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STMicroelectronics Publishes its 2015 Sustainability Report

Geneva, May 26, 2016 - STMicroelectronics (NYSE:STM), a global semiconductor leader serving customers across the spectrum of electronics applications, announced the publication of the Company's 2015 Sustainability Report. The Company's nineteenth annual report contains details of ST's sustainability strategy and its 2015 performance.

"In line with ST's vision to be everywhere microelectronics make a positive contribution to people's lives, sustainability is deeply embedded in all of our business activities," said Carlo Bozotti, President and CEO of STMicroelectronics. "During 2015, we achieved significant results across the three pillars of our sustainability strategy: Environment & Operations, People, and the Business. Our efforts are all about building a responsible and enduring future, creating value and minimizing risks for all of our stakeholders through effective management of our economic, environmental and social impacts."

Among the key sustainability highlights in 2015:

Environment & Operations

- Demonstrated our commitment to sustainable energy sourcing by responsibly purchasing 22.5% of our energy from renewable sources, compared to 7.4% in 2012;
- Continued to reduce our overall water footprint through conservation, treatment, and recycling and for the first time, achieved a rate of 45% of recycled and reused water;
- Sequestered almost 228 megatons of CO₂ through our reforestation programs, compensating more than 40% of ST's annual direct emissions;
- Expanded monitoring of supply-chain risks by requesting 100% of key suppliers and subcontractors renew their commitment to respect the newly-deployed Version 5.0 of the EICC (Electronics Industry Citizenship Coalition) Code.

People

- Updated our Code of Conduct, a key pillar of our Compliance Program, which maintains our values and provides real-world examples of responsible actions, encouraging the "speak-up" culture aligned with the Company high standards and ethics;
- Achieved a record Recordable Case Rate of 0.17 work-related injuries and illnesses and improved our Severity Rate to 2.50 days lost;
- Delivered 2.1 million hours of training to employees through a "total learning" approach that uses multiple methods and tools to meet organizational priorities and employeedevelopment needs;
- Reduced the risk of forced labor and illegal practices by hiring directly 100% of foreign migrant workers to prevent the violation of vulnerable-workers' rights in certain countries;

Business

- Continued to maintain a strong presence in the major sustainability indices including the Dow Jones Sustainability Index (DJSI) Europe and the Financial Times Stock Exchange's index FTSE4Good. In addition to the ESG sustainability indices, we substantially improved our Carbon Disclosure Project (CDP¹) score to 96-B, three points higher than our 2014 score;
- Expanded our internal and external innovation-related activities to build bridges among startups, small companies, our customers, and our development ecosystems, while producing valuable feedback to ST, promoting our technology, and expanding business opportunities.

In addition, ST encouraged good global citizenship and recorded 338 community-related initiatives, including cash donations and contributed more than 130,000 hours of donated company time to these efforts.

This report, which you can find as a PDF <u>here</u>, aligns with the Global Reporting Initiative's G4² guidelines, best-in-class reporting standards; ST was also one of the first companies to commit to the United Nations Global Compact³ and the report represents the "Company's Communication on Progress."

More information about ST's approach to Sustainability is available here.

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 2015, the Company's net revenues were \$6.90 billion, serving more than 100,000 customers worldwide. Further information can be found at www.st.com.

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¹ CDP, formerly Carbon Disclosure Project, is an international, not-for-profit organization providing the only global system for companies and cities to measure, disclose, manage and share vital environmental information.

More information is available at https://www.cdp.net/en-US/Pages/HomePage.aspx

² The Global Reporting Initiative (GRI) is a non-profit organization that promotes economic, environmental, and social sustainability. GRI provides all companies and organizations with a comprehensive sustainability-reporting framework that is widely used around the world. More information is available at https://www.globalreporting.org

³ 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 here: http://www.unglobalcompact.org/aboutthegc/thetenprinciples/index.html