

**Intel Ocotillo
Environmental Excellence**

ANNUAL

PROGRESS REPORT

(January 1 - December 31, 2012)

ANNUAL PROGRESS REPORT

**Intel Corporation
Ocotillo Campus
Chandler, Arizona**

REPORTING FACILITY

Intel Corporation
Ocotillo Campus
4500 S. Dobson Road
Chandler, Arizona 85248

Year: January 1 - December 31, 2012

Report date: April 1, 2013

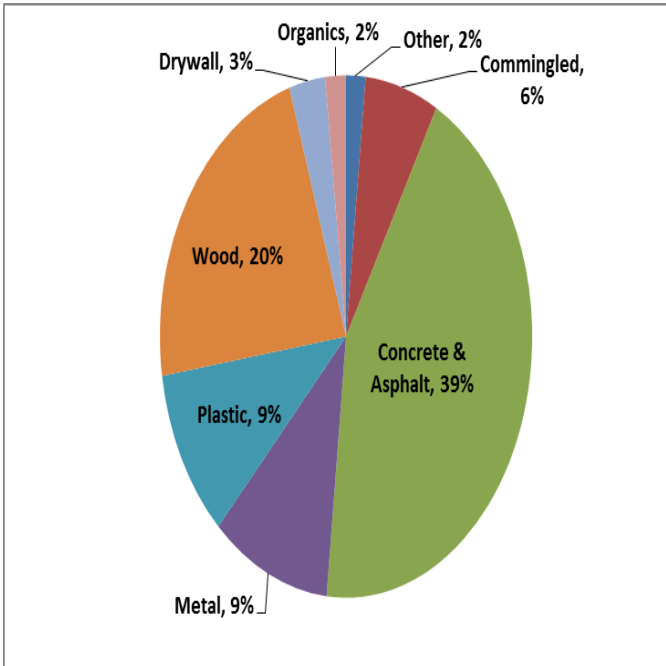
Report prepared by: Sean Aldrich

Telephone Number: (480) 715-6528

SOLID WASTE RECYCLED

Reporting period: January 1 - December 31, 2012

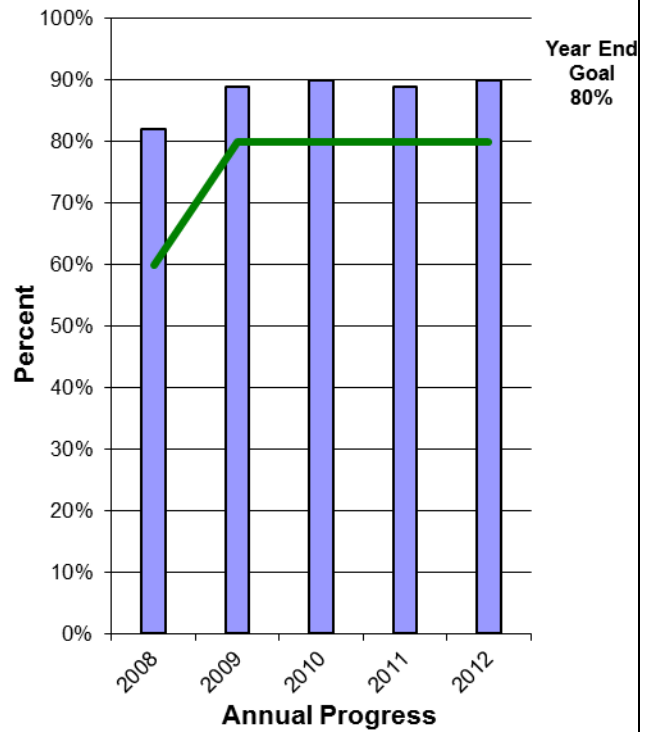
Percent recycled: 90%



Other: Carpet, Donations, E-Waste, and Glass

30,862 TOTAL TONS SOLID WASTE RECYCLED IN 2012

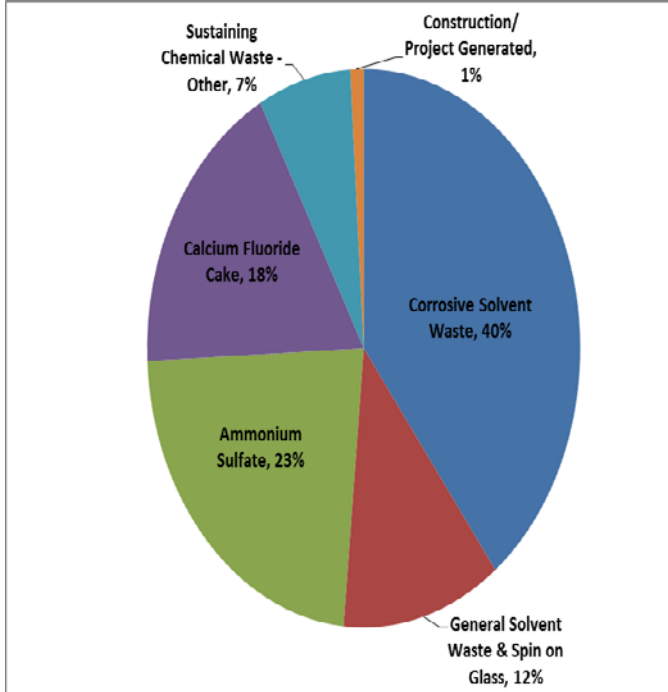
SOLID WASTE RECYCLED



TOTAL CHEMICAL WASTE RECYCLED

Reporting period: January 1 - December 31, 2012

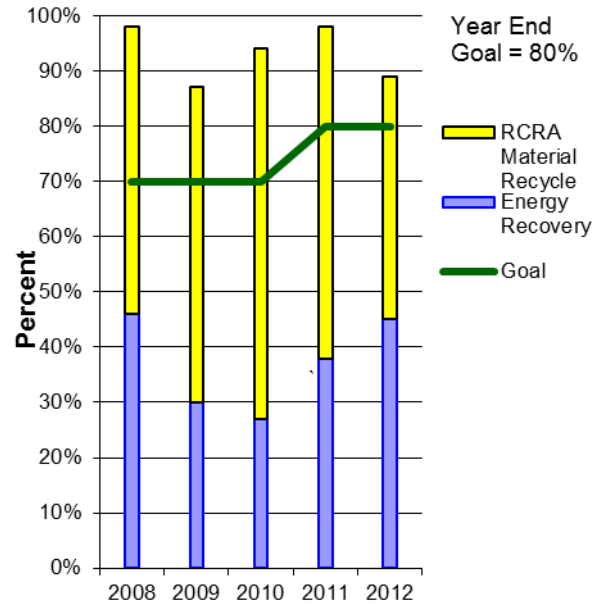
Percent recycled: 89%



Other: Aerosol Cans, Fluorescent Bulbs, Batteries, Used Oil, Empty Containers, Ion Exchange Beds, Drums of Discarded Chemicals, etc.

23,381 TOTAL TONS TOTAL CHEMICAL WASTE RECYCLED IN 2012

TOTAL CHEMICAL WASTE RECYCLED



Quarterly Progress

Site Wide Water Conservation

Reporting period: January 1 - December 31, 2012

Percent conserved: 64%

Water Flow Details:

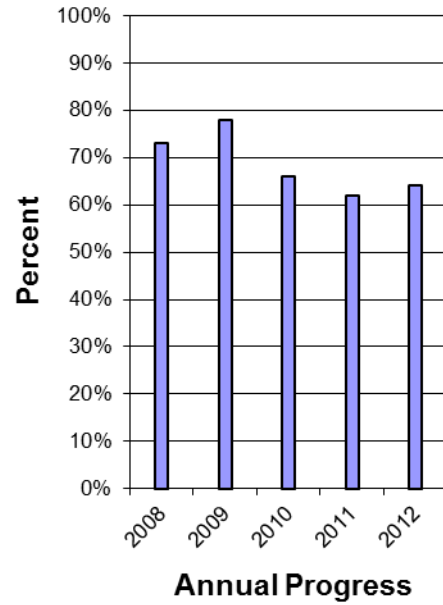
- Water Recycled Internally 2.11 MGD
- Reclaimed Wastewater Used 2.44 MGD
- Water Sent to Chandler RO for Groundwater Recharge 2.09 MGD
- Incoming City Water 5.77 MGD

MGD = Million Gallons per day

$$\frac{\text{Water Recycled} + \text{Reused} + \text{Recharged}}{\text{All Water Used}}$$

$$\frac{2.11+2.44+2.09}{2.11+2.44+5.77} = 0.64 \times 100\% = 64\%$$

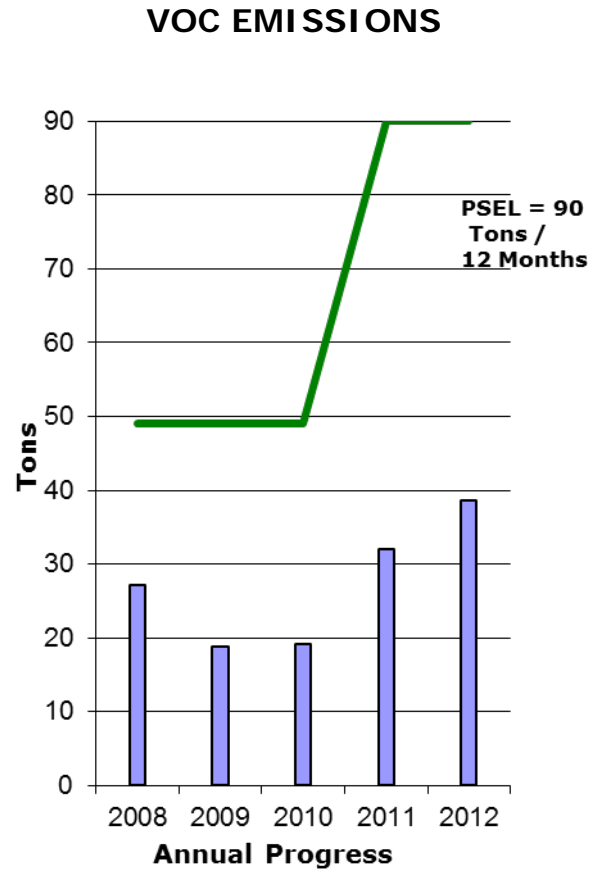
Site Wide Water Conservation



VOLATILE ORGANIC COMPOUND (VOC) EMISSIONS

Reporting period: January 1 - December 31, 2012

VOC emissions in tons (12-month rolling summation): 38.6

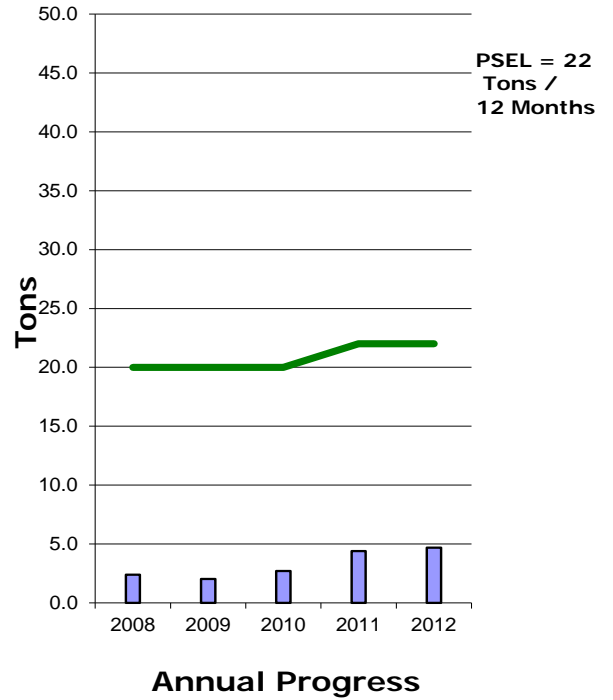


TOTAL HAZARDOUS AIR POLLUTANTS (HAPs) EMISSIONS

Reporting period: January 1 - December 31, 2012

Total HAPs emissions in tons (12-month rolling summation): 4.7

TOTAL HAZARDOUS AIR POLLUTANTS (HAPs) EMISSIONS

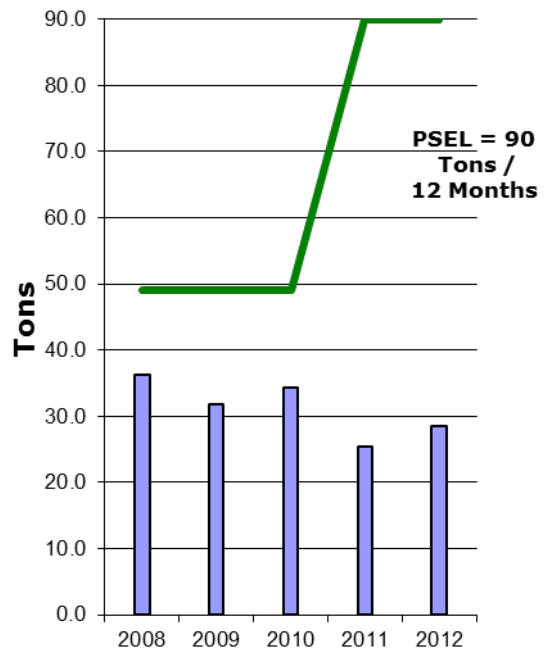


NITROGEN OXIDE (NOx) EMISSIONS

Reporting period: January 1 - December 31, 2012

NOx emissions in tons (12-month rolling summation): 28.6

NOx EMISSIONS



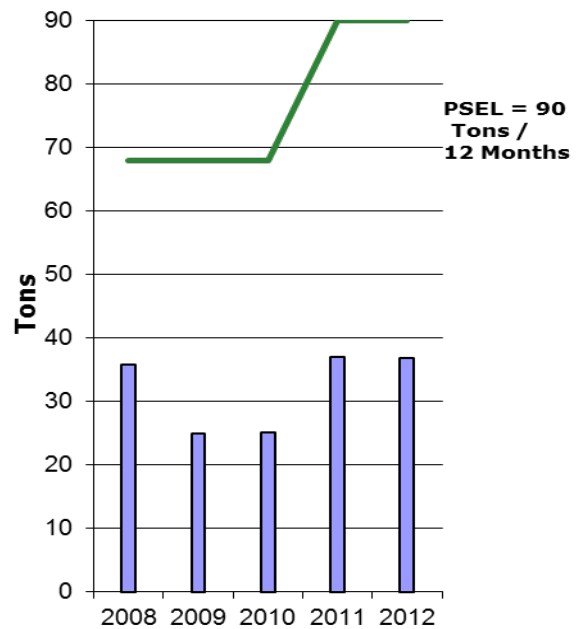
Annual Progress

CARBON MONOXIDE (CO) EMISSIONS

Reporting period: January 1 - December 31, 2012

CO emissions in tons (12-month rolling summation): 36.8

CO EMISSIONS



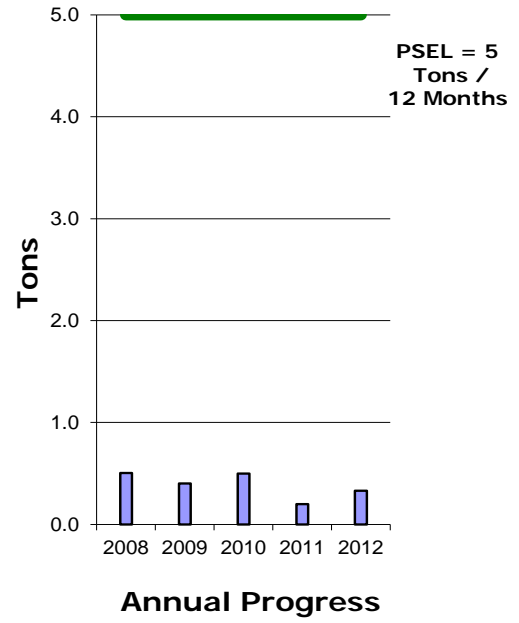
Annual Progress

SULFUR DIOXIDE (SO₂) EMISSIONS

Reporting period: January 1 - December 31, 2012

SO₂ emissions in tons (12-month rolling summation): 0.33

SO₂ EMISSIONS

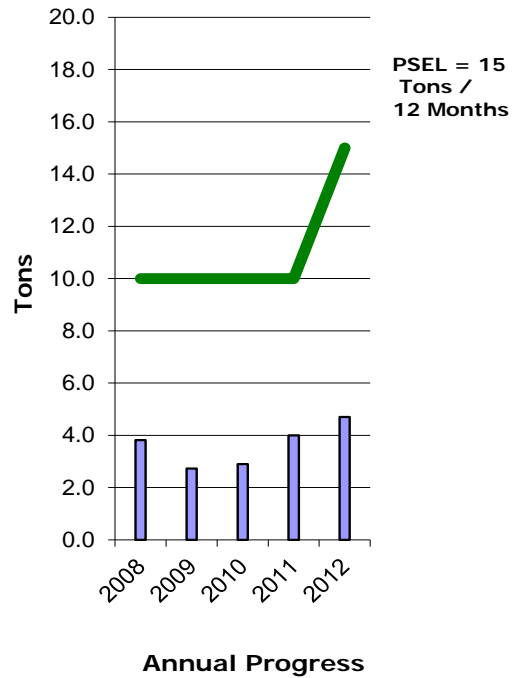


PARTICULATES (PM10) EMISSIONS

Reporting period: January 1 - December 31, 2012

PM10 emissions in tons (12-month rolling summation): 4.7

PM10 EMISSIONS



OC 2012 ANNUAL FOSSIL FUEL USAGE

| | |
|--|---|
| Natural Gas | 875 Million Cubic Feet |
| Fuel Oil (Emergency Generators) | 26,684 Gallons (Ultra Low Sulfur Diesel) |
| Emergency Generator Hours of Operation | 419.40 Hours |

2012 OTHER ACTIVITIES THAT BENEFIT THE ENVIRONMENT

Sun Lakes Annual Household Hazardous Waste Collection Day Event

On April 14, 2012 Sun Lakes, Maricopa County and Intel partnered with Sun Lakes to sponsor the 10th Annual Sun Lakes Household Hazardous Waste Collection Day. Approximately 625 vehicles dropped off a total of 31,642 pounds of waste materials. Waste streams included batteries, paint, electronic equipment and paper for shredding.



Intel Volunteers at the Sun Lakes Waste Collection Event

StRUT Computer Recycle Day



Arizona StRUT Computer Recycle Day is an opportunity for civic organizations, small businesses, and the general public to recycle their used and obsolete computers, old cell phones, and computer parts, while benefiting schools and non-profits. On April 21, 2012 approximately 32,600 pounds of electronic equipment were donated to the AZStRTUT organization via drop off at various collection locations throughout the Valley.

For more information on the AZ StRUT program, visit www.AZStRUT.org

Converting Some of Intel's Plastic Waste to Pencil Boxes - Benefiting Back-to-School Kids...

In July, Intel lead a cooperative effort with the Downtown Chandler Community Partnership and Gangplank, a collaborative workspace in downtown Chandler. This key event helped supply back to school kids with backpacks, pencils, paper, binders, folders, crayons, markers, glue and calculators. Intel donated pencil boxes which were made using material from its manufacturing operations. Intel assembled a team of companies to assist in melting down plastic reels molding them into pencil boxes which were dyed Intel blue. They were distributed to kids as part of a back-to-school drive.



...From Intel's Plastic Waste Reels to Pencil Boxes...

Trip Reduction Program



In 2012, Intel employees completed the 16th annual trip reduction electronic survey for the Ocotillo campus and submitted the plan to Maricopa County. 37% of the Ocotillo employees completed the survey which is used by the county to track alternate commute mode users. The results for the Single Occupancy Vehicle (SOV) Trip Rate were 69.21% and the Single Occupancy Vehicle Miles Traveled Rate was 64.62%. Employee options under the Rideshare program include compressed workweeks, telecommuting, carpooling and driving alternate fuel vehicles all of which help to reduce the single occupancy vehicle rate. Intel reimburses employees for up to \$30.00 per month for van pool and bus use. Emergency ride homes are subsidized at 100% for employees who use rideshare programs. Preferential parking is provided for car pool usage.

Intel Wins the 2012 Phoenix Clean & Beautiful's Corporate Challenge!

Intel had 35 employees & their family members who participated in a clean-up event at the Indian Bend Habitat in Tempe. Intel will keep the trophy until the next year's Challenge winner is determined.



The Lodestar Day Resource Center – Lodestar Day Resource Center asked companies to consider hosting a plastic water bottle drive as they go through nearly 1,700 water bottles per day in the summer. Intel reached out to them and provided tickets to Intel employees and their families to attend a Phoenix Mercury game if they donated a water bottle. Intel employees donated over 1,000 reusable water bottles which were given to Lodestar to provide to select homeless clients to keep them hydrated.

Desert Botanical Garden - Intel has two employees working at the Desert Botanical Garden through the Intel Community Service Corp. One is working in the development department, creating marketing materials. The other is doing research in the garden.

Valley of the Sunflowers (Arizona) - Valley of the Sunflowers activated a 2-acre, vacant, city block in downtown Phoenix and turned it into a beautiful field of sunflowers. The sunflowers were harvested by community members and high school science students. By the completion of the project (Winter 2012), the students will go from "seed to engine" by growing & harvesting the sunflowers, pressing the seeds for oil, and creating biodiesel fuel for their alternative fuel, hybrid solar/biofuel, vehicle project. This project was also recognized internally from Intel Environmental Excellence Award program.

South Mountain Trail Maintenance – Approximately 100 Intel employees volunteered to participate on a trail maintenance project in South Mountain Park.



McDowell Mountain clean-up / trail maintenance – Approximately 50 Intel employees volunteered to go the McDowell Mountain park in Scottsdale and participate in a clean-up / trail maintenance project.



GLOSSARY OF TERMS

CARBON MONOXIDE (CO) - CO is defined in Section 302, Subsection W of the United States Clean Air Act, as carbon monoxide. This is a combustion emission produced when fossil fuel is burned (oxidized) incompletely.

ANNUAL REPORT - This is a summary of progress for the previous calendar year and is published on April 1.

QUARTERLY PROGRESS REPORT - This is a progress report that is published by Intel on the following schedule which documents progress against its goals:

| REPORTING PERIOD | DATE PUBLISHED |
|--|----------------|
| January, February, March | By May 31 |
| April, May, June | By August 31 |
| July, August, September | By November 30 |
| October, November, December (included as part of the annual report) | By April 1 |

HAZARDOUS AIR POLLUTANTS - Hazardous Air Pollutants (HAPs) refers to the 189 chemicals and chemical categories listed in section 112(b) of the United States Clean Air Act. Under the Act, a major source of HAPs is defined as one that emits 10 tons/yr. of any single chemical on the list, or 25 tons/yr. of any combination of these chemicals.

HAZARDOUS MATERIALS MANAGEMENT PLAN (HMMP) - An emergency plan required by the City of Chandler for all operations which store hazardous materials above a certain quantity on-site.

NITROUS OXIDES - In accordance with the definition in section 302, subsection V of the United States Clean Air Act, NO_x refers to oxides of nitrogen. The oxides of nitrogen typically emitted from combustion processes are nitrogen monoxide (NO) and nitrogen dioxide (NO₂).

OTHER ACTIVITIES THAT BENEFIT THE ENVIRONMENT - Intel has committed to voluntarily engage in other activities, which may connect back to programs implemented by Intel Arizona and/or Intel's corporate programs. The items that will be reported on include:

- Environmental mentoring/education
- Donation of equipment
- Environmental activities with suppliers
- Energy Conservation
- Transferability

LEED – An acronym for Leadership in Energy and Environmental Design. Developed by the United States Green Building Council, the LEED Green Building Rating System encourages and accelerates global adoption of sustainable green building and development practices through the creation and implementation of universally understood and accepted tools and performance criteria.

(source: <http://www.usgbc.org/DisplayPage.aspx?CMSPageID=222>. See LEED Rating System for Existing Buildings)

PARTICULATE MATTER (PM10) EMISSIONS - Airborne particulate matter with an aerodynamic diameter less than or equal to 10 microns (PM10) as defined in 40 CFR 51.100(qq).

PLANT SITE EMISSIONS LIMITS (PSEL) - The air permit establishes PSELs for emissions (tons per year (tpy)) of volatile organic compounds (VOCs/49 tpy), oxides of nitrogen (NOx/49 tpy), carbon monoxide (CO/49 tpy), particulate matter of 10 microns or smaller (PM10/10 tpy), sulfur dioxide (SO2/5 tpy), combined organic hazardous air pollutants, (HAPs/10 tpy), combined inorganic HAPs (10 tpy), sulfuric acid (1 tpy) and phosphine- also an inorganic HAP(1 tpy).

REGULATORY AGENCIES - The following are the regulatory agencies who participate in the Intel Ocotillo Environmental Excellence Stakeholder meetings:

ADEQ - Arizona Department of Environmental Quality
City of Chandler

EPA - U.S. Environmental Protection Agency

MCAQD - Maricopa County Air Quality Department

RESOURCE CONSERVATION AND RECOVERY ACT (RCRA) - Refer to the statutes and promulgated EPA regulations in 40 CFR 260 through 282 which address the generation, storage, treatment and disposal of hazardous waste.

REVERSE OSMOSIS (RO) - Reverse Osmosis is a high-pressure filtration process which separates dissolved salt and minerals from water, using a membrane. Clean water passes through the membrane, and the salt and minerals are rejected.

SOLID WASTE RECYCLE - This includes materials that are designated as non-hazardous waste, based upon EPA's definitions under the Resource Conservation and Recovery Act, which include such materials as, plastics, aluminum, glass, wood, pallets, metal, cardboard, etc. The percent recycled is calculated by dividing the quantity of materials within this category that are sent to beneficial recycle by the total volume of solid waste shipped off-site.

SULFUR DIOXIDE (SO₂) - This is an oxide of sulfur, which is emitted during the combustion of fossil fuels.

SUPERFUND AMENDMENTS AND REAUTHORIZATION ACT (SARA) - TITLE III - Refers to the statutes and promulgated EPA regulations, which address Emergency Planning and Community Right-to-Know.

TOTAL CHEMICAL WASTE RECYCLE - This category includes used chemical materials which are collected for the purpose of returning them back into beneficial reuse via recycling, re-use, reclaim or fuel blending. The percent recycled is calculated by dividing the material in this category sent for beneficial reuse, divided by the total quantity of chemical waste generated.

TOTAL DISSOLVED SOLIDS - A measurement of the salt and mineral content in water.

VOLATILE ORGANIC COMPOUNDS - Volatile Organic Compounds (VOCs) are any compound of carbon which participate in atmospheric photochemical reactions, except those which are specifically excluded, as defined in 40 CFR 51.100(s).

WATER CONSERVATION - Efforts to Reduce, Reuse or Recycle water to avoid the use of the City of Chandler's drinking water supply.