CONTINGENT WORKFORCE GLOBAL POLICY

(intel®)

Supplier Contingent Workforce Policy Overview

Updated Nov 2013

Expectation

- This is a high level outline of what is acceptable and not acceptable to our suppliers who are providing contingent workers (CWs) to Intel. It is Intel's expectation that suppliers' management understand this guideline as well as the CW Global Policy fully and to pass down appropriately to their own workforce (Intel's contingent workforce) before sending them in to work at Intel premises.

Terminology

- **Supplier** - is the employer of CWs and is responsible for all aspects of these workers' employment, including compensation, benefits, withholding and paying taxes, supervision, managing performance, rewards, training, handling discipline, hiring and termination.

- **Contingent Worker** (CW) - is a term used to describe a **contract worker who is not an Intel employee** (contractor, temporary worker)

- **Sponsor** - an Intel blue badge employee (BB EE) that assumes responsibility for a contingent worker while they are on assignment at Intel

- **Contingent Worker Classifications -** Staff Augmentation, Outsourcing and Independent Contractor

- **Delegate -** is assigned to assist sponsors of CWs with data entry and maintenance of CW assignments as directed by the sponsor. Can be a supplier representative (for the supplier's assignments only)

- **MyCW Tool -** an interactive tool that allows sponsors to create and monitor contingent worker assignments

Intel Contingent Workforce Philosophy

- Intel meets its strategic objectives by hiring and developing its own employees to perform work central to its core business

- To conduct its business efficiently, Intel also contracts with suppliers whose workers perform services on Intel's premises

- Intel takes meaningful steps to maintain a distinction between its own employees and contingent workers

- Intel uses contingent workers consistent with the relevant laws of each geography.

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Classifications

Staff Augmentation (SA):

- Contingent workers (CWs) used to augment the ranks of Intel employees, performing functions that are usually or historically performed by Intel employees.

- The CW may receive direction from an Intel Sponsor on day-to-day activities but management responsibility remains with the supplier.

- The work is within Intel's expertise and is in support of Intel core functions.

- The duration of assignment is subject to geo-specific requirements, please refer to the Duration and Time Away Matrix embedded in this document.

- Suppliers have expertise in this commodity (Manpower, Kelly Services etc).

- In certain countries, there may be government/ license requirements that limit the suppliers who can provide the service or even the use of Staff Augmentation. (if unsure, check with your Intel Purchasing representative)
    - For U.S. positions, contingent workers in a staff augmentation role must be a "U.S. Worker". "U. S. Worker" means a U.S. citizen, U.S. national (from Samoa or Northern Mariana Islands), Legal Permanent Resident (e.g., a green card holder), or a person granted asylum or refugee status by the U.S. government. U.S. Citizenship and Immigration Services policy does not allow a foreign national with temporary work authorization to work in a staff augmentation role because in Staff Augmentation, the person's employer (the Intel Supplier) does not supervise and direct the person's work.
    - Staff Augmentation <u>cannot</u> be used in Philippines, PRC (except for Hong Kong), in all European Union (EU) countries, Russia, Ukraine, CIS, Saudi Arabia, Lebanon. Other countries may use Staff Augmentation CWs.

Classifications

Outsourcing (OS):

- Work that can be fully performed by contingent workers without much involvement of Intel employees.

- The services are awarded to an outsourcing supplier that has the expertise.

- Intel does not give day-to-day work instructions and direction to contingent workers and all direction/ management responsibility remains with the supplier. In other words, there must be a supplier manager/team lead actively managing the day-to-day work of the CWs.

- The outsourcing supplier selects the individual workers for assignment at Intel without input from Intel.

- Outsourcing supplier is responsible for salary, benefits, taxes, performance mgt., etc.

- Foreign nationals with temporary work authorization who otherwise meet Intel's site access requirements are eligible to serve in an outsourced function at an Intel U.S. site, provided:
  - The Supplier is the direct employer and immigration sponsor of the individual (or the individual has a valid Employment Authorization Document [EAD]);
  - The Supplier supervises, manages, and directs of the work of the individual; and
  - The Supplier satisfies all immigration requirements for placing the employee at Intel, including, where appropriate, posting Labor Condition Application (LCA) notices.

- For Russia, Israel, China, South Korea and LAR (not including Costa Rica) there are specific requirements on what may be outsourced as job similarity is a concerned. (If unsure, check with your Intel Purchasing representative)

Duration and Time Away Rules

Former Employees Returning as Contingent Workers

Restrictions on when former employees may return back as contingent workers are in place because the risk of co-employment/de facto employment is highest where employees, who have recently left Intel, return to the same or similar work environment, and perform services under close direction of Intel managers. Restrictions on former employees returning to Intel are intended to lessen the likelihood that they will immediately return to the same situation in a different status. It also demonstrates that the separation of employment was genuine.

For a complete list of country-specific requirements, select here

Legend : BB – Blue Badge Employee; SA – Staff Augmentation CW; OS – Outsourced CW; IC – Independent Contractor

Suppliers should contact your Purchasing Representative of any conversion in advance

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Supplier Responsibilities
Communicating Performance & Misconduct Concerns

- Upon learning of any misconduct or performance issue(s) concerning the assignment, promptly communicate issue(s) to CW.
- Provide details of the issue including:
  - The problem with examples of the failure to meet contract requirements
  - Any applicable Intel guideline(s)
  - Dates of occurrences
  - Impact of problem on Intel business
- Immediately inform CW of decisions to prematurely end contract assignments.
  - Understand & inform CW of the reasons supporting decision to prematurely end contract including the problem, applicable guidelines & dates of occurrence.
  - If needed, ask Intel Sponsor for additional information so that Supplier & CW are fully informed of issue.

General Requirements at Intel

- CWs should not take **Intel Training/My learning courses** UNLESS required by Intel sponsor due to work requirement

- CWs should not ask Intel sponsor to write any **reference letter or provide recognition**

- CWs should not attend **BUM meetings or any Intel meetings** UNLESS invited by sponsor to present updates in some project/work related meetings

- CWs should not attend Intel's events UNLESS invited by sponsor

- CWs should not use **Intel travel desk** to book any travel arrangement. CWs must use their respective suppliers travel agencies and tools

- CWs should not consult Intel sponsor regarding **visa/work permit matters**, instead consult their own HR Immigration consultant from the supplier

- CWs should not **sign on emails as an Intel's employees**, email signature must comprise of "under contract to Intel"/"Contractor to Intel"

- CWs should not **print own business card** in Intel format or with Intel's logo

- **Overtime and vacations** should be reviewed and approved by the supplier only, and coordinated by the supplier representative with an Intel representative.

- CWs recruiting, screening, selection and hiring process should be manage and led by the supplier

Please Note:
Above is not a comprehensive list, just some common violations of policy we see regularly.
For questions, suppliers should contact the Intel Purchasing Representative

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Training

- Suppliers are responsible for providing contingent workers who are trained and qualified to perform the specified scope of work. Contact your purchasing representative for assistance in incorporating required skills into your scope of work.

- Intel Training of outsourced services contingent workers should generally be avoided. Intel-specific training for staff augmentation contingent workers may be more appropriate only if it is relevant to the work done by the contingent worker. In either situation, the guidelines below should be applied. Contact the Intel sponsor if you have questions.
  - Intel may only provide training to contingent workers that is Intel-specific, relevant to the specific scope of work, necessary to perform the work in question and unavailable from all other sources. In the exceptional circumstances when training of CWs can be justified, the sponsor should ensure, the CW's must receive the training as a separate group and the training must be specific for CWs. Also, for Outsourced Services training must be provided to the Supplier Manager or other nominated representatives of the Supplier who then will provide the relevant training to the CWs.
  - If Intel-specific training is a required in accordance with the above principles, it is important that this requirement is specified in the scope of work so that any CWs who do not undertake the training can be removed from the scope of work.
  - It is the sponsor's responsibility to check the training needs of the CWs and ensure compliance in accordance with the above principles.
  - When sponsors allow CWs to attend courses per the principles shown here, they must notify the course owner to ensure the relevant content adjustments are made.

Access Process and Badges

- Supplier shall not allow any person access to Intel facilities, network, or confidential information if that person has been identified by Intel as "not eligible for access". Intel has no bearing on an individual's employment status, but reserves the right to deny and/or remove access to Intel facilities, network, or confidential information for any reason.

- To obtain access to Intel sites or network, an Intel employee ("sponsor") responsible for the CW's assignment must initiate the access process. The Intel sponsor will be responsible for initiating the process for obtaining both access and badges.

- In order for contingent workers to be granted physical or virtual access to Intel facilities, the access-related paperwork must be completed and submit to a badge photograph.

- For detail badge information, please review Access Application Process & Badges section in the Supplier CW Policy.

Available Help to Suppliers

- If you have any question, contact your Intel Purchasing representative or may send an email to purchasing.service.desk@intel.com

- Supplier.intel.com provides general information for Intel Suppliers and can be found at https://supplier.intel.com

- If CW is being requested to perform work beyond his/her statement of work stated in contract/PO, Suppliers are required to escalate to your Purchasing representative

- Access to Intel Site – All Suppliers are required to complete the CW access forms and submit to Intel Security Badge Office https://supplier.intel.com/static/cwsp/SecurityForms.htm

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