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STMicroelectronics Publishes its Annual Sustainability Report

Geneva, May 12, 2020 - STMicroelectronics (NYSE:STM), a global semiconductor leader serving customers across the spectrum of electronics applications, announced the publication of its 2020 Sustainability Report. The 23rd report contains details and highlights of ST's sustainability performance in 2019 and presents the Company's ambitions and longer-term goals for 2025 in alignment with the United Nations Global Compact¹ Ten Principles and Sustainable Development Goals.

"Sustainability is one of the three pillars of ST's value proposition. It is fully embedded in our company DNA and in the daily operations of ST's 46,000 outstanding employees, who are once again proving their resilience, creativity and commitment to our communities in these challenging times. We approach sustainability by addressing the opportunities and challenges associated with the long-term trends reshaping our societies: our technologies are enablers of safer, greener mobility, advanced power & energy management across all types of systems and devices, and at the heart of the IoT & 5G. Addressing these opportunities and challenges paves the way to long-term sustainable growth for ST as a global company, for our stakeholders, and more broadly for society" said Jean-Marc Chery, President and CEO of STMicroelectronics.

2019 highlights included:

Company & Business

- Delivered net revenues of \$9.56 billion, an operating margin of 12.6%, and invested 15.7% of revenues in R&D to support innovation;
- Reached 62% of new products classified as 'responsible' (products that have the greatest positive impact on the planet and society), an increase of 24% compared to 2018, in the framework of our Sustainable technology program launched in 2011:
- Strengthened our supplier audit program with the RBA² standard and methodology deployed across our supply chain in order to engage them in doing business responsibly; 99% of new suppliers screened on social and environmental criteria; and
- Included in the Dow Jones Sustainability Indices World and Europe.

¹ The UN Global Compact asks companies to embrace, support and enact, within their sphere of influence, a set of core values in the areas of human rights, labor standards, the environment and anti-corruption. More information on the UN Global Compact is available at: http://www.unglobalcompact.org/aboutthegc/thetenprinciples/index.html

² Responsible Business Alliance is the is the world's largest industry coalition dedicated to corporate social responsibility in global supply chains. http://www.responsiblebusiness.org/

People and communities

- Continued to promote employee health and well-being; conducted 97,715 medical acts worldwide vs 87,742 in 2018;
- Enrolled more than 8,000 human resources staff and managers in a Diversity and Inclusion awareness training program in 2019;
- Covered 100% of our 11 main manufacturing sites with RBA audits, all scores above the industry average;
- Strengthened our STEM³ program for inspiring the next generation with 83% of our community initiatives dedicated to education; and
- Increased our engagement score in 2019 with 77% of our employees recommending ST as a great place to work.

Environment

- Accelerated our efforts to address climate change challenges and achieved our goal of reducing our GHG emissions per unit of production by 21% compared to 2016, six years ahead of our 2025 goal;
- Engaged in the clean energy transition using more green energy in our manufacturing operations, 26% of the electricity we purchased in 2019 came from green sources;
- Succeeded in reducing our overall water footprint by 76% (per unit of production) over the last 25 years, and received a B score in the CDP⁴ water security in 2019, positioning ST higher than the average for the electrical and electronic equipment sector and the global CDP average; and
- Reused, recovered, or sent for recycling 94% of our waste, remaining on track to reach our goal of 95% by 2025.

The 2020 Sustainability Report (2019 performance) can be viewed <u>here</u> and downloaded as a PDF <u>here</u>.

About STMicroelectronics

ST is a global semiconductor leader delivering intelligent and energy-efficient products and solutions that power the electronics at the heart of everyday life. ST's products are found everywhere today, and together with our customers, we are enabling smarter driving and smarter factories, cities and homes, along with the next generation of mobile and Internet of Things devices.

By getting more from technology to get more from life, ST stands for life.augmented.

In 2019, the Company's net revenues were \$9.56 billion, serving more than 100,000 customers worldwide. Further information can be found at www.st.com.

³ Sciences, Technology, Engineering and Mathematics.

⁴ CDP: https://www.cdp.net

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