• A global semiconductor leader
• 2017 revenues of $8.35B with year-on-year growth of 19.7%
• Listed: NYSE, Euronext Paris and Borsa Italiana, Milan

- Approximately 45,500 employees worldwide
- Approximately 7,400 people working in R&D
- 11 manufacturing sites
- Over 80 sales & marketing offices

As of December 31, 2017
Where You Find Us

Making driving safer, greener and more connected

Making everyday things smarter, connected and more aware of their surroundings

Making homes smarter, for better living, higher security, and less waste

Enabling the evolution of industry towards smarter, safer and more efficient factories and workplaces

Enabling cities to make more of available resources
Our Vision

ST stands for

*life*. augmented

Everywhere microelectronics make a positive contribution to people’s lives, ST is there.
Application Strategic Focus

The leading provider of products and solutions for Smart Driving and the Internet of Things
Making Every Thing Smarter

A Smart Thing …

- Understands the environment
- Manages data and transforms it into information
- Connects to the world
- Protects your data
- Is energy efficient
Smart Home & City

Making Home & Cities Smarter

**Smart City**
- Smart city infrastructure to improve traffic and municipal services
- Smart Grid
- Intelligent, adaptive street lighting
- Smart Buildings

**Smart Home**
- Smart control of heating, air conditioning, appliances, locks and alarms
- Smart meters to connect homes to the smart grid
- More energy efficiency, convenience, comfort and security
Enabling smarter, safer and more efficient factories and workplaces

Smart Industry

- Factories that produce in a more efficient manner
- More flexibility and customization possibilities in the supply chain
- More sustainable production with less waste and less energy used
- Safer working environments for people
- Better man-machine cooperation in the work place
- Optimized usage of machines and tools
Making driving Safer, Greener and more Connected

**Safer**
- Having cars drive better than we can & always watching for threats
- Making driving safer for car occupants and other road users by actively avoiding accidents

**Greener**
- Improving power and fuel efficiency, and helping minimize emissions and car maintenance
- Moving towards electric vehicles

**More Connected**
- Enabling personalized car entertainment and connectivity
- Allowing vehicles to communicate with each other and the infrastructure (V2X)
The leading provider of products and solutions for Smart Driving and the Internet of Things

Product Family Focus

Dedicated Automotive ICs

Discrete & Power Transistors

Analog, Industrial & Power Conversion ICs

MEMS & Specialized Imaging Sensors

Digital ASICs

General Purpose & Secure MCUs EEPROM

Portfolio delivering complementarity for target end markets, and synergies in R&D and manufacturing
Flexible & Independent Manufacturing

- France (Crolles, Rousset, Tours)
- Italy (Agrate, Catania)
- Morocco
- Malta
- China (Shenzhen)
- Malaysia
- Philippines
- Singapore

Front-End
Back-End
An Unwavering Commitment to R&D

Advanced research and development centers around the globe

~ 17,000 patents; ~9,500 patent families; ~ 500 new filings (in 2017)

~ 7,400 people working in R&D and product design

As of December 31, 2017
Partners with Our Customers Worldwide

Over 80 sales offices in 35 countries
Q2 2018 Revenues

% by product group Q2 2018

- Analog, MEMS & Sensors Group (AMS): 27%
- Automotive & Discrete Group (ADG): 38%
- Microcontrollers & Digital ICs Group (MDG): 35%

% by market channel Q2 2018

- Distribution: 39%
- Total OEM: 61%
2017 Revenues

% by product group 2017

- Analog, MEMS & Sensors Group (AMS): 31%
- Microcontrollers & Digital ICs Group (MDG): 32%
- Automotive & Discrete Group (ADG): 37%
- Others: 0.4%

% by location of order shipment 2017

- Americas: 61%
- EMEA: 26%
- Asia Pacific: 13%
A Global Semiconductor Player
Regional Sales and Sales by Channel

% by location of order shipment 2017

- Americas: 61%
- EMEA: 26%
- Asia Pacific: 13%

% by market channel 2017

- Top 10 OEMs: 36%
- Other OEMs: 30%
- Distribution: 34%
A Global Semiconductor Player

Regional Sales by Shipment and Region of Origin

<table>
<thead>
<tr>
<th>% by location of order shipment 2017</th>
<th>% by region of origin 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Americas</td>
<td>Americas</td>
</tr>
<tr>
<td>61%</td>
<td>32%</td>
</tr>
<tr>
<td>EMEA</td>
<td>Asia Pacific</td>
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<tr>
<td>26%</td>
<td>32%</td>
</tr>
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<td>Asia Pacific</td>
<td>EMEA</td>
</tr>
<tr>
<td>13%</td>
<td>36%</td>
</tr>
</tbody>
</table>

By location of order shipment 2017:
- Americas: 61%
- EMEA: 26%
- Asia Pacific: 13%

By region of origin 2017:
- Americas: 32%
- Asia Pacific: 36%
- EMEA: 32%
People are Our Foundation

Present in over 35 countries

Manufacturing ~ 68%
Research & Development ~ 16%
Marketing & Sales, Divisional Functions, Administration & General services ~ 16%

As of December 31, 2017

…working everyday to increase the quality and experience of life for all
ST Quality Vision & Strategic Drivers

Win a Quality Leadership position with all our customers

Customer Focus
- Listen
- Communicate
- Service

Built-in Quality
- Development
- Ramp Up
- Volume Production

Lean Leadership
- Lean Practice
- Perfect Execution
- People Behavior
Our longstanding Commitment to Sustainability

- **ST's creation**: 1987
  - Business conduct & ethics policy

- **1993**: Environmental policy

- **1995**: 1st Environmental Decalogue
  - ISO 14001
  - EMAS

- **1997**: 1st Environmental report
  - Signatory of the UNGC 10 principles

- **2000**: OHSAS 18001 Safety 1st certification
  - Responsible Business Alliance

- **2001**: Reforestation program

- **2002**: Health Plan
  - Ethics committee

- **2003**: 1st ST Code of Conduct Principles of Sustainable Excellence

- **2005**: 5th Environment, Health & Safety Decalogue
  - Supply Chain Responsibility program

- **2006**: Conflict Minerals program

- **2007**: 1st ST Code of Conduct Principles of Sustainable Excellence

- **2008**: ISO 50001 Energy management 1st certification

- **2011**: ISO 22301 Business Continuity 1st certification

- **2012**: 5th Environment, Health & Safety Decalogue

- **2014**: ISO 50001 Energy management 1st certification

- **2016**: 20th Sustainability Report

- **2017**: 20th Sustainability Report

- **2018**: 20th Sustainability Report

Sustainability strategy 12 ambitions and 2025-goals
Our Sustainability Strategy
We conduct our business responsibly to create value for all stakeholders

WE LIVE OUR VALUES: People, Integrity, Excellence

WE PUT PEOPLE FIRST
- Health & Safety
- Labor & Human Rights
- Development & Engagement
- Diversity & Inclusion

WE IMPROVE EVERYBODY’S LIFE
- Sustainable Profit
- Innovation
- Quality
- Sustainable Technology

WE PROTECT THE ENVIRONMENT
- Energy & Climate Change
- Water
- Waste & Effluents
- Chemicals

TOGETHER, WE SHAPE THE FUTURE
Supply Chain Responsibility, Education & Volunteering

Based on 2017 external materiality exercise
Our Sustainable Technology program aims to develop responsible products which:
- improve our social and environmental footprint at every stage of the product life
- have the greatest positive impact on the planet and people in the end-application
Our Sustainability Ambitions & Goals

**WE PUT PEOPLE FIRST**

- **Health & Safety**: Be a safe workplace with zero injuries, zero occupational diseases and ensure healthy lives and well-being for all.
- **Labor & Human Rights**: Be recognized as a leader in labor and human rights and accept zero tolerance on forced labor.
- **Development & Engagement**: Offer the best employee experience in all the locations where we operate.
- **Diversity & Inclusion**: Achieve full gender equality and be a leader in cultural and disability inclusion.

**OUR AMBITIONS**

- **<0.15% recordable cases** for employees and contractors
- **100% of ST manufacturing sites** recognized by external international bodies
- **Employee engagement rate**: +10 points above country norms
- **>20% women in all management levels**

**WE IMPROVE EVERYBODY’S LIFE**

- **Innovation & Profits**: Sustain profitable growth, being the world leader in Industrial Internet of Things and Automotive applications and markets.
- **Quality**: Lead our market in terms of product quality, with no severe quality incident, while meeting the most stringent customer expectations.
- **Sustainable Technology**: Design and manufacture products that have the greatest positive impact on the planet and society.

**OUR AMBITIONS**

- **>20% of revenues generated by new product lines**
- **-75% severe quality incidents**
- **x3 % revenues generated by responsible products**

**WE PROTECT THE ENVIRONMENT**

- **Energy & Climate Change**: Continuously reduce our carbon footprint and our impact on climate change by decreasing our GHG emissions and improving energy efficiency.
- **Water**: Maintain our leadership in water efficiency by reducing consumption, recycling more, and reinforcing our efforts in water scarcity areas.
- **Waste & Chemicals**: Strive for zero waste in landfills, reduce our consumption of chemicals and eliminate hazardous materials.

**OUR AMBITIONS**

- **-20% energy consumption and GHG emissions**
- **-20% water consumption**
- **95% of our waste reused and recycled**

**2025 GOALS**

- **100% suppliers at risk audited**
- **STEM education partnerships in 20 countries**

* Science, Technology, Engineering, Mathematics
Read Our 2018 Sustainability Report

- to learn more about ST’s sustainability performance in 2017
- to discover the new sustainable ambitions and goals for 2025

Among the highlights in 2017

234 active R&D partnerships
43% of new products are Responsible Products
86% of our employees are covered by human rights risk assessments

73 companies made it onto CDP’s Water A List. We’re one of them.
91% of waste is reused, recovered or recycled
26% of energy purchased comes from renewable sources

48 average training hours per employee
335 voluntary initiatives from 30 sites worldwide

Recordable injury case rate 0.14 among the best in class
100% of our products are conflict-mineral free

http://www.st.com\company-reports