235 $ 1,** 341 $ 1, 283 ~~$~~ **9.** 1 ~~, 211 9~~ yearsCustomer relationships and brandsMarketing, general **,** and ~~administrative185~~ **administrative172 185** 209 ~~205 12~~ **11. 6** yearsLicensed technology and patentsCost of ~~sales381~~ - **sales348 381** 347 ~~341~~ 12 **. 2** yearsTotal amortization expenses $ 1, **755 $ 1,** 907 $ 1, 839 ~~$ 1, 757~~ 1 Represents weighted average useful life in years of intangible assets as of December ~~31~~ **30** , ~~2022~~ **2023** . We expect future amortization expense for the next five years and thereafter to be as follows: (In Millions) ~~20232024202520262027ThereafterTotalFuture~~ ---- **20242025202620272028ThereafterTotalFuture** amortization expenses $ 1, ~~730~~ **360** $ **948** ~~1, 297~~ $ ~~883~~ **742** $ ~~680~~ **552** $ ~~511~~ **339** $ ~~917~~ **643** $ ~~6~~ **4** , ~~018~~ **584** Note 13: Borrowings Short- Term Debt As of December ~~31~~ **30** , ~~2022~~ **2023** , short- term debt was $ ~~4~~ **2** . ~~4~~ **3** billion, composed ~~of $ 423 million~~ of the current portion of long- term debt ~~and $ 3. 9 billion of commercial paper~~ . As of December ~~25~~ **31** , ~~2021~~ **2022** , short- term debt was $ 4. ~~6~~ **4** billion, ~~primarily~~ composed of ~~our~~ **$ 423 million of the** current portion of long- term debt **and $ 3. 9 billion of commercial paper** . The current portion of long- term debt includes debt classified as short **-** term based on time remaining until maturity. We have an ongoing authorization from our Board of Directors to borrow up to $ 10. 0 billion under our commercial paper program. As of December ~~31~~ **30** , ~~2022~~ **2023** ~~and December 25, 2021,~~ we had **no** ~~$ 3. 9 billion and $ 0~~ commercial paper outstanding **($ 3** ~~, respectively, with maturities generally less than six months~~ . **9 billion** ~~The weighted- average interest rate of the commercial paper was 4. 39 %~~ as of December 31, 2022 **)** . Financial StatementsNotes to Consolidated Financial ~~Statements100~~ **Statements96** Long- Term Debt Dec **30, 2023Dec** 31, ~~2022Dec 25, 2021~~ **2022** (In Millions) Effective Interest ~~RateAmountAmountFloating~~ ---- **RateAmountAmountFixed** ~~- rate senior note: Three- month LIBOR plus 0. 35 %, due May 2022 — % $ — $ 800 Fixed~~ - rate senior notes: 2. ~~35 %, due May 2022 — % — 750 3. 10 %, due July 2022 — % — 1, 000 4. 00 %, due December 2022 — % — 398 2. 70 %, due December 2022 — % — 1, 500 4. 10 %, due November 2023 — % — 400 2.~~ 88 %, due May 20242. ~~34~~ **32** % **$** 1, 250 **$** 1, 250 2. 70 %, due June 20242. 14 % 600 600 3. 40 %, due March 20253. ~~44~~ **45** % 1, 500 1, 500 3. 70 %, due July ~~20253~~ **20257** . ~~83~~ **29** % 2, 250 2, 250 **4. 88 %, due February 20264. 96 % 1, 500 —** 2. 60 %, due May ~~20262~~ **20265** . ~~25~~ **79** % 1, 000 1, 000 3. 75 %, due March 20273. ~~78~~ **79** % 1, 000 1, 000 3. 15 %, due May ~~20272~~ **20276** . ~~84~~ **35** % 1, 000 1, 000 3. 75 %, due August 20273. ~~80~~ **82** % 1, 250 **1, 250 4. 88 %, due February 20284. 94 % 1, 750** — 1. 60 %, due August 20281. 67 % 1, 000 1, 000 4. 00 %, due August 20294. ~~05~~ **06** % 850 **—850** 2. 45 %, due November

20292. ~~38~~ **39** % 2, 000 2, 000 **5. 13 %, due February 20305. 17 % 1, 250 —** 3. 90 %, due March 20303. ~~92~~ **93** % 1, 500 1, 500 2. 00 %, due August 20312. ~~02~~ **03** % 1, 250 1, 250 4. 15 %, due August 20324. ~~17~~ **18** % 1 **, 250 1, 250 4. 00 %, due December 20327. 21 % 750 750 5. 20 %, due February 20335. 25 % 2** , 250 — 4. ~~00 %, due December 20322. 20 % 750 750 4.~~ 60 %, due March 20404. ~~59~~ **61** % 750 750 2. 80 %, due August 20412. 81 % 750 750 4. 80 %, due October ~~20413~~ **20417** . ~~70~~ **16** % 802 802 4. 25 %, due December ~~20422~~ **20427** . ~~32~~ **45** % 567 567 **5. 63 %, due February 20435. 64 % 1, 000 —** 4. 90 %, due July ~~20453~~ **20457** . ~~80~~ **29** % 772 772 4. 10 %, due May ~~20463~~ **20466** . ~~03~~ **58** % 1, 250 1, 250 4. 10 %, due May ~~20473~~ **20476** . ~~00~~ **53** % 1, 000 1, 000 4. 10 %, due August ~~20472~~ **20476** . ~~54~~ **09** % 640 640 3. 73 %, due December 2047 ~~3~~ **6** . ~~31~~ **99** % 1, 967 1, 967 3. 25 %, due November 20493. ~~19~~ **20** % 2, 000 2, 000 4. 75 %, due March 20504. ~~73~~ **74** % 2, 250 2, 250 3. 05 %, due August 20513. 06 % 1, 250 1, 250 4. 90 %, due August 20524. ~~88~~ **90** % 1, 750 **1, 750 5. 70 %, due February 20535. 71 % 2, 000** — 3. 10 %, due February 20603. ~~10~~ **11** % 1, 000 1, 000 4. 95 %, due March 20604. ~~98~~ **99** % 1, 000 1, 000 3. 20 %, due August 20613. ~~20~~ **21** % 750 750 5. 05 %, due August 20625. ~~03~~ **05** % 900 **900 5. 90 %, due February 20635. 91 % 1, 250** — Financial StatementsNotes to Consolidated Financial ~~Statements101~~ **Statements97** Dec **30, 2023Dec** 31, ~~2022Dec 25, 2021~~ **2022** (In Millions) Effective Interest RateAmountAmountOregon and Arizona ~~bonds~~ **bonds1** : 2. 40 %- 2. 70 %, due December 2035- ~~20402~~ - **2040 —** ~~. 49~~ % ~~$~~ **—** 423 ~~$~~ **3. 80 %- 4. 10 %, due December 2035- 20403. 89 %** 423 **—** 5. 00 %, due September 20423. ~~41~~ **64** % 131 **131** ~~— 5. 00 %, due March 2049 — % — 138~~ 5. 00 %, due June 20492. 15 % 438 438 5. 00 %, due September ~~20523~~ **20524** . ~~17~~ **26** % 445 ~~—~~ **445** Total senior notes and other ~~borrowings39~~ **borrowings50** , 285 ~~37~~ **39** , ~~695~~ **285** Unamortized premium / discount and issuance costs ( **445) (** 417 ~~) (405~~ ) Hedge accounting fair value adjustments ( **574) (** 761) ~~811~~ Long- term ~~debt38~~ **debt49, 266 38** , 107 ~~38, 101~~ Current portion of long- term debt ( **2, 288) (** 423 ~~) (4, 591~~ ) Total long- term debt $ **46, 978 $** 37, 684 ~~$ 33, 510~~ **1 These bonds may be remarketed or tendered on a periodic basis and will be classified within the current portion of long- term debt in the twelve months before remarketing or tendering.** Senior Notes In ~~2022~~ **2023** , we issued a total of $ ~~6~~ **11** . 0 billion aggregate principal amount of senior notes **. In 2022, we issued a total of $ 6. 0 billion aggregate principal amount of senior notes** , including our inaugural green bond issuance of $ 1. 3 billion principal amount, and settled in cash $ 1. 6 billion of our senior notes that matured in May 2022, $ 1. 0 billion of our senior notes that matured in July 2022, and $ 1. 9 billion of our senior notes that matured in December 2022. We also early cash settled $ 400 million of our senior notes due November 2023 ~~. In 2021, we issued a total of $ 5. 0 billion aggregate principal amount of senior notes and repaid $ 500 million of our 1. 70 % senior notes that matured in May 2021 and $ 2. 0 billion of our 3. 30 % senior notes that matured in October 2021~~ . Our fixed- rate senior notes pay interest semiannually. We may redeem the fixed- rate notes prior to their maturity at our option at specified redemption prices and subject to certain restrictions. The obligations under the notes rank equally in right of payment with all of our other existing and future senior unsecured indebtedness and will effectively rank junior to all liabilities of our subsidiaries. Oregon and Arizona Bonds In **2023, we remarketed $ 423 million aggregate principal amount of bonds issued by the Industrial Development Authority of the City of Chandler, Arizona (the Arizona bonds) and the State of Oregon Business Development Commission (the Oregon bonds). The bonds are unsecured general obligations in accordance with loan agreements we entered into with each of the Industrial Development Authority of the City of Chandler, Arizona (CIDA) and the State of Oregon Business Development Commission. The bonds mature in 2035 and 2040 and have 3. 8 % and 4. 1 % coupons. Both the Arizona and Oregon bonds are subject to optional tender starting in February 2028 and mandatory tender in June 2028, at which time we may remarket the bonds for a new term period. In** 2022, we received proceeds of $ 600 million in the aggregate for the sale of bonds issued by ~~the Industrial Development Authority of the City of Chandler, Arizona (~~ CIDA ~~)~~ . The bonds are our unsecured general obligations in accordance with the loan with the CIDA. The bonds mature in 2042 and 2052 and carry an interest rate of 5. 0 %. The bonds are subject to mandatory tender in September 2027, at which time we can re- market the bonds as either fixed- rate bonds for a specified period or as variable- rate bonds until another fixed- rate period is selected or until their final maturity date. ~~Our other Oregon and Arizona bonds listed in the table above are also subject to periodic mandatory tender.~~ We settled in cash $ 138 million of bonds issued by the Oregon Business Development Commission in March 2022. Revolving Credit Facilities In 2022, we entered into a $ 5. 0 billion **,** 364- day variable- rate unsecured revolving credit facility that, if drawn, is expected to be used for general corporate purposes. ~~The revolving credit facility matures in~~ **In 2023, we extended the maturity date from** November 2023 **to March 2024** . ~~We also~~ **In 2022, we** amended our $ 5. 0 billion variable- rate revolving credit facility agreement that we entered into in 2021, extending the maturity date by one year to March 2027 and transitioning from LIBOR to term SOFR. **In 2023, we extended the maturity date by one year to March 2028.** The revolving credit facilities had no borrowings outstanding as of December **30, 2023 and December** 31, 2022. Debt Maturities Our aggregate debt maturities, ~~excluding commercial paper,~~ based on outstanding principal as of December ~~31~~ **30** , ~~2022~~ **2023** , by year payable, are as follows: (In Millions) ~~202320242025202620272028~~ ---- **202420252026202720282029** and thereafterTotal $ ~~423 $~~ 2, 288 $ 3, 750 $ ~~1~~ **2** , ~~000~~ **500** $ 3, 826 $ ~~27~~ **3** , ~~998~~ **174** $ ~~39~~ **34, 747 $ 50** , 285 Financial StatementsNotes to Consolidated Financial ~~Statements102~~ **Statements98** Note 14: Fair Value Assets and Liabilities Measured and Recorded at Fair Value on a Recurring Basis December **30, 2023December** 31, ~~2022December 25, 2021Fair~~ **2022Fair** Value Measured andRecorded at Reporting Date UsingTotalFair Value Measured andRecorded at Reporting Date UsingTotal (In Millions) Level 1Level 2Level 3Level 1Level 2Level 3AssetsCash equivalents: Corporate debt $ — $ **769 $ — $ 769 $ — $** 856 $ — $ 856 ~~$ — $ 65 $ — $ 65~~ Financial institution ~~instruments16~~ **instruments12 , 241 835 — 3, 076 6** , 899 1, 474 — 8, 373 ~~1, 216 763 — 1, 979~~ Reverse repurchase agreements — **2, 554 — 2, 554 —** 1, 301 — 1, 301 ~~— 1, 595 — 1, 595~~ Short- term investments: Corporate debt — **6, 951 — 6, 951 —** 5, 381 — 5, 381 ~~— 6, 367 — 6, 367~~ Financial institution ~~instruments1196~~ **instruments133 4, 215 — 4, 248 196** 4, 729 — 4, 925 **Government debt2** ~~154 5, 162 —~~ ~~5~~ **6** , ~~316 Government debt248~~ **756 — 6, 756 48** 6, 840 — 6, 888 ~~50 12, 693 — 12, 743~~ Other current assets: Derivative ~~assets~~ **assets366 809 — 1, 175** — 1, 264 — 1, 264 ~~80 576~~ **Loans receivable** — ~~656 Loans receivable3~~ **— — —** — 53 — 53 ~~— 152 — 152~~ Marketable equity ~~securities41~~ - **securities1, 194 — — 1, 194 1** , 341 — — 1, 341 ~~1, 854 317 — 2, 171~~ Other long- term assets: Derivative assets — **21 — 21 —** 10 — 10 ~~— 772 7 779 Loans~~

~~receivable3 — — — — — — — 57 — 57~~ Total assets measured and recorded at fair value $ **3, 834 $ 22, 910 $ — $ 26, 744 $** 8, 484 $ 21, 908 $ — $ 30, 392 ~~$ 3, 354 $ 28, 519 $ 7 $ 31, 880~~ LiabilitiesOther accrued liabilities: Derivative liabilities $ **— $ 541 $ 99 $ 640 $** 111 $ 485 $ 89 $ 685 ~~$ 4 $ 516 $ — $ 520~~ Other long- term liabilities: Derivative liabilities — **479 — 479 —** 699 — 699 ~~— 9 — 9~~ Total liabilities measured and recorded at fair value $ **— $ 1, 020 $ 99 $ 1, 119 $** 111 $ 1, 184 $ 89 $ 1, 384 ~~$ 4 $ 525 $ — $ 529~~ 1. Level 1 investments consist of money market funds ~~recorded at Net Asset Value~~. Level 2 investments consist primarily of commercial paper, certificates of deposit, time deposits, ~~and~~ notes and bonds issued by financial institutions **.** 2. Level 1 investments consist primarily of US Treasury securities. Level 2 investments consist primarily of non- US government debt ~~. 3. The fair value of our loans receivable for which we elected the fair value option did not significantly differ from the contractual principal balance. 4. Level 2 investments consist of marketable equity securities subject to security- specific restrictions for which a fair value adjustment was recorded~~. Assets Measured and Recorded at Fair Value on a Non- Recurring Basis Our non- marketable equity securities, equity method investments, and certain non- financial assets ~~,~~ **—** such as intangible assets and property, plant **,** and equipment ~~,~~ **—** are recorded at fair value only if an impairment or observable price adjustment is recognized in the current period. If an impairment or observable price adjustment is recognized on our non- marketable equity securities during the period, we classify these assets as Level 3. We classify non- marketable equity securities and non- marketable equity method investments as Level 3. Impairments recognized on these investments held as of December ~~31~~ **30** , ~~2022~~ **2023** were $ **202 million ($** 179 ~~million ($ 138~~ million on investments held as of December ~~25~~ **31** , ~~2021~~ **2022** ). Financial StatementsNotes to Consolidated Financial ~~Statements103~~ **Statements99** Financial ~~Instruments~~ **Assets and Liabilities** Not Recorded at Fair Value on a Recurring Basis Financial ~~instruments~~ **assets and liabilities** not recorded at fair value on a recurring basis include non- marketable equity securities and equity method investments that have not been remeasured or impaired in the current period, grants receivable, **long- term receivables,** and issued debt. We classify the fair value of grants receivable **, long- term receivables,** and reverse repurchase agreements with original maturities greater than three months as Level 2. The estimated fair value of these financial ~~instruments~~ **assets** approximates their carrying value. The aggregate carrying value of grants receivable as of December ~~31~~ **30** , ~~2022~~ **2023** was $ ~~437~~ **559** million (the aggregate carrying value of grants receivable as of December ~~25~~ **31** , ~~2021~~ **2022** was $ ~~317~~ **437** million). The aggregate carrying value of reverse repurchase agreements with original maturities greater than three months as of December ~~31~~ **30** , ~~2022~~ **2023** was $ **0** ~~400 million~~ (the aggregate carrying value as of December ~~25~~ **31** , ~~2021~~ **2022** was $ ~~0~~ **400** million). We classify the fair value of issued debt (excluding commercial paper) as Level 2. The fair value of these instruments was $ **47. 6 billion as of December 30, 2023 ($** 34. 3 billion as of December 31, 2022 ~~($ 41. 5 billion as of December 25, 2021~~ ). Note 15: Other Comprehensive Income (Loss) The changes in accumulated other comprehensive income (loss) by component and related tax effects for each period were as follows: (In Millions) Unrealized Holding Gains (Losses) on DerivativesActuarial Valuation and Other Pension Expenses Translation Adjustments and Other TotalDecember ~~28~~ **26** , ~~2019~~ **2020** $ ~~54~~ **731** $ (1, ~~382) $ 48 $ (1, 280) Other comprehensive income (loss) before reclassifications806 (323) 55 538 Amounts reclassified out of accumulated other comprehensive income (loss) (8) 89 (11) 70 Tax effects (121) 51 (9) (79) Other comprehensive income (loss) 677 (183) 35 529 December 26, 2020731 (1,~~ 565) **$** 83 **$** (751) Other comprehensive income (loss) before reclassifications (434) 476 (58) (16) Amounts reclassified out of accumulated other comprehensive income (loss) (226) 101 (19) (144) Tax effects140 (126) 17 31 Other comprehensive income (loss) (520) 451 (60) (129) December 25, 2021211 (1, 114) 23 (880) Other comprehensive income (loss) before reclassifications (910) 923 (28) (15) Amounts reclassified out of accumulated other comprehensive income (loss) 410 82 (6) 486 Tax effects (10) (150) 7 (153) Other comprehensive income (loss) (510) 855 (27) 318 December 31, 2022 ~~$~~ (299) ~~$~~ (259) ~~$~~ (4) ~~$~~ (562 **) Other comprehensive income (loss) before reclassifications3 57 11 71 Amounts reclassified out of accumulated other comprehensive income (loss) 328 33 — 361 Tax effects (59) (24) (2) (85) Other comprehensive income (loss) 272 66 9 347 December 30, 2023 $ (27) $ (193) $ 5 $ (215** ) We estimate that we will reclassify approximately $ ~~254~~ **13** million (before taxes) of net derivative ~~losses~~ **gains** from accumulated other comprehensive income (loss) into earnings within the next 12 months. Financial StatementsNotes to Consolidated Financial ~~Statements104~~ **Statements100** Note 16: Derivative Financial Instruments Volume of Derivative Activity Total gross notional amounts for outstanding derivatives (recorded at fair value) at the end of each period were as follows: (In Millions) Dec **30, 2023Dec** 31, 2022Dec 25, ~~2021Dec 26, 2020Foreign~~ **2021Foreign** currency contracts $ **30, 064 $** 31, 603 $ 38, 024 ~~$ 31, 209~~ Interest rate ~~contracts16~~ **contracts18 , 363 16** , 011 15, 209 ~~14, 461~~ Other2 **, 103 2** , 094 2, 517 ~~2, 026~~ Total $ **50, 530 $** 49, 708 $ 55, 750 ~~$ 47, 696 During 2022 and 2021, we did not enter into any new pay- variable, receive- fixed interest rate swaps to hedge against changes in the fair value attributable to benchmark interest rates related to our outstanding senior notes.~~ The total notional amount of outstanding pay- variable, receive- fixed interest rate swaps was $ 12. 0 billion as of December **30, 2023 and December** 31, 2022 ~~, and $ 12. 0 billion as of December 25, 2021~~ . Fair Value of Derivative Instruments in the Consolidated Balance Sheets December **30, 2023December** 31, ~~2022December 25, 2021~~ **2022** (In Millions) Assets1Liabilities2Assets1Liabilities2Derivatives designated as hedging instruments: Foreign currency contracts3 $ **255 $** 142 $ **142 $** 290 ~~$ 80 $ 163~~ Interest rate contracts — **578 —** 777 ~~774 —~~ Total derivatives designated as hedging ~~instruments142 --~~ **instruments255 720 142** 1, 067 ~~854 163~~ Derivatives not designated as hedging instruments: Foreign currency ~~contracts3866~~ **contracts3314 363 866** 194 ~~475 297~~ Interest rate ~~contracts266~~ **contracts261 36 266** 12 ~~26 65~~ Equity ~~contracts~~ **contracts366 —** — 111 ~~80 4~~ Total derivatives not designated as hedging ~~instruments1~~ **instruments941 399 1** , 132 317 ~~581 366~~ Total derivatives $ 1, **196 $ 1, 119 $ 1,** 274 $ 1, 384 ~~$ 1, 435 $ 529~~ 1Derivative assets are recorded as other assets, current and long- term. 2Derivative liabilities are recorded as other liabilities, current and long- term. ~~3The~~ **3A substantial** majority of these instruments mature within 12 months. Amounts Offset in the Consolidated Balance Sheets Agreements subject to master netting arrangements with various counterparties, and cash and non- cash collateral posted under such agreements at the end of each period were as follows: December ~~31~~ **30** , ~~2022Gross~~ **2023Gross** Amounts Not Offset in the Balance Sheet (In Millions) Gross Amounts RecognizedGross Amounts Offset in the Balance SheetNet Amounts Presented in the Balance SheetFinancial InstrumentsCash and Non- Cash Collateral Received or PledgedNet

AmountAssets: Derivative assets subject to master netting arrangements $ 1, **047 $ — $ 1, 047 $ (617) $ (430) $ — Reverse repurchase agreements2, 554 — 2, 554 — (2, 554) — Total assets3, 601 — 3, 601 (617) (2, 984) — Liabilities: Derivative liabilities subject to master netting arrangements1, 111 — 1, 111 (617) (399) 95 Total liabilities $ 1, 111 $ — $ 1, 111 $ (617) $ (399) $ 95 Financial StatementsNotes to Consolidated Financial Statements101 December 31, 2022Gross Amounts Not Offset in the Balance Sheet (In Millions) Gross Amounts RecognizedGross Amounts Offset in the Balance SheetNet Amounts Presented in the Balance SheetFinancial InstrumentsCash and Non- Cash Collateral Received or PledgedNet AmountAssets: Derivative assets subject to master netting arrangements $ 1,** 231 $ — $ 1, 231 $ (546) $ (682) $ 3 Reverse repurchase agreements1, 701 — 1, 701 — (1, 701) — Total assets2, 932 — 2, 932 (546) (2, 383) 3 Liabilities: Derivative liabilities subject to master netting arrangements1, 337 — 1, 337 (546) (712) 79 Total liabilities $ 1, 337 $ — $ 1, 337 $ (546) $ (712) $ 79 ~~Financial StatementsNotes to Consolidated Financial Statements105 December 25, 2021Gross Amounts Not Offset in the Balance Sheet (In Millions) Gross Amounts RecognizedGross Amounts Offset in the Balance SheetNet Amounts Presented in the Balance SheetFinancial InstrumentsCash and Non- Cash Collateral Received or PledgedNet AmountAssets: Derivative assets subject to master netting arrangements $ 1, 427 $ — $ 1, 427 $ (332) $ (986) $ 109 Reverse repurchase agreements1, 595 — 1, 595 — (1, 595) — Total assets3, 022 — 3, 022 (332) (2, 581) 109 Liabilities: Derivative liabilities subject to master netting arrangements392 — 392 (332) (60) — Total liabilities $ 392 $ — $ 392 $ (332) $ (60) $ —~~ We obtain and secure available collateral from counterparties against obligations, including securities lending transactions and reverse repurchase agreements, when we deem it appropriate. Derivatives in Cash Flow Hedging Relationships The before- tax net gains or losses attributed to the effective portion of cash flow hedges recognized in other comprehensive income (loss) were $ **3 million net gains in 2023 ($** 910 million net losses in 2022 ~~(~~ **and** $ 434 million net losses in 2021 ~~and $ 806 million net gains in 2020~~ ). Substantially all of our cash flow hedges are foreign currency contracts for all periods presented. Amounts excluded from effectiveness testing were ~~insignificant during all periods presented~~ **$ 221 million net losses in 2023 ($ 117 million net losses in 2022 and $ 19 million net losses in 2021)** . For information on the unrealized holding gains (losses) on derivatives reclassified out of accumulated other comprehensive income (loss) into the Consolidated Statements of Income, see" Note 15: Other Comprehensive Income (Loss)" within the Notes to Consolidated Financial Statements. Derivatives in Fair Value Hedging Relationships The effects of derivative instruments designated as fair value hedges, recognized in interest and other, net for each period were as follows: Gains (Losses) Recognized in Statement of Income on DerivativesYears Ended (In Millions) Dec **30, 2023Dec** 31, 2022Dec 25, ~~2021Dec 26, 2020Interest~~ **2021Interest** rate contracts $ **198 $** (1, 551) $ (723) ~~$ 817~~ Hedged ~~items1 -~~ **items (198) 1** , 551 723 ~~(817)~~ Total $ — $ — $ — The amounts recorded on the Consolidated Balance Sheets related to cumulative basis adjustments for fair value hedges for each period were as follows: Line Item in the Consolidated Balance Sheets in Which the Hedged Item Is IncludedCarrying Amount of the Hedged Item Assets / (Liabilities) Cumulative Amount of Fair Value Hedging Adjustment Included in the Carrying Amount Assets / (Liabilities) (In Millions) Dec **30, 2023Dec** 31, 2022Dec ~~25~~ **30** , ~~2021Dec~~ **2023Dec** 31, ~~2022Dec 25, 2021Long~~ **2022Long** - term debt $ (11, **419) $ (11,** 221) $ **578** ~~(12, 772)~~ $ 776 ~~$ (775)~~ Financial StatementsNotes to Consolidated Financial ~~Statements106~~ **Statements102** Derivatives Not Designated as Hedging Instruments The effects of derivative instruments not designated as hedging instruments on the Consolidated Statements of Income for each period were as follows: Years Ended (In Millions) Location of Gains (Losses) Recognized in Income on DerivativesDec **30, 2023Dec** 31, 2022Dec 25, ~~2021Dec 26, 2020Foreign~~ **2021Foreign** currency contractsInterest and other, net $ **106 $** 1, 492 $ 677 ~~$ (572)~~ Interest rate contractsInterest and other, ~~net309~~ **net50 309** 31 ~~(90) OtherVarious~~ **OtherVarious325** (502) 360 ~~284~~ Total $ **481 $** 1, 299 $ 1, 068 ~~$ (378)~~ Note 17: Retirement Benefit Plans Defined Contribution Plans We provide tax- qualified defined contribution plans for the benefit of eligible employees, former employees, and retirees in the US and certain other countries. The plans are designed to provide employees with an accumulation of funds for retirement on a tax- deferred basis. For the benefit of eligible US employees, we also provide an unfunded non- tax- qualified supplemental deferred compensation plan for certain highly compensated employees. We expensed $ **272 million in 2023, $** 489 million in 2022, **and** $ 444 million in 2021 ~~and $ 398 million in 2020~~ for matching contributions based on the amount of employee contributions under the US qualified defined contribution and non- qualified deferred compensation plans **. The matching contribution in the US qualified defined contribution plan was reduced from March 1 through December 31, 2023** . US Retiree Medical Plan Upon retirement, we provide certain benefits to eligible US employees who were hired prior to 2014 under the US Retiree Medical Plan. The benefits can be used to pay all or a portion of the cost to purchase eligible coverage in a medical plan. As of December **30, 2023 and December** 31, 2022 ~~and December 25, 2021~~ , the projected benefit obligation was $ **490 million and $** 527 million ~~and $ 682 million~~ , which used the discount rates of 5. **3 % and 5.** 6 % ~~and 2. 8 %~~ . The December **30, 2023 and December** 31, 2022 ~~and December 25, 2021~~ corresponding fair value of plan assets was $ **548 million and $** 501 million ~~and $ 669 million~~ **. As of December 30, 2023, the US Retiree Medical Plan was in the net asset position** . The investment strategy for US Retiree Medical Plan assets is to invest primarily in liquid assets, due to the level of expected future benefit payments. The assets are invested in tax- aware global equity and fixed- income long credit portfolios. Both portfolios are actively managed by external managers. The tax- aware global equity portfolio is composed of a diversified mix of equities in developed countries. The tax- aware fixed- income long credit portfolio is composed of domestic securities. The allocation to each asset class will fluctuate with market conditions, such as volatility and liquidity concerns, and will typically be rebalanced when outside the target ranges, which are **45 % equity and** 55 % ~~equity and 45 %~~ fixed- income investments. As of December ~~31~~ **30** , ~~2022~~ **2023** , the majority of the US Retiree Medical Plan assets were invested in exchange- traded equity securities and were measured at fair value using Level 1 inputs. The remaining US Retiree Medical Plan assets were invested in fixed- income investments and were measured at fair value using Level 2 inputs. As of December ~~31~~ **30** , ~~2022~~ **2023** , the estimated benefit payments for this plan over the next 10 years are as follows: (In Millions) ~~202320242025202620272028----~~ **202420252026202720282029** - ~~2032Postretirement~~ **2033Postretirement** medical benefits $ ~~40~~ **34** $ ~~41~~ **35** $ ~~41~~ **35** $ ~~43~~ **35** $ ~~44~~ **36** $ ~~222~~ **187** Pension Benefit Plans We provide defined- benefit pension plans in certain countries, most significantly **Ireland,** the US, ~~Ireland,~~ **Germany and** Israel ~~, and Germany~~ . The majority of the plans' benefits have been frozen. Benefit Obligation and Plan Assets for Pension Benefit Plans The vested benefit obligation for a defined-benefit pension plan is the actuarial present value of the vested benefits to which the employee is currently entitled based on the employee' s expected date of separation or retirement. Financial StatementsNotes to Consolidated Financial ~~Statements107~~ **Statements103** (In Millions) Dec **30, 2023Dec** 31, ~~2022Dec 25, 2021Changes~~ **2022Changes** in projected benefit obligation: Beginning projected benefit obligation $ **2, 705 $** 4, 456 ~~$ 4, 929~~ Service ~~cost58 54~~ **cost36 58** Interest ~~cost91~~ - **cost127** 91 Actuarial (gain) ~~loss~~ **loss57** (1, 500 ~~) (284~~ ) Currency exchange rate ~~changes~~ **changes38** (233 ~~) (150~~ ) Plan settlements ( **103) (** 96) ~~(126)~~ Other ( **35) (** 71 ~~) (58~~ ) Ending projected benefit obligation12, **825 2,** 705 ~~4, 456~~ Changes in fair value of plan assets: Beginning fair value of plan assets2, **130 2,** 817 ~~2, 878~~ Actual return on plan ~~assets~~ **assets151** (478) ~~145~~ Currency exchange rate ~~changes~~ **changes34** (102 ~~) (63~~ ) Plan settlements ( **103) (** 96) ~~(126)~~ Other **—** (11 ~~) (17~~ ) Ending fair value of plan assets22, **212 2,** 130 ~~2, 817~~ Net unfunded status $ **613 $** 575 ~~$ 1, 639~~ Amounts recognized in the Consolidated Balance SheetsOther long- term assets $ **62 $** 74 ~~$ —~~ Other long- term liabilities $ **675 $** 649 ~~$ 1, 639~~ Accumulated other comprehensive loss (income), before tax3 $ **410 $** 406 ~~$ 1, 445~~ Accumulated benefit obligation $ 2, **706 $ 2,** 507 ~~$ 4, 086~~ 1 The projected benefit obligation was approximately 30 % in the US and 70 % outside of the US as of December **30, 2023 and December** 31, 2022 ~~and December 25, 2021~~ . 2 The fair value of plan assets was approximately 40 % in the US and 60 % outside of the US as of December **30, 2023 and December** 31, 2022 ~~and approximately 50 % in the US and 50 % outside of the US as of December 25, 2021~~ . 3 The accumulated other comprehensive loss (income), before tax, was approximately **70 % in the US and 30 % outside of the US as of December 30, 2023 (approximately** 90 % in the US and 10 % outside of the US as of December 31, 2022 **)** ~~and approximately 30 % in the US and 70 % outside of the US as of December 25, 2021~~ . Changes in actuarial gains and losses in the projected benefit obligation are generally driven by discount rate movement. We use the corridor approach to amortize actuarial gains and losses. Under this approach, net actuarial gains or losses in excess of 10 % of the larger of the projected benefit obligation or the fair value of plan assets are amortized on a straight- line basis. As of December ~~31~~ **30** , ~~2022~~ **2023** , the accumulated benefit obligations were $ 0. **8 billion and $ 1.** 9 billion ~~and $ 1. 6 billion~~ for the US plan and non- US plans, respectively. ~~In~~ **As of December 30,** ~~2022~~ **2023** , the US ~~and Ireland plans~~ - **plan** ~~were~~ **was** in the net asset position and the other non- US plans had projected benefit obligations **and accumulated benefit obligations** in excess of plan assets. ~~In~~ **As of December 31,** 2022, the **accumulated benefit obligations were $ 0. 9 billion and $ 1. 6 billion for the** US **plan and non- US plans** , **respectively. As of December 31, 2022, the US and** Ireland **plans were in the net asset position and the other non- US plans had projected benefit obligations in excess of plan assets. As of December 31, 2022, the US, Ireland,** and Israel plans had assets in excess of accumulated benefit obligations, whereas the remaining non- US plans had accumulated benefit obligations in excess of plan assets. ~~As of December 25, 2021, the accumulated benefit obligations were $ 1. 4 billion and $ 2. 6 billion for the US plan and non- US plans, respectively, and all plans had accumulated benefit obligations and projected benefit obligations in excess of plan assets.~~ Dec **30, 2023Dec** 31, ~~2022Dec 25, 2021Plan~~ **2022Plan** with accumulated benefit obligation in excess of plan assetsAccumulated benefit obligation $ **1, 857 $** 559 ~~$ 4, 086~~ Plan assets $ **1, 301 $** 97 ~~$ 2, 817~~ Plan with projected benefit obligation in excess of plan assetsProjected benefit obligation $ 1, **976 $ 1,** 048 ~~$ 4, 456~~ Plan assets $ **1, 301 $** 399 ~~$ 2, 817~~ Financial StatementsNotes to Consolidated Financial ~~Statements108~~ **Statements104** Assumptions for Pension Benefit Plans Dec **30, 2023Dec** 31, ~~2022Dec 25, 2021Weighted~~ **2022Weighted** average actuarial assumptions used to determine benefit obligationsDiscount rate4. **5 % 4.** 9 % ~~2. 2 %~~ Rate of compensation increase3. **3 % 3.** 7 % ~~3. 2 % 202220212020Weighted~~ ---- **202320222021Weighted** average actuarial assumptions used to determine costsDiscount ~~rate2~~ **rate4 . 9 % 2** . 2 % 1. 9 % ~~2. 3 %~~ Expected long- term rate of return on plan ~~assets3~~ **assets5 . 0 % 3** . 2 % 2. 7 % ~~3. 3 %~~ Rate of compensation increase3. ~~2~~ **7** % 3. 2 % 3. 2 % We establish the discount rate for each pension plan by analyzing current market long- term bond rates and matching the bond maturity with the average duration of the pension liabilities. We establish the **expected** long- term ~~expected~~ rate of return **on plan assets** by developing a forward- looking, long- term return assumption for each pension fund asset class, taking into account factors such as the expected real return for the specific asset class and inflation. A single, long- term rate of return is then calculated as the weighted average of the target asset allocation percentages and the long- term return assumption for each asset class. Funding Our practice is to fund the various pension plans in amounts sufficient to meet the minimum requirements of applicable local laws and regulations. Funding for the US Retiree Medical Plan is discretionary under applicable laws and regulations. Additional funding may be provided for the pension and retiree medical plans as deemed appropriate. On a worldwide basis, our pension and retiree medical plans were ~~81~~ **83** % funded as of December ~~31~~ **30** , ~~2022~~ **2023** . The US Pension Plan, which accounts for ~~28~~ **26** % of the worldwide pension and retiree medical benefit obligations, was ~~102~~ **107** % funded. Funded status is not indicative of our ability to pay ongoing pension benefits or of our obligation to fund retirement trusts. Required pension funding for US retirement plans is determined in accordance with ERISA, which sets required minimum contributions. Cumulative company funding to the US Pension Plan currently exceeds the minimum ERISA funding requirements. Net Periodic Benefit Cost The net periodic benefit cost for pension and US retiree medical benefits was $ **107 million in 2023 ($** 139 million in 2022 ~~(~~ **and** $ 162 million in 2021 ~~and $ 164 million in 2020~~ ). Pension Plan Assets December **30, 2023Dec** 31, ~~2022Dec 25, 2021Fair~~ **2022Fair** Value Measured at Reporting Date Using (In Millions) Level 1Level 2Level 3TotalTotalEquity securities $ — $ **383 $ — $ 383 $** 297 ~~$ — $ 297 $ 342~~ Fixed income — ~~106 24~~ **139 25 164** 130 ~~142~~ Assets measured by fair value hierarchy $ — $ ~~403~~ **522** $ ~~24~~ **25 $ 547** $ 427 ~~$ 484~~ Assets measured at net asset value1, **648 1,** 683 ~~2, 311~~ Cash and cash ~~equivalents20~~ **equivalents17** ~~22~~ **20** Total pension plan assets at fair value $ 2, **212 $ 2,** 130 ~~$ 2, 817~~ US Plan Assets The investment strategy for US Pension Plan assets is to manage the funded status volatility, taking into consideration the investment horizon and expected volatility to help enable sufficient assets to be available to pay pension benefits as they come due. The allocation to each asset class will fluctuate with market conditions, such as volatility and liquidity concerns, and will typically be rebalanced when outside the target ranges, which are ~~90~~ **91** % fixed income and ~~10~~ **9** % equity investments. During ~~2022~~ **2023** , the US Pension Plan assets were invested in collective investment trust funds, which are measured at net asset value. Financial StatementsNotes to Consolidated Financial ~~Statements109~~ **Statements105** Non- US Plan Assets The investments of the non- US plans are managed by insurance companies, pension funds, or third- party trustees, consistent with regulations or market practice of the country where the assets are invested. The investment manager makes investment decisions within the guidelines set by Intel or local regulations. Investments managed by qualified insurance companies or pension funds under standard contracts follow local regulations, and we are not actively involved in their investment strategies. For the assets that we have the discretion to set investment guidelines, the assets are invested in developed country equity investments and fixed- income investments, either through index funds or direct investment. In general, the investment strategy is designed to accumulate a diversified portfolio among markets, asset classes, or individual securities to reduce market risk and to help enable sufficient pension assets to be available to pay benefits as they come due. The equity investments in the non- US plan assets are invested in a diversified mix of equities of developed countries, including the US, and emerging markets throughout the world. We have control over the investment strategy related to the majority of the assets measured at net asset value, which are invested in hedge funds, bond index funds **,** and equity index funds. The target allocation of the non- US plan assets that we have control over was approximately ~~45~~ **40** % fixed income, ~~35~~ **40** % equity, and 20 % hedge fund investments in ~~2022~~ **2023** . Estimated Future Benefit Payments for Pension Benefit Plans As of December ~~31~~ **30** , ~~2022~~ **2023** , estimated benefit payments over the next 10 years are as follows: (In Millions) ~~202320242025202620272028~~ ---- **202420252026202720282029** - ~~2032Pension~~ **2033Pension** benefits $ ~~125~~ **95** $ ~~113~~ **97** $ ~~118~~ **101** $ ~~126~~ **106** $ ~~129~~ **109** $ ~~700~~ **638** Note 18: Employee Equity Incentive Plans Our equity incentive plans are broad- based, long- term programs intended to attract and retain talented employees and align stockholder and employee interests. Our plans include our 2006 Plan and our 2006 ESPP. Under the 2006 Plan, ~~946~~ **1. 1** ~~million~~ **billion** shares of common stock have been authorized for issuance as equity awards to employees and non- employee directors through June **2026. As of December 30,** 2023 ~~. As of December 31~~ , **194** ~~2022, 119~~ million shares of common stock remained available for future grants. Under the 2006 Plan, we may grant RSUs and stock options. We grant RSUs with a service condition as well as RSUs with a market condition, performance condition, and a service condition, which we call PSUs. PSUs are granted to a group of senior officers and employees. For PSUs granted in **2023 and** 2022, the number of shares of our common stock to be received at vesting at the end of the three- year performance period will range from 0 % to 200 % of the target grant amount ~~and~~ **. The PSU payout** will be determined based on our performance **(i)** relative to annual targets for each year in the performance period with respect to a revenue growth metric, weighted 60 %, and a cash flow from operations metric, weighted 40 % ~~. The~~ **, which** results are then averaged at the end of the **three- year** performance period **;** ~~. Additionally, an~~ **and (ii) as may be** ~~adjustment~~ - **adjusted by** ~~to~~ **two equally weighted modifiers:** ~~the performance goals aggregate achievement percentage is based on~~ the TSR of our common stock measured against the benchmark TSR **of above median** of the S & P 500 Index over a three- year period and revenue CAGR for the three- year performance period. TSR is a measure of stock price appreciation plus any dividends paid in this performance period. **For 2023 PSUs, overall payout will be capped at target grant amount if our absolute TSR is negative.** As of December ~~31~~ **30** , ~~2022~~ **2023** , ~~15~~ **16** million PSUs were outstanding. PSUs vest three years ~~from~~ **and one month following** the ~~grant date~~ **start of the performance period** . Other RSU awards and option awards generally vest over four years from the grant date. Share- Based Compensation Share- based compensation recognized in ~~2022~~ **2023** was **$ 3. 2 billion (** $ 3. 1 billion ~~(~~ **in 2022 and** $ 2. 0 billion in 2021 ~~and $ 1. 9 billion in 2020~~ ). During ~~2022~~ **2023** , the tax benefit that we realized for the tax deduction from share- based awards totaled $ **571 million ($** 478 million ~~(~~ **in 2022 and** $ 377 million in 2021 ~~and $ 380 million in 2020~~ ). We estimate the fair value of RSUs and PSUs with a service condition or performance condition using the value of our common stock on the date of grant, reduced by the present value of dividends expected to be paid on our shares of common stock prior to vesting. We estimate the fair value of PSUs with a market condition using a Monte Carlo simulation model as of the date of grant using historical volatility. Financial StatementsNotes to Consolidated Financial ~~Statements110~~ - **Statements106** Restricted Stock Units and Performance Stock Units Weighted average assumptions used in estimating grant values were as follows: Dec **30, 2023Dec** 31, 2022Dec 25, ~~2021Dec 26, 2020Estimated~~ **2021Estimated** values $ **28. 92 $** 41. 12 $ 50 ~~. 82 $ 54~~ . 82 Risk- free interest ~~rate2~~ **rate4 . 7 % 2** . 2 % 0. 2 % ~~0~~ **Dividend yield1** . ~~4~~ **6** % **3** ~~Dividend yield3~~ . 4 % 2. 6 % **Volatility36** ~~2. 3~~ % ~~Volatility40~~ **40** % 37 % ~~30 %~~ Summary of activities: Number **of** ~~ofStock~~ -- **Stock** Units **Outstanding** (In Millions) Weighted Average Grant- Date Fair ValueDecember ~~25~~ **31** , **2022** ~~2021118. 0~~ $ ~~51~~ **158** . ~~29~~ **7 $ 45. 56** ~~Granted104~~ --- **Granted $ 98** . 2 $ ~~41~~ **28** . ~~12~~ **92** Vested ~~(50. 3)~~ $ ~~48~~ **(63** . ~~90~~ **6) $ 43. 22** Forfeited ~~(13. 2)~~ $ ~~48~~ **(20** . ~~99~~ **4) $ 44. 87** December ~~31~~ **30** , **2023** ~~2022158. 7~~ $ **172. 9 $ 37. 05 Expected to vest $ 153. 9 $ 37.** 45 ~~. 56 Expected to vest142. 7 $ 45. 78~~ The aggregate fair value of awards that vested in ~~2022~~ **2023** was **$ 2. 2 billion (** $ 2. 0 billion ~~(~~ **in 2022 and** $ 1. 7 billion in 2021 ~~and $ 1. 9 billion in 2020~~ ), which represents the market value of our common stock on the date that the RSUs vested. The grant- date fair value of awards that vested in ~~2022~~ **2023** was **$ 2. 7 billion (** $ 2. 5 billion ~~(~~ **in 2022 and** $ 1. 4 billion in 2021 ~~and $ 1. 3 billion in 2020~~ ). The number of RSUs vested includes shares of common stock that we withheld on behalf of employees to satisfy the minimum statutory tax withholding requirements. RSUs that are expected to vest are net of estimated future forfeitures. As of December ~~31~~ **30** , ~~2022~~ **2023** , unrecognized compensation costs related to RSUs granted under our equity incentive plans were $ 4. ~~6~~ **0** billion. We expect to recognize those costs over a weighted average period of 1. ~~4~~ **3** years. Stock Purchase Plan The 2006 ESPP allows eligible employees to purchase shares of our common stock at 85 % of the value of our common stock on specific dates. Under the 2006 ESPP, 523 million shares of common stock are authorized for issuance through August 2026. As of December ~~31~~ **30** , ~~2022~~ **2023** , ~~200~~ **157** million shares of common stock remained available for issuance. Employees purchased **43 million shares of common stock in 2023 for $ 1. 0 billion under the 2006 ESPP (** 27 million shares of common stock ~~in 2022~~ for $ 931 million **in 2022 and** ~~under the 2006 ESPP (~~ 22 million shares of common stock for $ 925 million in 2021 ~~and 21 million shares of common stock for $ 876 million in 2020~~ ). As of December ~~31~~ **30** , ~~2022~~ **2023** , unrecognized share- based compensation costs related to rights to acquire shares of common stock under the 2006 ESPP totaled $ ~~73~~ **57** million. We expect to recognize those costs over a period of approximately two months. Financial StatementsNotes to

Consolidated Financial ~~Statements111~~ **Statements107** Note 19: Commitments and Contingencies We recognized operating leased assets in other long- term assets of $ ~~487~~ **505** million and corresponding accrued liabilities of $ ~~173~~ **142** million, and other long- term liabilities of $ ~~236~~ **289** million as of December ~~31~~ **30** , ~~2022~~ **2023** . Our operating leases have remaining terms of 1 to 13 years and may include options to extend the leases for up to ~~36~~ **38** years. The weighted average remaining lease term was ~~3~~ **6** . ~~7~~ **0** years, and the weighted average discount rate was ~~4~~ **5** . ~~3~~ **0** % as of December ~~31~~ **30** , ~~2022~~ **2023** , for our operating leases. Operating lease expense was $ **407 million in 2023 ($** 729 million in 2022 ~~(~~ **and** $ 798 million in 2021 ~~and $ 416 million in 2020~~ ), including $ ~~551~~ **213** million in variable lease expense in **2023 ($ 551 million in** 2022 ~~(~~ **and** $ 620 million in 2021 ~~and $ 237 million in 2020~~ ). In **2022 and** 2021 ~~and 2022~~ , we signed finance leases for supplier capacity ~~extending over approximately 8 years~~ . The leases will commence upon start of supplier production ~~expected~~ **and will have a weighted average remaining lease term of 6. 0 years upon commencement. We recognized finance leased assets** in **property, plant, and equipment of $ 619 million as of December 30,** 2023 **(** ~~and 2024. Prepayments of~~ $ 430 million ~~were recognized in property, plant and equipment~~ as of December 31, 2022 **)** . Discounted and undiscounted lease payments under non- cancelable leases as of December ~~31~~ **30** , ~~2022~~ **2023** ~~excluding non- lease components,~~ were as follows: (In Millions) ~~20232024202520262027~~ ---- **20242025202620272028** ThereafterTotalOperating lease payments $ ~~179~~ **149** $ ~~107~~ **110** $ ~~72~~ **62** $ ~~34 $ 26 $ 28 $ 446~~ - **44 $ 31 $ 103 $ 499** Finance lease payments $ ~~682~~ **480** $ **70** ~~122 $ 5~~ $ — $ — $ — $ ~~809~~ **— $ 550** Present value of lease payments $ **978** ~~1, 218~~ Commitments for capital expenditures totaled $ **27. 5 billion as of December 30, 2023, ($** 31. 0 billion as of December 31, 2022 ~~, ($ 27. 0 billion as of December 25, 2021~~ ) **,** a **substantial** majority of which will be due within the next 12 months. Other purchase obligations and commitments totaled approximately $ **8. 3 billion as of December 30, 2023 (approximately $** 10. 7 billion as of December 31, 2022 ~~(approximately $ 12. 4 billion as of December 25, 2021~~ ). Other purchase obligations and commitments include payments due under supply agreements and various types of licenses and agreements to purchase goods or services. Contractual obligations for purchases of goods or services relate to agreements that are enforceable and legally binding and that specify all significant terms, including fixed or minimum quantities; fixed, minimum, or variable price provisions; and the approximate timing of the transaction. Other purchase obligations reflect the non- cancelable portion or the minimum cancellation fee under the agreement. Other **purchase** commitments **also** include ~~a $ 5. 4 billion commitment associated with our pending acquisition of Tower and~~ our unrecognized commitment to fund our respective share of the total construction costs of $ 29. 0 billion of Arizona Fab in connection with the definitive agreement entered into with Brookfield. Our remaining unfunded contribution was $ ~~13~~ **12** . ~~5~~ **3** billion as of December ~~31~~ **30** , ~~2022~~ **2023** . Legal Proceedings We are regularly party to various ongoing claims, litigation, and other proceedings, including those noted in this section. ~~We~~ **As of December 30, 2023, we** have accrued a charge of $ ~~2~~ **1** . ~~2~~ **0** billion related to litigation involving VLSI **and a charge of $ 401 million related to an EC- imposed fine** , **both as** described below. Excluding the VLSI claims described below, management at present believes that the ultimate outcome of these proceedings, individually and in the aggregate, will not materially harm our financial position, results of operations, cash flows, or overall trends; however, legal proceedings and related government investigations are subject to inherent uncertainties, and unfavorable rulings, excessive verdicts, or other events could occur. Unfavorable resolutions could include substantial monetary damages, fines, or penalties. Certain of these outstanding matters include speculative, substantial, or indeterminate monetary awards. In addition, in matters for which injunctive relief or other conduct remedies are sought, unfavorable resolutions could include an injunction or other order prohibiting us from selling one or more products at all or in particular ways, precluding particular business practices, or requiring other remedies. An unfavorable outcome may result in a material adverse impact on our business, results of operations, financial position, and overall trends. We might also conclude that settling one or more such matters is in the best interests of our stockholders, employees, and customers, and any such settlement could include substantial payments. Except as specifically described below, we have not concluded that settlement of any of the legal proceedings noted in this section is appropriate at this time. European Commission Competition Matter In 2009, the ~~European Commission (~~ EC ~~)~~ found that ~~Intel~~ **we** had used unfair business practices to persuade customers to buy microprocessors in violation of Article 82 of the EC Treaty (later renumbered Article 102) and Article 54 of the European Economic Area Agreement. In general, the EC found that we violated Article 82 by offering alleged " conditional rebates and payments " that required customers to purchase all or most of their x86 microprocessors from us and by making alleged " payments to prevent sales of specific rival products. " The EC ordered us to end the alleged infringement referred to in its decision and imposed a € 1. 1 billion fine, which we paid in the third quarter of 2009. Financial StatementsNotes to Consolidated Financial ~~Statements112~~ **Statements108** We appealed the EC decision to the European Court of Justice in 2014, after the General Court (then called the Court of First Instance) rejected our appeal of the EC decision in its entirety. In September 2017, the Court of Justice sent the case back to the General Court to examine whether the rebates at issue were capable of restricting competition. In January 2022, the General Court annulled the EC' s 2009 findings against us regarding rebates, as well as the **€ 1. 1 billion** fine imposed on Intel, which was returned to us in February 2022 ~~. In April 2022, the EC appealed the General Court' s decision to the Court of Justice. A hearing date on the appeal has not been scheduled~~ . The General Court' s January 2022 decision did not annul the EC' s 2009 finding that ~~Intel~~ **we** made payments to prevent sales of specific rival products **. In April 2022** , ~~and~~ **the EC appealed the General Court' s decision to the Court of Justice. In addition,** in ~~January~~ **September** 2023 the EC **imposed** ~~reopened its administrative procedure to determine~~ a **€ 376 million ($ 401 million)** fine against ~~Intel~~ **us** based on **its finding** that ~~alleged conduct. Given the procedural posture and the nature of this proceeding,~~ we **made payments to prevent sales of specific rival products. We have appealed the EC' s decision. We have accrued a charge for the fine and** are unable to make a reasonable estimate of the potential loss or range of losses **in excess of** ~~, if any, that might arise from~~ this ~~matter~~ **amount given the procedural posture and the nature of these proceedings** . In a related matter, **in April 2022** we filed applications with the General Court ~~in April 2022~~ seeking an order requiring the EC to pay ~~Intel~~ **us** approximately € 593 million in default interest **on the original € 1. 1 billion fine that was held by the EC for 12 years, which applications have been stayed pending the EC' s appeal of the General Court' s**

**January 2022 decision** . Litigation Related to Security Vulnerabilities In June 2017, a Google research team notified Intel and other companies that it had identified security vulnerabilities, **the first variants of which are** now commonly referred to as “ Spectre ” and “ Meltdown, ” that affect many types of microprocessors, including our products. As is standard when findings like these are presented, we worked together with other companies in the industry to verify the research and develop and validate software and firmware updates for impacted technologies. In January 2018, information on the security vulnerabilities was publicly reported, before software and firmware updates to address the vulnerabilities were made widely available. ~~Numerous~~ **As of January 24, 2024, consumer class action** lawsuits **against us were pending in the US, Canada, and Argentina. The plaintiffs, who purport to represent various classes of purchasers of our products, generally claim to** have been ~~filed against Intel relating to~~ **harmed by our actions and / or omissions in connection with** Spectre, Meltdown, and other variants of ~~the~~ **this class of** security vulnerabilities that have been identified since 2018 ~~. As of January 25~~ , ~~2023, consumer class action lawsuits against Intel were pending in the United States, Canada, and Argentina. The plaintiffs, who purport to represent various classes of purchasers of our products, generally claim to have been harmed by Intel' s actions and / or omissions in connection with the security vulnerabilities~~ and assert a variety of common law and statutory claims seeking monetary damages and equitable relief. In the **US** ~~United States~~ , class action suits filed in various jurisdictions were consolidated for all pretrial proceedings in the **US** ~~United States~~ District Court for the District of Oregon, which entered final judgment in favor of Intel in July 2022 based on plaintiffs’ failure to plead a viable claim. Plaintiffs ~~have~~ appealed ~~that decision to~~ **, and in November 2023** the Ninth Circuit Court of Appeals **affirmed the district court’ s judgment** . In Canada, an initial status conference has not yet been scheduled in one case **relating to Spectre and Meltdown** pending in the Superior Court of Justice of Ontario, and a stay of a second case pending in the Superior Court of Justice of Quebec is in effect. In Argentina, Intel Argentina was served with, and responded to, a class action complaint **relating to Spectre and Meltdown** in June 2022 **. The Argentinian court dismissed plaintiffs’ claims for lack of standing in May 2023, and plaintiffs have appealed. In November 2023, new plaintiffs filed a consumer class action complaint in the US District Court for the Northern District of California with respect to a further vulnerability variant disclosed in August 2023 and commonly referred to as “ Downfall. ” We moved to dismiss that complaint in January 2024** . Additional lawsuits and claims may be asserted seeking monetary damages or other related relief. ~~We dispute the pending claims described above and intend to defend those lawsuits vigorously.~~ Given the procedural posture and the nature of ~~those~~ **these** cases, including that the pending proceedings are in the early stages, that alleged damages have not been specified, that uncertainty exists as to the likelihood of a class or classes being certified or the ultimate size of any class or classes if certified, and that there are significant factual and legal issues to be resolved, we are unable to make a reasonable estimate of the potential loss or range of losses, if any, that might arise from ~~those~~ **these** matters. Litigation Related to 7nm Product Delay Announcement **Multiple** ~~Starting in July 2020, five~~ securities class action lawsuits were filed in the **US** ~~U. S.~~ District Court for the Northern District of California against ~~Intel~~ **us** and certain ~~current and former~~ officers **following our** ~~based on Intel’ s~~ July 2020 announcement of 7nm product delays. The **court consolidated the lawsuits and appointed lead** plaintiffs **in October 2020** , **and in January 2021 plaintiffs filed a consolidated complaint. Plaintiffs purport to represent all persons** who **purchased or otherwise** ~~purport to represent classes of acquirers~~ **acquired** ~~of Intel~~ **our common** stock ~~between~~ **from** October **25,** 2019 ~~and July~~ **through October 23,** 2020, **and they** generally allege that ~~the~~ defendants violated **the federal** securities laws by making false or misleading statements about the timeline for 7nm products ~~in light of subsequently announced delays~~ . In ~~October~~ **March** ~~2020~~ **2023** , the court ~~consolidated~~ **granted** the **defendants’ motion to dismiss** ~~lawsuits, appointed lead plaintiffs, and in January 2021~~ the ~~lead plaintiffs filed a~~ consolidated complaint **, and** ~~. Defendants moved to dismiss the consolidated complaint~~ in ~~March~~ **April** ~~2021~~ **2023 entered judgment** . **Plaintiffs have appealed** ~~We dispute the claims described above and intend to defend the lawsuits vigorously~~ . Given the procedural posture and the nature of ~~those~~ -- **the** ~~cases~~ - **case** , including that **it is** ~~the pending proceedings are~~ in the early stages, that alleged damages have not been specified, that uncertainty exists as to the likelihood of a class ~~or classes~~ being certified or the ultimate size of any class ~~or classes~~ if certified, and that there are significant factual and legal issues to be resolved, we are unable to make a reasonable estimate of the potential loss or range of losses, if any, that might arise from ~~those~~ -- **the** ~~matters~~ - **matter** . In July 2021, ~~Intel~~ **we** introduced a new process node naming structure, and the 7nm process is now **called** Intel 4. Litigation Related to Patent and IP Claims We have had IP infringement lawsuits filed against us, including but not limited to those discussed below. Most involve claims that certain of our products, services, and technologies infringe others' IP rights. Adverse results in these lawsuits may include awards of substantial fines and penalties, costly royalty or licensing agreements, or orders preventing us from offering certain features, functionalities, products, or services. As a result, we may have to change our business practices, and develop non- infringing products or technologies, which could result in a loss of revenue for us and otherwise harm our business. In addition, certain agreements with our customers require us to indemnify them against certain IP infringement claims, which can increase our costs as a result of defending such claims, and may require that we pay significant damages, accept product returns, or supply our customers with non- infringing products if there were an adverse ruling in any such claims. In addition, our customers and partners may discontinue the use of our products, services, and technologies, as a result of injunctions or otherwise, which could result in loss of revenue and adversely affect our business. **Financial StatementsNotes to Consolidated Financial Statements109** VLSI Technology LLC v. Intel In October 2017, VLSI Technology LLC (VLSI) filed a complaint against ~~Intel~~ **us** in the **US** ~~U. S.~~ District Court for the Northern District of California alleging that various Intel FPGA and processor products infringe eight patents ~~that~~ VLSI acquired from NXP Semiconductors, N. V. (NXP). VLSI **granted** ~~estimates its damages to be at least $ 5. 5 billion, and seeks enhanced damages, future royalties, attorneys’ fees, costs, and interest. Financial StatementsNotes to Consolidated Financial Statements113~~ Intel **a covenant not** ~~filed Inter Partes Review (IPR) petitions with the Patent Trial and Appeal Board (PTAB) in 2018 challenging patentability, and the parties stipulated~~ to ~~stay~~ **sue on** the ~~district court action pending the PTAB' s review. The PTAB subsequently found all claims of~~ two patents ~~, and some claims of~~ **the court said can proceed** ~~two~~ - **to trial as it appeals losses it suffered earlier in**

**the case on three** other patents ~~, to be unpatentable~~ . ~~The district court lifted~~ **VLSI has requested that** the **judge take the trial** ~~stay in September 2021 and~~ scheduled ~~trial~~ for March 2024 ~~on the claims that were found patentable by the PTAB. In June 2018, VLSI filed a second suit against Intel, in U. S. District Court for the District of~~ **off calendar** ~~Delaware, seeking $ 4. 4 billion in damages for the alleged infringement by various Intel processors of five additional patents that VLSI acquired from NXP. In December 2022, VLSI stipulated to dismiss with prejudice its claims, for which Intel paid nothing. The court dismissed the case in January 2023~~ . In April 2019, VLSI filed three infringement suits against ~~Intel~~ **us** in **the US District Court for** the Western District of Texas ~~(WDTX)~~ accusing various ~~Intel~~ **of our** processors of infringement of eight additional patents it had acquired from NXP ~~.~~ **: ▪** The first Texas case went to trial in February 2021, and the jury awarded VLSI $ 1. 5 billion for literal infringement of one patent and $ 675 million for infringement of another patent under the doctrine of equivalents. In April 2022, the court entered final judgment, awarding VLSI $ 2. ~~2~~ **1** billion in damages and approximately $ 162. 3 million in pre- judgment and post- judgment interest. **We** ~~Intel has~~ appealed the judgment to the Federal Circuit Court of Appeals, including ~~its~~ **the court' s rejection of Intel' s** claim to have a license from Fortress Investment Group' s acquisition of Finjan. **The Federal Circuit Court heard oral argument in October 2023. In December 2023, the Federal Circuit reversed the finding of infringement as to the patent for which VLSI was awarded $ 675 million. The Federal Circuit affirmed the finding of infringement as to the patent for which VLSI had been awarded $ 1. 5 billion, but vacated the damages award and will send the case back to the trial court for further damages proceedings on that patent. The Federal Circuit also ruled that Intel can advance the defense that it is licensed to VLSI' s patents.** In December 2021 and January 2022 the PTAB instituted IPRs on the claims found to have been infringed in the first Texas case, ~~but it~~ **and in May and June 2023 found all of those claims unpatentable; VLSI** has **appealed the PTAB' s** ~~not yet issued a final written~~ decision ~~on either petition~~ . **▪** The second Texas case went to trial in April 2021, and the jury found that ~~Intel does~~ **we do** not infringe the asserted patents. VLSI had sought approximately $ 3. 0 billion for alleged infringement, plus enhanced damages for willful infringement. The court has not yet entered final judgment ~~following the second trial in Texas~~ . **▪** The third Texas case went to trial in November 2022, with VLSI asserting one remaining patent. The jury found the patent valid and infringed, and awarded VLSI ~~nearly~~ **approximately** $ 949 million in damages, plus **interest and** a running royalty. The court has not yet entered final judgment ~~following the third trial in Texas~~ . ~~We intend to~~ **In February 2023, we** ~~file~~ **filed** motions for a **new trial and for** judgment **as a matter of law** notwithstanding the verdict ~~, and~~ **on various grounds.** ~~further~~ **Further** appeals are possible. In May 2019, VLSI filed a case in Shenzhen Intermediate People' s Court against Intel, Intel (China) Co., Ltd., Intel Trading (Shanghai) Co., Ltd., and Intel Products (Chengdu) Co., Ltd. VLSI ~~asserts~~ **asserted** one patent against certain Intel Core processors. Defendants filed an invalidation petition in October 2019 with the China National Intellectual Property Administration (CNIPA) which held a hearing in September 2021. ~~CNIPA has not yet issued a decision.~~ The Shenzhen court held trial proceedings in July 2021 **,** and **September 2023** ~~indicated that further trial proceedings were needed but would be stayed pending the outcome of defendants' invalidity challenge at the CNIPA~~ . VLSI ~~seeks~~ **sought** an injunction as well as RMB 1. 3 million in costs and expenses, but no damages **. In September 2023, the CNIPA invalidated every claim of the asserted patent. In November 2023, the trial court dismissed VLSI' s case** . In May 2019, VLSI filed a case in Shanghai Intellectual Property Court against Intel (China) Co., Ltd., Intel Trading (Shanghai) Co., Ltd., and Intel Products (Chengdu) Co., Ltd. asserting one patent against certain Intel core processors. The court held a trial hearing in December 2020, where VLSI requested expenses (RMB 300 thousand) and an injunction. **In December 2022, we filed a petition to invalidate the patent at issue.** The court held a second trial hearing in May 2022, ~~but has yet to~~ **and in October 2023,** ~~issue~~ **issued a** ~~its final~~ decision **finding no infringement and dismissing all claims** ~~. In December 2022, Intel filed a second petition to invalidate the patent at issue~~ . In November ~~2019~~ **2023** , ~~Intel, along with Apple Inc~~ **VLSI appealed the finding of non- infringement** . **As** ~~, filed~~ a **result of recent developments in the** ~~complaint against Fortress Investment Group LLC, Fortress Credit Co. LLC, Uniloc 2017 LLC, Uniloc USA, Inc., Uniloc Luxembourg S. A. R. L.,~~ VLSI **litigation** , **we revised** ~~INVT SPE LLC, Inventergy Global, Inc., DSS Technology Management, Inc., IXI IP, LLC, and Seven Networks, LLC. Plaintiffs allege violations of Section 1 of the Sherman Act by certain defendants, Section 7 of the Clayton Act by certain defendants, and California Business and Professions Code section 17200 by all defendants based on defendants' unlawful aggregation of patents. In September 2021, the district court~~ -- **our loss exposure estimate and reduced** ~~dismissed the claims with prejudice, entering judgment in favor of defendants. In November 2022 the Ninth Circuit affirmed the district court~~ -- **our previously** ~~' s decision. Intel has~~ accrued ~~a~~ charge of ~~approximately~~ $ 2. 2 billion ~~related~~ to ~~the VLSI litigation~~ **approximately $ 1. 0 billion** . While we dispute VLSI' s claims and intend to vigorously defend against them, we are unable to make a reasonable estimate of losses in excess of recorded amounts given recent developments and future proceedings **. R2 Semiconductor Patent Litigation In November 2022, R2 Semiconductor, Inc. (R2) filed a lawsuit in the High Court of Justice in the UK against Intel Corporation (UK) Limited and Intel Corporation, and a lawsuit in the Dusseldorf Regional Court in Germany against Intel Deutschland GmbH and certain Intel customers. R2 asserts one European patent is infringed by Intel' s Ice Lake, Tiger Lake, Alder Lake and Ice Lake Server (Xeon) processors (the accused products), and customer servers and laptops that contain those processors. R2 seeks an injunction in both actions prohibiting the sale and requiring the recall of the alleged infringing products. Intel is indemnifying its customers in the German lawsuit. Intel disputes R2' s claims and intends to defend the lawsuits vigorously. In December 2022, Intel responded in the UK action that the asserted patent is not infringed and that the patent is invalid. In April 2023, defendants filed statements of defense in the German action that the asserted patent is not infringed and that an injunction would be a disproportionate remedy. In May 2023, defendants also filed a nullity action in the German Federal Patent Court on the ground that the asserted patent is invalid. Financial StatementsNotes to Consolidated Financial Statements110 In December 2023, the German Federal Patent Court issued a preliminary opinion finding R2' s patent valid. The German Federal Patent Court' s final decision on invalidity is expected in October 2024. In December 2023, the court in Dusseldorf held a trial on the issue of infringement, and will hand down a decision in February 2024. If**

**defendants lose at trial in Germany, the Dusseldorf Regional Court could impose an injunction and recall order prohibiting sales of some or all of the accused products, and potentially other products, in Germany. The order could take effect and remain in place unless overturned on appeal, or unless the patent is invalidated by the German Federal Patent Court. Trial in the UK matter is scheduled for April 2024. Given the procedural posture and the nature of these cases, including that there are significant factual and legal issues to be resolved and that uncertainty exists as to the scope of an injunction, if any, we are unable to make a reasonable estimate of the potential loss or range of losses, if any, that might arise from these lawsuits** . Business Interruption Insurance Proceeds We received $ 484 million of insurance proceeds, primarily in the fourth quarter of 2022, to compensate for business interruption and property damage from a temporary electrical breakdown that occurred at one of our facilities in 2020. We recognized these receipts as a reduction of ~~Cost~~ **cost** of sales. Financial StatementsNotes to Consolidated Financial ~~Statements114~~ **Statements111** We use terms throughout our document that are specific to Intel or that are abbreviations that may not be commonly known or used. Below is a list of these terms used in our document. TermDefinition2006 ESPP2006 Employee Stock Purchase Plan2006 Plan2006 Equity Incentive Plan5GThe fifth- generation mobile network, which brings dramatic improvements in network speeds and latency, and which we view as a transformative technology and opportunity for many industriesADASAdvanced driver- assistance systemsAIArtificial intelligenceAMaaSAutonomous Mobility as a Service ARMAdvanced RISC machineASICApplication- specific integrated circuitASPAverage selling priceAVAutonomous vehicleAXGAdvanced Computing and Graphics operating ~~segmentBIOSBasic input / output systemCAGRCompound~~ **segmentBain CapitalBain Capital Special SituationsBEPSBase Erosion and Profit ShiftingCAGRCompound** annual growth rateCCGClient Computing Group operating segmentCDPA nonprofit organization that runs a global disclosure system for investors, companies, cities, states, and regions to manage their environmental ~~impactsCODMChief~~ -- **impactsCEOChief executive officerCFOChief financial officerCODMChief** operating decision **makerCOVID** ~~makerCoSPCommunication service providerCOVID~~ - 19The infectious disease caused by ~~the most recently discovered~~ coronavirus (aka SARS- CoV- 2), which was declared a global pandemic by the World Health OrganizationCPUProcessor or central processing unitCSPCloud service providerCXLCompute Express Link ~~;~~ **,** an open standard for high- speed CPU- to- device and CPU- to- memory connectionsDCAIData Center and ~~AI~~ **Artificial Intelligence** operating **segmentECEuropean** ~~segmenteASICAn Intel line of structured ASICs that are an intermediary technology between FPGAs and standard- cell ASICsECEuropean~~ CommissionEDAElectronic design automation, tools used to design and verify electronic systems, such as integrated circuits and printed circuit boardsEdge computing or intelligent edgeThe placement of resources to move, store, and process data closer to where data is generated and consumedEEO- 1EEO- 1 Component 1 report ~~;~~ **,** a mandatory annual data collection that requires employers meeting certain criteria to submit demographic workforce data, including data by race / ethnicity, sex, and job categories. **ERPEnterprise Resource PlanningEPSEarnings** ~~EMIBEmbedded multi- die interconnect bridge, a form of" 2. 5D" packaging technology developed by Intel that enables high- density interconnect of heterogeneous chipsEPSEarnings~~ per shareERISAEmployee Retirement Income Security ActESGEnvironmental, social, and governanceEUVExtreme ultraviolet lithographyExchange ActSecurities Exchange Act of 1934Form 10- KAnnual Report on Form 10- **K for the year ended December 30,** ~~KFoverosIntel~~ **2023FoverosIntel** ' s high- performance three- dimensional stacked chip architectureFPGAField- programmable gate **arrayGenAIGenerative AI refers to deep- learning models that can generate high- quality text, images, and other content based on the data they were trained** ~~arrayGPUGraphics~~ **onGPUGraphics** processing **unitGRIGlobal Reporting InitiativeHPCHigh** ~~unitHBMHigh- bandwidth memoryHPCHigh~~ - performance computingIDMIntegrated device manufacturer, a semiconductor company that both designs and builds ~~chipsIFSIntel~~ **chipsIntelIntel Corporation Supplemental Details112 IFSIntel** Foundry Services operating ~~segmentInternet~~ **segmentIMSIMS Nanofabrication GmbH, a business within IFS that develops and produces electron- beam systems for the semiconductor industryInternet** of ThingsThe Internet of Things market in which we sell our NEX and Mobileye productsIPIntellectual **propertyIPOInitial** ~~property Supplemental Details115 IPOInitial~~ public offeringIPUInfrastructure processing unit, a programmable networking device designed to enable cloud and communication service providers to reduce overhead and free up performance for CPUs **ISVIndependent software vendorkWhKilowatt** ~~ISAIntel system architectureL1Level 1 of autonomous driving; most functions are controlled by a human driver; certain functions (parking assist, acceleration, and limited steering) can be done automatically by the vehicleL2Level 2 of autonomous driving; the system controls both steering and acceleration using information about the driving environment, but with the expectation that a human will perform all remaining aspects of driving; the driver can have his or her hands off the steering wheel, but must monitor the" dynamic driving task" at all timesL4Level 4 of autonomous driving; the system performs all aspects of the driving task even if the driver does not respond appropriately to a request for intervention, including all safety- critical driving functions and monitoring roadway conditions for an entire trip. For a defined use case, no driver intervention is required at all. MaaSMobility~~ **hourMaaSMobility** as a **ServiceMD** ~~serviceMBMWMulti- beam mask writerMD~~ & AManagement' s Discussion and AnalysisMG & AMarketing, general **,** and **administrativeNANDNAND** ~~administrativeMNCMultinational corporationNANDNAND~~ flash memoryNetwork XeonPart of the Intel Xeon processor family designed for network and edge solutionsNEXNetworking and Edge operating ~~segmentNICNetwork interface controllernmNanometerODMOriginal design manufacturerOEMOriginal~~ **segmentnmNanometerNPUNeural processing unitOECDOrganization for Economic Co- operation and DevelopmentOEMOriginal** equipment manufactureroneAPIOpen, cross- architecture programming model that frees developers to use a single code base across multiple architecturesOKRObjective and key results, a goal- setting method used widely across industries as a proven approach to setting and achieving challenging **goalsPRQProduct** ~~goalsOSATOutsourced assembly and testPPACPower performance area costProgram (specific to Mobileye business) A process that takes two to three years of intense activity with the carmaker and Tier 1 after a design win until Mobileye technology is launched into productionPRQProduct~~ release qualification, the milestone when costs to manufacture a product are included in inventory ~~valuationPSUPerformance~~ --

**valuationPSGProgrammable Solutions GroupPSUPerformance** stock unitRANRadio access networkR & DResearch and developmentRDFVReadily determinable fair **valueRSU** ~~valueRSSResponsibility- safety sensitiveRSU~~ Restricted stock unitSaaSSoftware as a ~~serviceSASBSustainability~~ **ServiceSASBSustainability** Accounting Standards BoardSCIPSemiconductor Co- Investment ProgramSECUS Securities and Exchange CommissionSoCA system on a chip, which integrates most of the components of a computer or other electronic system into a single silicon chip. We offer a range of SoC products in CCG, DCAI, and NEX. **Our** ~~In our~~ DCAI and NEX businesses ~~, we~~ offer SoCs across many market segments for a variety of applications, including products targeted for 5G base stations and network infrastructureSOFRSecured Overnight Financing Rate, a benchmark interest rate for **US-** dollar- denominated derivatives and loans, replacing **LIBORTAMTotal** ~~LIBORSSDSolid- state driveTAMTotal~~ addressable marketTax ReformUS Tax Cuts and Jobs Act TCFDTask Force on Climate-Related Financial ~~DisclosuresTSRTotal~~ **DisclosuresTowerTower Semiconductor LtdTSMCTaiwan Semiconductor Manufacturing CompanyTSRTotal** stockholder **returnUS** ~~returnUCIeUniversal Chiplet Interconnect ExpressUS~~ GAAPUS Generally Accepted Accounting Principles ~~Supplemental Details116~~ USMAGUnited States Military, Aerospace, and GovernmentUS Pension PlanUS Intel Minimum Pension PlanUS Retiree Medical PlanUS Postretirement Medical Benefits PlanVIEVariable interest entityvRANVirtualized radio access networkxPUA term for processors that are designed for one of four major computing architectures: CPU, GPU, AI accelerator, and FPGA Supplemental ~~Details117~~ **Details113 Supplemental Details114** Controls and ProceduresInherent Limitations on Effectiveness of Controls Our management, including ~~the~~ **our** principal executive officer and principal financial officer, does not expect that our disclosure controls and procedures or our internal control over financial reporting will prevent or detect all errors and all fraud. A control system, no matter how well-designed and operated, can provide only reasonable, not absolute, assurance that the control system' s objectives will be met. The design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Further, because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that misstatements due to error or fraud will not occur or that all control issues and instances of fraud, if any, have been detected. Evaluation of Disclosure Controls and Procedures Based on management' s evaluation (with the participation of our principal executive officer and principal financial officer), as of the end of the period covered by this report, our principal executive officer and principal financial officer have concluded that our disclosure controls and procedures (as defined in Rules 13a- 15 (e) and 15d- 15 (e) under the Exchange Act) ~~,~~ are effective to provide reasonable assurance that information required to be disclosed by us in reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in SEC rules and forms, and is accumulated and communicated to management, including our principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure. Changes in Internal Control Over Financial Reporting There were no changes to our internal control over financial reporting (as defined in Rules 13a- 15 (f) and 15d- 15 (f) under the Exchange Act) that occurred during the quarter ended December ~~31~~ **30** , ~~2022~~ **2023** that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting. Management Report on Internal Control Over Financial Reporting Our management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rules 13a- 15 (f) and 15d- 15 (f) under the Exchange Act) to provide reasonable assurance regarding the reliability of our financial reporting and the preparation of Consolidated Financial Statements for external purposes in accordance with US GAAP. Management assessed our internal control over financial reporting as of December ~~31~~ **30** , ~~2022~~ **2023** . Management based its assessment on criteria established in Internal Control — Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework). Management' s assessment included evaluation of elements such as the design and operating effectiveness of key financial reporting controls, process documentation, accounting policies, and our overall control environment. Based on this assessment, management has concluded that our internal control over financial reporting was effective as of the end of the fiscal year to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated Financial Statements for external reporting purposes in accordance with US GAAP. We reviewed the results of management' s assessment with the Audit Committee of our Board of Directors. Our independent registered public accounting firm, Ernst & Young LLP, independently assessed the effectiveness of the company' s internal control over financial reporting, as stated in the firm' s attestation report, which is included within Financial Statements and Supplemental Details. Supplemental ~~Details118~~ **Details115** 1. Financial Statements: See" Index to Consolidated Financial Statements" within the Consolidated Financial Statements. 2. Financial Statement Schedules: Not applicable or the required information is otherwise included in the Consolidated Financial Statements and accompanying notes. 3. Exhibits: The exhibits listed in the accompanying index to exhibits are filed, furnished, or incorporated by reference as part of this Form 10- K. Certain of the agreements filed as exhibits to this Form 10- K contain representations and warranties by the parties to the agreements that have been made solely for the benefit of the parties to the agreement. These representations and warranties: ▪ may have been qualified by disclosures that were made to the other parties in connection with the negotiation of the agreements, which disclosures are not necessarily reflected in the agreements; ▪ may apply standards of materiality that differ from those of a reasonable investor; and ▪ were made only as of specified dates contained in the agreements and are subject to subsequent developments and changed circumstances. Accordingly, these representations and warranties may not describe the actual state of affairs as of the date that these representations and warranties were made or at any other time. Investors should not rely on them as statements of fact. Supplemental ~~Details119~~ **Details116** Exhibit Index ExhibitNumberIncorporated by ReferenceFiled orFurnishedHerewithExhibit DescriptionFormFile NumberExhibitFilingDate2. 1Master Purchase Agreement between Intel Corporation and SK hynix Inc., dated as of October 19, 20208- K000- 062172. 1 10 / 20 / 20203. **1Corrected** ~~1Intel Corporation~~ Third Restated Certificate of Incorporation of Intel Corporation **,** dated ~~May 17~~ **October 23** , ~~20068~~ **202310** - ~~K000~~ **Q000** - 062173. 1 ~~5~~ **10** / ~~22~~ **27** / ~~20063~~ **20233** . 2Intel Corporation Bylaws, as amended and restated on ~~March 10~~ **November 29** , ~~20218~~ **20238** - K000- 062173. 2 ~~3~~ **12** / ~~16~~ **5** / ~~20214~~ **20234** . 1Indenture dated as of March 29, 2006 between Intel Corporation and Wells Fargo Bank, National

Association (as successor to Citibank N. A.) (the" Open- Ended Indenture") S- 3ASR333- 1328654. 4 3 / 30 / 20064. 2First Supplemental Indenture to Open- Ended Indenture, dated as of December 3, 200710- K000- 062174. 2. 42 / 20 / 20084. 3Second Supplemental Indenture to Open- Ended Indenture for the Registrant' s 1. 95 % Senior Notes due 2016, 3. 30 % Senior Notes due 2021, and 4. 80 % Senior Notes due 2041, dated as of September 19, 20118- K000- 062174. 01 9 / 19 / 20114. 4Third Supplemental Indenture to Open- Ended Indenture for the Registrant' s 1. 35 % Senior Notes due 2017, 2. 70 % Senior Notes due 2022, 4. 00 % Senior Notes due 2032, and 4. 25 % Senior Notes due 2042, dated as of December 11, 20128- K000- 062174. 01 12 / 11 / 20124. 5Fourth Supplemental Indenture to Open- Ended Indenture for the Registrant' s 4. 25 % Senior Notes due 2042, dated as of December 14, 20128- K000- 062174. 01 12 / 14 / 20124. 6Fifth Supplemental Indenture to Open- Ended Indenture, dated as of July 29, 2015, between Intel Corporation and Wells Fargo Bank, National Association, as successor trustee8- K000- 062174. 1 7 / 29 / 20154. 7Eighth Supplemental Indenture to Open- Ended Indenture, dated as of May 19, 2016, between Intel Corporation and Wells Fargo Bank, National Association, as successor trustee8- K000- 062174. 1 5 / 19 / 20164. 8Ninth Supplemental Indenture to Open- Ended Indenture, dated as of May 11, 2017, between Intel Corporation and Wells Fargo Bank, National Association, as successor trustee8- K000- 062174. 1 5 / 11 / 20174. 9Tenth Supplemental Indenture to Open- Ended Indenture, dated as of June 16, 2017, between Intel Corporation and Wells Fargo Bank, National Association, as successor trustee8- K000- 062174. 1 6 / 16 / 20174. 10Eleventh Supplemental Indenture to Open- Ended Indenture, dated as of August 14, 2017, among Intel Corporation, Wells Fargo Bank, National Association, as successor trustee, and Elavon Financial Services DAC, UK Branch, as paying agent8- K000- 062174. 1 8 / 14 / 20174. 11Twelfth Supplemental Indenture to Open- Ended Indenture, dated as of December 8, 2017, between Intel Corporation and Wells Fargo Bank, National Association, as successor trustee10- K000- 062174. 2. 132 / 16 / 2018 Supplemental ~~Details120~~ **Details117** ExhibitNumberIncorporated by ReferenceFiled orFurnishedHerewithExhibit DescriptionFormFile NumberExhibitFilingDate4. 12Thirteenth Supplemental Indenture, dated as of November 21, 2019, between Intel Corporation and Wells Fargo Bank, National Association, as successor trustee8- K000- 062174. 1 11 / 21 / 20194. 13Fourteenth Supplemental Indenture, dated as of February 13, 2020, between Intel Corporation and Wells Fargo Bank, National Association, as successor trustee8- K000- 062174. 12 / 13 / 20204. 14Fifteenth Supplemental Indenture, dated as of February 13, 2020, between Intel Corporation and Wells Fargo Bank, National Association, as successor trustee8- K000- 062174. 2 2 / 13 / 20204. 15Sixteenth Supplemental Indenture, dated as of March 25, 2020, between Intel Corporation and Wells Fargo Bank, National Association, as successor trustee8- K000- 062174. 1 3 / 25 / 20204. 16Seventeenth Supplemental Indenture, dated as of August 12, 2021, between Intel Corporation and Wells Fargo Bank, National Association, as successor trustee8- K000- 062174. 1 8 / 12 / 20214. 17Eighteenth Supplemental Indenture, dated as of August 5, 2022, between Intel Corporation and Computershare Trust Company, National Association (as successor to Wells Fargo Bank, National Association), as trustee8- K000- 062174. 1 8 / 5 / 20224. **18Nineteenth Supplemental Indenture, dated as of February 10, 2023, between Intel Corporation and Computershare Trust Company, National Association (as successor to Wells Fargo Bank, National Association), as trustee8- K000- 062174. 1 2 / 10 / 20234.** ~~18Description~~ **19Description** of Intel Securities Registered under Section 12 of the Exchange Act10- K000- 062174. 18 1 / 27 / 202210. 1 † Intel Corporation 2006 Equity Incentive Plan, as amended and restated, effective May ~~12~~ **11** , ~~202210~~ **2023S** - ~~Q000~~ **8000** - ~~0621710~~ **0621799** . ~~2 7~~ **1 9** / ~~29~~ **26** / ~~202210~~ **202310** . 1. 2 † Intel Corporation Form of Notice of Grant- Restricted Stock Units10- Q000- 0621710. 1 10 / 25 / 201810. 1. 3 † Intel Corporation Form of Restricted Stock Unit Grant Agreement under the 2006 Equity Incentive Plan (for RSUs with retirement vesting terms granted to executives on or after January 30, 2019) 10- Q000- 0621710. 3 4 / 26 / 201910. 1. 4 † Intel Corporation Form of Restricted Stock Unit Grant Agreement under the 2006 Equity Incentive Plan (for RSUs without retirement vesting terms granted to executives on or after January 30, 2019) 10- Q000- 0621710. 4 4 / 26 / 201910. 1. 5 † Intel Corporation Form of Restricted Stock Unit Grant Agreement under the 2006 Equity Incentive Plan (for performance- based RSUs granted to grandfathered executives on or after January 30, 2019) 10- Q000- 0621710. 5 4 / 26 / 201910. 1. 6 † Intel Corporation Form of Restricted Stock Unit Grant Agreement under the 2006 Equity Incentive Plan (for performance- based RSUs granted to non- grandfathered executives on or after January 30, 2019) 10- Q000- 0621710. 14 / 24 / 202010. 1. 7 † Intel Corporation Form of Restricted Stock Unit Grant Agreement under the 2006 Equity Incentive Plan (for strategic growth performance- based RSUs granted to executives on or after February 1, 2019) 10- Q000- 0621710. 6 4 / 26 / ~~201910~~ - **2019** ~~. 1. 8 † First Amendment to Option Agreement (Performance Options) between Intel and Patrick Gelsinger, dated November 18, 20228- K000- 0621710. 1 11 / 22 / 2022~~ Supplemental ~~Details121~~ - **Details118** ExhibitNumberIncorporated by ReferenceFiled orFurnishedHerewithExhibit DescriptionFormFile NumberExhibitFilingDate10. 1. **8 † First Amendment to Option Agreement (Performance Options) between Intel and Patrick Gelsinger, dated November 18, 20228- K000- 0621710. 1 11 / 22 / 202210. 1.** 9 † First Amendment to Restricted Stock Unit Agreement (Strategic Growth PSUs) between Intel and Patrick Gelsinger, dated November 18, 20228- K000- 0621710. 2 11 / 22 / 202210. 1. 10 † First Amendment to Restricted Stock Unit Agreement (Outperformance PSUs) between Intel and Patrick Gelsinger, dated November 18, 20228- K000- 0621710. 3 11 / 22 / 202210. 1. 11 † Intel Corporation ~~Restricted Stock Unit Grant Agreement under the 2006 Equity Incentive Plan (for performance- based RSUs granted to Robert Swan for interim CEO service on January 30, 2019) 10- Q000- 0621710. 9 4 / 26 / 201910. 1. 12 † Intel Corporation~~ Form of Stock Option Grant Agreement under the 2006 Equity Incentive Plan (for strategic growth performance- based stock options granted to executives on or after February 1, 2019) 10- Q000- 0621710. 7 4 / 26 / 201910. 1. **12** ~~13 † Intel Corporation Form of Non- Employee Director Restricted Stock Unit Grant Agreement under the 2006 Equity Incentive Plan (for RSUs granted to non- employee directors on or after January 30, 2019) 10- Q000- 0621710. 11 4 / 26 / 201910. 1. 14~~ † Intel Corporation Form of Non- Employee Director Restricted Stock Unit Agreement under the 2006 Equity Incentive Plan (for RSUs granted to non- employee directors on or after May 12, 2022) 10- Q000- 621710. 3 10 / 28 / 202210. 1. ~~15~~ **13** † Intel Corporation 2021 Inducement PlanS- 8333- 25307799. 1 2 / 12 **/ 202110. 1. 14 † Intel Corporation Restricted Stock Unit Agreement under the 2021 Inducement Plan (for time- vesting RSUs) 10- Q000- 0621710. 3 4 / 23 / 202110. 1. 15 † Intel Corporation Restricted Stock Unit**

**Agreement under the 2021 Inducement Plan (for optional investment matching RSUs) 10- Q000- 0621710. 4 4 / 23** / 202110. 1. 16 † Intel Corporation Restricted Stock Unit Agreement under the 2021 Inducement Plan (for ~~time~~ **relative TSR performance** - ~~vesting~~ **based** RSUs) 10- Q000- 0621710. ~~3~~ **5** 4 / 23 / 202110. 1. 17 † Intel Corporation Restricted Stock Unit Agreement under the 2021 Inducement Plan (for ~~optional investment matching~~ **strategic growth performance- based** RSUs) 10- Q000- 0621710. ~~4~~ **6** 4 / 23 / 202110. 1. 18 † Intel Corporation Restricted Stock Unit Agreement under the 2021 Inducement Plan (for ~~relative TSR performance- based RSUs) 10- Q000- 0621710. 5 4 / 23 / 202110. 1. 19 † Intel Corporation Restricted Stock Unit Agreement under the 2021 Inducement Plan (for strategic growth performance- based RSUs) 10- Q000- 0621710. 6 4 / 23 / 202110. 1. 20 † Intel Corporation Restricted Stock Unit Agreement under the 2021 Inducement Plan (for~~ outperformance performance- based RSUs) 10- Q000- 0621710. 7 4 / 23 / 202110. 1. ~~21~~ **19** † Intel Corporation Option Agreement under the 2021 Inducement Plan (for strategic growth performance- based stock options) 10- Q000- 0621710. 8 4 / 23 / 202110. 2 † Intel Corporation Executive Annual Performance Bonus Plan, effective as of January 1, 20208- K000- 0621710. 1 1 / 22 / 202010. 3 † Intel Corporation Sheltered Employee Retirement Plan Plus, as amended and restated, effective January 1, 202010- Q000- 0621710. 34 / 24 / 202010. 4 † First Amendment to Intel Corporation Sheltered Employee Retirement Plan Plus dated January 1, 202010- Q000- 0621710. 1 7 / 29 / 202210. 5 † Second Amendment to Intel Corporation Sheltered Employee Retirement Plan Plus dated January 1, ~~2023X10~~ - **202310- K000- 621810. 5 1 / 27 / 202310** . 6 † Intel Corporation 2006 Employee Stock Purchase Plan, as amended and restated, effective February 12, 202210- Q000- 0621710. 2 4 / 29 / ~~2022~~ **202210** ~~Supplemental Details122 ExhibitNumberIncorporated by ReferenceFiled orFurnishedHerewithExhibit DescriptionFormFile NumberExhibitFilingDate10~~ . 7 † Intel Corporation 2006 Deferral Plan for Outside Directors, effective November 15, 200610- K000- 0621710. 41 2 / 26 / 200710. 8 † Form of Indemnification Agreement with Directors and Executive Officers10- K000- 0621710. 15 2 / 22 / ~~200510~~ -- **2005 Supplemental Details119 ExhibitNumberIncorporated by ReferenceFiled orFurnishedHerewithExhibit DescriptionFormFile NumberExhibitFilingDate10** . 9 † Form of Indemnification Agreement with Directors and Executive Officers (for Directors and Executive Officers who joined Intel after July 1, 2016) 10- Q000- 0621710. 2 10 / 31 / 201610. 10Settlement Agreement Between Advanced Micro Devices, Inc. and Intel Corporation, dated November 11, 20098- K000- 0621710. 1 11 / 12 / 200910. 11 † † Patent Cross License Agreement between NVIDIA Corporation and Intel Corporation, dated January 10, 20118- K000- 0621710. 1 1 / 10 / 201110. 12 Purchase and Contribution Agreement, dated as of August 22, 2022, by and among Intel Corporation, Arizona Fab HoldCo Inc., Foundry JV Holdco LLC, and Arizona Fab LLC8- K000- 0621710. 1 8 / 23 / 202210. 13 Amended and Restated Limited Liability Company Agreement of Arizona Fab LLC by and between Arizona Fab HoldCo Inc. and Foundry JV Holdco LLC8- K000- 0621710. 1 11 / 22 / 202210. 14 † Offer Letter between Intel Corporation and ~~Sandra Rivera~~ **Patrick Gelsinger** , dated ~~June 21~~ **January 13** , ~~202110~~ **20218** - ~~Q000~~ **K000** - 0621710. 1 ~~7~~ **1** / ~~23~~ **14** / 202110. 15 † Offer Letter between Intel Corporation and ~~Patrick Gelsinger,~~ **David A. Zinsner** dated January ~~13~~ **6** , ~~20218~~ **20228** - K000- 0621710. 1 1 / ~~14~~ **10** / ~~202110~~ **202210** . 16 † Offer Letter between Intel Corporation and **Christoph Schell** ~~David A. Zinsner~~ dated ~~January 6~~ **February 11** , ~~20228- K000- 0621710. 1 1 / 10 / 202210~~ **2022X10** . 17 ~~† Lease Agreement between Intel Corporation and Steven R. Rodgers 10- Q000- 0621710. 12 4 / 26 / 201910. 18~~ † Offer Letter between Intel Corporation and **Sandra Rivera** ~~George S. Davis,~~ dated ~~April~~ **October** 2, ~~20198~~ **20238** - K000- 0621710. ~~14~~ **110** / ~~3~~ **05** / ~~201921~~ **202321** . 1Intel Corporation SubsidiariesX23. 1Consent of Ernst & Young LLP, Independent Registered Public Accounting FirmX31. 1Certification of the Chief Executive Officer pursuant to Rule 13a- 14 (a) of the Exchange ActX31. 2Certification of the Chief Financial Officer pursuant to Rule 13a- 14 (a) of the Exchange ActX32. 1Certification of the Chief Executive Officer and the Chief Financial Officer pursuant to ~~Rule13a~~ **Rule 13a** - 14 (b) of the Exchange Act and 18 U. S. C. Section ~~1350X99~~ **1350X97 . 1 † Intel Corporation Compensation Recoupment Policy, effective October 2, 2023X99** . 1Supplement to Present Required Information in Searchable FormatX101Inline XBRL Document Set for the consolidated financial statements and accompanying notes in Financial Statements and Supplemental DetailsX104Cover Page Interactive Data File- formatted in Inline XBRL and included as Exhibit 101X † Management contracts or compensation plans or arrangements in which directors or executive officers are eligible to participate. † † Portions of this exhibit have been omitted pursuant to an order granting confidential treatment. Schedules and certain portions of this exhibit have been omitted pursuant to Item 601 (a) (5)- (6) and Item 601 (b) (10 **)** (iv) of Regulation S- K. Supplemental ~~Details123~~ **Details120** Item NumberItem Part IItem 1. Business: General development of business Pages 3- 9, ~~19Description~~ **20Description** of businessPages 3- ~~38~~ **36** , ~~51~~ **63** - ~~52~~ **64** , ~~70~~ **68** , ~~88~~ **85** - 86Available informationPage 2Item 1A. Risk FactorsPages ~~53~~ **48** - ~~67Item~~ **62Item** 1B. Unresolved Staff ~~CommentsNot~~ **CommentsNoneItem** ~~applicableItem~~ **1C. CybersecurityPage 65- 66Item** 2. PropertiesPages 14, ~~67Item~~ **66Item** 3. Legal ProceedingsPages ~~109~~ **108** - ~~114Item~~ **111Item** 4. Mine Safety ~~DisclosuresNot~~ **DisclosuresNonePart** ~~applicablePart~~ IIItem 5. Market for Registrant' s Common Equity, Related Stockholder Matters, and Issuer Purchases of Equity SecuritiesPages 11, ~~68~~ **66** - ~~69Item~~ **67Item** 6. [ Reserved ] Item 7. Management' s Discussion and Analysis of Financial Condition and Results of Operations: Liquidity and capital resourcesPages 5- 6, **42-** 44 ~~- 47~~ , ~~47~~ **45** - ~~51Results~~ **47Results** of operationsPages 5- 6, ~~19~~ **21** - ~~44~~ **42** , ~~47~~ **45** - ~~51Critical~~ **47Critical** accounting estimatesPages ~~47~~ **44** , ~~81~~ **79** - ~~87Item~~ **85Item** 7A. Quantitative and Qualitative Disclosures About Market ~~RiskPage~~ **RiskPages 64-** ~~52Item~~ - **65Item** 8. Financial Statements and Supplementary Data Pages ~~72~~ **70** - ~~117Item~~ **114Item** 9. Changes in and Disagreements with Accountants on Accounting and Financial ~~DisclosureNot~~ **DisclosureNoneItem** ~~applicableItem~~ 9A. Controls and ProceduresPage ~~118Item~~ **115Item** 9B. Other InformationDisclosure ~~Pursuant~~ **pursuant** to Section 13 (r) of the Securities Exchange Act of 1934Page ~~71Item~~ **69Item** 9C. Disclosure Regarding Foreign Jurisdictions that Prevent ~~InspectionsNot~~ **InspectionsNonePart** ~~applicablePart~~ IIIItem 10. Directors, Executive Officers, and Corporate GovernancePage **68** ~~70,~~ (a) Item 11. Executive Compensation ( ~~b~~ **a** ) Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters ( ~~c~~ **a** ) Item 13. Certain Relationships and Related Transactions, and Director Independence ( ~~d~~ **a** ) Item 14. Principal Accountant Fees and Services ( ~~e~~ **a** ) Part IVItem 15. Exhibits and Financial Statement SchedulesPages ~~72~~ **70** - ~~117~~ **114** , ~~119~~ **116** - ~~123Item~~ **120Item** 16. Form 10- K **SummaryNoneSignaturesPage 122** ~~SummaryNot~~

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