Press release
Communiqué de presse
Comunicato stampa
新闻稿 / 新聞稿
プレスリリース
보도자료

PR No: C3330C

STMicroelectronics details company-wide program to reshape manufacturing footprint and resize global cost base

- **Increasing efficiency, automation, and AI will strengthen ST's key technology R&D, design and high-volume assets for advanced manufacturing in Europe.**
- **Planned investments over FY2025, 2026 and 2027 to focus on advanced manufacturing infrastructure in 300mm silicon, 200mm silicon carbide, and technology R&D, for the benefit of customers globally.**
- **Company-wide program, including both the previously disclosed resizing of cost base and the reshaping of manufacturing footprint, expected to see up to 2,800 people leaving the company globally on a voluntary basis over 3 years, on top of normal attrition.**
- **Confirmation of annual cost savings target in the high triple-digit million-dollar range exiting 2027.**

Geneva, April 10, 2025 – STMicroelectronics N.V. ("ST") (NYSE: STM), a global semiconductor leader serving customers across the spectrum of electronics applications, today disclosed further elements of its program to reshape its global manufacturing footprint. This comes as part of the program announced in October 2024 to further strengthen ST's competitiveness, solidify its position as a global semiconductor leader, and ensure the long-term sustainability of its model as an Integrated Device Manufacturer by leveraging strategic assets globally across technology R&D, design and high-volume manufacturing.

Jean-Marc Chery, President and CEO of STMicroelectronics said: *"The reshaping of our manufacturing footprint announced today will future proof our Integrated Device Manufacturer model with strategic assets in Europe and improve our ability to innovate even faster, benefitting all our stakeholders. As we focus on advanced manufacturing infrastructure and mainstream technologies, we will continue to leverage all of our existing sites and bring redefined missions for some of them to support their long-term success. We are committed to managing this program responsibly, according to our long-established values, and exclusively through voluntary measures. The technology R&D, design, and high-volume manufacturing activities in Italy and France will continue to be central to our global operations and will be reinforced via planned investments in mainstream technologies".*

Innovating and scaling up to increase efficiency across manufacturing operations

As innovation cycles shorten, ST's manufacturing strategy is evolving to accelerate the delivery of innovative, proprietary technologies and products at scale to customers globally, across automotive, industrial, personal electronics and communication infrastructure applications.

The reshaping and modernization of ST's manufacturing operations aim to achieve two main objectives: prioritizing planned investments towards future-ready infrastructure such as 300mm silicon and 200mm silicon carbide wafer fabs to enable them to reach a critical scale and maximizing the productivity and efficiency of legacy 150mm capabilities and mature 200mm capabilities. In parallel, ST plans to continue to invest in upgrading the technology used across its operations, deploying additional AI and automation

for additional efficiency in technology R&D, manufacturing, reliability and qualification processes, with a continued focus on sustainability.

Strengthening ST's manufacturing ecosystem

Over the next three years, the reshaping of ST's manufacturing footprint will design and strengthen ST's complementary ecosystems: in France around digital technologies, in Italy around analog and power technologies and in Singapore on mature technologies. The optimization of these operations aim to achieve full capacity utilization and drive technological differentiation to compete globally. As announced previously, each of ST's current sites will continue to play a long-term role within the company's global operations.

Building 300mm silicon megafabs in Agrate and Crolles

The Agrate (Italy) 300mm fab will continue to be scaled up, with the aim to become ST's flagship high-volume manufacturing facility for smart power and mixed signal technologies. The plan is to double its current capacity to 4,000 wafers per week (wpw) by 2027, with planned modular expansions increasing capacity up to 14,000 wpw, depending on market conditions. As we increase our focus on 300mm manufacturing, the Agrate 200mm fab will refocus on MEMS.
The Crolles (France) 300mm fab will be further cemented as the core of ST's digital products ecosystem. The plan is to increase capacity to 14,000 wpw by 2027 with planned modular expansions increasing capacity up to 20,000 wpw, depending on market conditions. In addition, we will convert the Crolles 200mm fab to support Electrical Wafer Sorting high volume manufacturing and advanced packaging technologies, hosting activities that do not exist today in Europe. The focus will be on next-generation leading technologies including optical sensing and silicon photonics.

Specialized Manufacturing and Competence Center for Power Electronics in Catania

Catania will continue to serve as a center of excellence for power and wide-bandgap semiconductor devices. The development of the new Silicon Carbide Campus is progressing as planned, with production of 200mm wafers set to begin in Q4 2025, reinforcing ST's leadership in next-generation power technologies. Our resources supporting Catania's current 150mm and EWS capabilities will be refocused on 200mm silicon carbide and silicon power semiconductor production, including GaN-on-silicon, reinforcing ST's leadership in next-generation power technologies.

Optimizing Other Manufacturing Sites

Rousset (France) will remain focused on 200mm manufacturing, with additional volumes reallocated from other sites enabling full saturation of existing manufacturing capacity for optimized efficiency.

Tours (France) will remain focused on its 200mm silicon production line for select technologies, while other activities - including legacy 150mm manufacturing activities - will be transferred to different ST sites, and it will also remain a center of competence for GaN, mainly on epitaxy. The Tours site will also host a new activity: panel-level-packaging, one of the major enablers of chiplets, a technology for complex semiconductor applications that will be key for ST in the future.

Ang Mo Kio (Singapore), ST's high-volume fab for mature technologies, will remain focused on 200mm silicon manufacturing and will also host our consolidated global legacy 150mm silicon capabilities.

Kirkop (Malta), ST's high-volume test and packaging fab in Europe will be upgraded, with the addition of advanced automated technologies which will be key to support next-generation products.

Workforce and skills evolution

As ST reshapes its manufacturing footprint over the next three years, the workforce size and required skill sets will evolve. Advanced manufacturing will shift roles from legacy processes involving repetitive manual tasks to a stronger focus on process control, automation, and design. ST will manage this transition through voluntary measures, with a continued commitment to ongoing constructive dialogue and negotiations with employee representatives in accordance with applicable national regulations. Based on current projections, the program is expected to see up to 2,800 people leaving the company globally on a voluntary basis, on top of normal attrition. These changes are expected to occur mainly in 2026 and 2027. Regular updates will be provided to stakeholders as the program progresses.

About STMicroelectronics

At ST, we are 50,000 creators and makers of semiconductor technologies mastering the semiconductor supply chain with state-of-the-art manufacturing facilities. An integrated device manufacturer, we work with more than 200,000 customers and thousands of partners to design and build products, solutions, and ecosystems that address their challenges and opportunities, and the need to support a more sustainable world. Our technologies enable smarter mobility, more efficient power and energy management, and the wide-scale deployment of cloud-connected autonomous things. We are on track to be carbon neutral in all direct and indirect emissions (scopes 1 and 2), product transportation, business travel, and employee commuting emissions (our scope 3 focus), and to achieve our 100% renewable electricity sourcing goal by the end of 2027. Further information can be found at www.st.com.

For further information, please contact:

INVESTOR RELATIONS:
Jérôme Ramel
EVP Corporate Development & Integrated External Communication
Tel: +41 22 929 59 20
jerome.ramel@st.com

MEDIA RELATIONS:
Alexis Breton
Corporate External Communications
Tel: + 33 6 59 16 79 08
alexis.breton@st.com