

Transcript – July 26, 2007

**San Francisco Business Times Corporate Philanthropy Summit
Panel Discussion including Paul Otellini, Intel President and CEO**

***Description:** PSO took part in a “best practices” discussion on corporate philanthropy with four other panelists including: Warren Hellman, Chairman, Hellman & Friedman, Carrie Schwab Pomerantz, Senior VP, Chief Strategist, Consumer Education, Schwab and Company and President, Schwab Foundation; Ralph Baxter, Chairman and CEO, Orrick, Herrington & Sutcliffe, LLP, and Lisa Stevens, Regional Banking President, San Francisco Bay Region, Wells Fargo and Company.*

San Francisco Business Times publisher Mary Huss moderated the discussion. For purposes of brevity only the questions put to PSO and his answers have been transcribed.

Q1. Tell us just in brief, a little bit about your company's focus and philosophies when it comes to philanthropy to understand the direction that you go.

A1. Intel is a 40 year old company, and the founders of the company long established the tradition of giving back to the community. Bob (Noyce) and Gordon (Moore) focused on education in the early days for the obvious reason. The obvious reason is that we needed talented people and the state of education, even then, needed some work. We've evolved that, we've kept focused on that. A lot of companies give a lot of money to various causes, we're one of them. But we focus all of our philanthropy on education. I was struck by Ann's comments about the best giving is when you align your mission, your brand and your capabilities. We try to do that.

We have an active program of company giving, in terms of cash. Funding scholarships around the world, funding (Intel) computer clubhouses around the world, university grants and so forth. We have employee giving, focus on volunteerism. Our 85,000 employees gave a quarter million hours last year. Thirty-eight percent of the company volunteers somewhere. And we match those hours with dollars that go to schools where they volunteer. So we actually put money behind their efforts.

And thirdly are the actions of the company which are increasingly focused on corporate responsibility in the areas of the environmentalism as well as education. We're very proud of the fact that, for example, our newest generation of chips actually saves more energy than it takes to produce them. And then start doing products like that using technology, using the education of the workforce to build products like that, it becomes a self-reinforcing system.