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STMicroelectronics publishes 25th Annual Sustainability Report

- *On track to become carbon neutral by 2027 with more than 50% purchased electricity coming from renewable sources*
- *69% of new products identified as responsible*

Geneva, May 3, 2022 – STMicroelectronics (NYSE:STM), a global semiconductor leader serving customers across the spectrum of electronics applications, today releases its 25th annual sustainability report detailing 2021 performance and achievements. Collaborating with customers and partners, ST creates innovative technologies that bring an important contribution to overcome the environmental and social challenges of the planet today.

“This is our 25th annual report, a significant milestone after the pioneering efforts of ST in this field. In 2021 we continued to achieve strong results across all key sustainability metrics, including the initial steps of our path towards carbon neutrality in 2027. We are determined to continue to do more and to accelerate our overall sustainability efforts to create technology for a sustainable world, in a sustainable way, and to generate long-term value for our people and all stakeholders,” said Jean-Marc Chery, President and CEO, STMicroelectronics.

In 2021 ST has been actively working, through a collaborative approach, on its sustainability commitments and programs to create a healthier, safer, and more inclusive environment for people and communities and to create profitable growth. ST’s continued efforts across many areas, detailed in this report, were recognized again in 2021, by inclusion in the DJSI World and Europe indexes, as well as in other key ESG rankings and international certifications.

Sustainable Technology

ST technologies and products enable its customers to boost sustainability and seize opportunities with continued improvement of the company’s social and environmental footprint at every stage of the product lifecycle ([Sustainable Technology](#)). In 2021:

- 69% of new products were identified as responsible (responsible sourcing, eco-design, advanced EHS standards of manufacturing, responsible products, and applications) (vs 63% in 2020).
- 20% of total revenue derived from responsible productsⁱ (vs 18.5% in 2020).
- 37% of sales come from products that aim at substantial greenhouse gas (GHG) reduction across the product lifecycle according to the EU taxonomyⁱⁱ standard.

Sustainable Way

In December 2020, ST committed to becoming carbon neutral by 2027 ([Energy and Climate Change](#)) and remains on track to meet that target, actively working in 2021 on reducing its environmental footprint:

- Reduced GHG emissions by 34% compared to 2018 in absolute terms, despite the continued expansion of ST’s manufacturing capacity.

- Increased the sourcing of electricity coming from renewable sources to more than 50% (vs 43% in 2020).
- Reduced water consumption by 16% (vs 2020 per production unit).
- Reusing, recovering, or recycling 90% of the company's waste (vs 88% in 2020).

2021 was a year that continued to be impacted by the Covid-19 pandemic and ST maintained its support to its 48,000 employees across the globe, while investing in safety, and diversity, equity, and inclusion ([Diversity, Equity, and Inclusion](#)):

- Continued to deploy the most stringent measures to protect the health and safety of employees who worked at ST sites to ensure continuity of operations, in line with global and local regulations.
- Decreased the recordable case rate (work-related injuries per 100 employees per year) with a record score of 0.12 (0.14 in 2020) which is among the best in class.
- Reached the target of hiring 30% women for exempt positions for the first time, but still need to make progress to reach the 2025 target of 20% of women in all management levels.
- Increased the employee engagement score in 2021 with 83% of employees recommending ST as a great place to work (+2 points on 2020).

Sustainable Company

ST continues to create a funnel of innovation and talent across its ecosystems and communities and with academic, private, and public partners. This collaborative approach for profitable growth allows the development of ST's market-leading products and solutions enabling the company's customers to tackle tomorrow's challenges and fuel their future growth:

- Invested 13.5% of revenues (US\$1.72 billion) in R&D to support innovation.
- Continued to invest in R&D and open innovation with a network now including 187 active academic and private partnerships worldwide to build the future.
- 330 STEM events and initiatives reached over 69,000 students and teachers of the company's 'STEM your way' program ([Community and Education](#)).

The 25th annual report contains highlights and details of ST's sustainability performance in 2021 and presents the Company's ambitions and longer-term goals in alignment with both the United Nations Global Compactⁱⁱⁱ Ten Principles and Sustainable Development Goals and the Science Based Targets initiative^{iv} (SBTi). It is aligned with Global Reporting Standards (GRI), Sustainability Accounting Standards Boards (SASB), and Task Force on Climate-Related Financial Disclosures (TCFD). A third party has verified this report.

The 2022 Sustainability Report (2021 performance) can be viewed at <https://sustainabilityreports.st.com/>

About STMicroelectronics

At ST, we are 48,000 creators and makers of semiconductor technologies mastering the semiconductor supply chain with state-of-the-art manufacturing facilities. An independent 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 the Internet of Things and 5G technology. ST is committed to becoming carbon neutral by 2027. Further information can be found at www.st.com.

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ⁱ Responsible products are products that provide environmental and social benefits.

ⁱⁱ The Taxonomy Regulation is a green classification system translating the climate and environmental objectives of the European Union (EU) into criteria for sustainable economic activities.

https://ec.europa.eu/info/law/sustainable-finance-taxonomy-regulation-eu-2020-852_en

ⁱⁱⁱ The United Nations 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>

^{iv} The Science Based Targets initiative is a collaboration between the Carbon Disclosure Project (CDP), the World Resources Institute (WRI), the World Wide Fund for Nature (WWF), and the United Nations Global Compact (UNGC). It encourages companies to set targets for reducing Greenhouse Gas emissions based on scientific data, to meet the goals of the COP 21 Paris Agreement. It already includes more than 1,000 companies worldwide.