Acting together

460
supplier audits since 2015

100%
of our products are conflict-minerals free

100,000+
beneficiaries of STEM your way

ST Rousset ambassadors, Yes We Code CGénial event, France

Responsible supply chain

We aim to systematically assess, mitigate or eliminate sustainability risks in our operations and extended supply chain.

91%
of suppliers agree to comply with ST standards

460
supplier audits since 2015
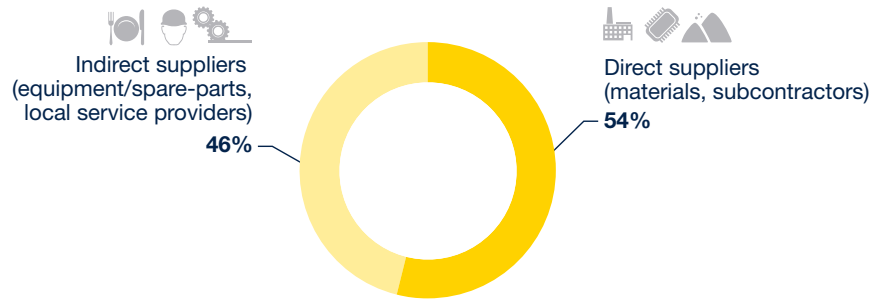
1,700+
supplier employees trained

As a multinational company with a complex supply chain, our corporate social responsibility goes beyond our own operations and includes robust due diligence of all our suppliers and subcontractors. We are committed to partnering only with suppliers who share our values of respecting people and the environment. We regularly raise the standards expected from them and reinforce our internal capacity to address and remediate any adverse impacts identified. I 3-3 I

Our supply chain

We procure materials, goods, and services from approximately 6,600 tier one suppliers of diverse types and sizes. They range from manufacturing subcontractors, material suppliers, equipment and spare-parts suppliers, to onsite service providers and labor agencies. Our procurement spend is split mainly between Asia (51%) and Europe (42%). We manage 32% of our procurement volume locally. The rest is managed centrally at corporate level. The analysis of our spend is an integral part of our risk assessment process. I 2-6 I 204-1 I

42%

of our procurement spend in Europe

Subcontractors, ST Ang Mo Kio, Singapore

Procurement volume by category I 2-6 I

Indirect suppliers
(equipment/spare-parts,
local service providers)
46%

Direct suppliers
(materials, subcontractors)
54%

Adapting to new challenges

Anticipating and adapting to the new regulatory context

To better anticipate our compliance journey and create value from it, we pay close attention to recently adopted and upcoming regulations in Europe and the United States regarding due diligence in the supply chain, including forced labor prevention. As we move from due diligence disclosure obligations to import bans, the business impact of supply chain incidents and the need to adopt agile management systems and processes are increasing. In 2022:

- We developed an active public policy strategy and participated in several industry initiatives, including due diligence working groups with the Responsible Business Alliance (RBA), the European Semiconductor Industry Association (ESIA), the Fédération des Industries Électriques, Électroniques et de Communication (FIEEC) and Entreprises pour les Droits de l'Homme (EDH).

- We organized due diligence committees involving different corporate organizations to discuss our supply chain sustainability management. We also continued our work, initiated in 2021, with our monthly cross-functional taskforce on forced labor. Its main objective is to adapt our supply chain management approach to new regulatory challenges.

Monthly

taskforce on forced
labor risk

- We maintained our efforts to screen all our tier one suppliers automatically and continually against restricted party lists (European and US sanctions lists).

When specific risks are identified, such as forced labor in our upstream supply chain, we require additional elements to improve product traceability and adapt our procurement decisions if necessary. Our responsible mineral sourcing program is an example (see **Responsible mineral sourcing**), and we participate in RBA working groups to identify opportunities to extend this due diligence to new raw materials, locations, or activities at risk.

More effective governance

With increasing expectations around the sustainability of value chains, including human rights, climate change, ethics, quality, trade compliance, and business resilience, we faced two main challenges: consistency in cross-functional approaches and resources. To help address these issues, we created a new organization in 2022 under the procurement department called Third-Party Management (TPM). This has dedicated resources for enhancing our supplier onboarding, monitoring, and assessment capacities. The benefits of this new governance structure include:

**New
Third-Party
Management**

organization in 2022

- more resources to support our responsible supply chain program
- more synergies and leverage with procurement
- more effective organization and consistent processes
- alignment across all organizations, with domain experts interfacing with TPM

Risk management

Our overall approach to managing our supply chain starts with the robust identification of risks. This enables us to take targeted actions to control these risks and remediate any negative impacts identified.

Business risks

To secure business continuity, we categorize strategic suppliers according to spend level, product scarcity, and the availability of alternative sources. We assess these business-critical suppliers using real-time supplier information, obtained via an artificial intelligence platform. Any events potentially affecting our supply chain are detected and help us to take action to strengthen our resilience.

Sustainability risks

To identify, manage, prevent, and mitigate sustainability risks, we conduct regular risk assessments of our supply chain during the lifecycle of our business relationship.

- We assess risks before onboarding suppliers. In 2022, 100% of our new material suppliers were assessed for sustainability risks, including risks on forced labor, safety, and the environment.

- We conduct an annual risk assessment of our tier one suppliers based on specific risk criteria. These include supplier activity risks and supplier location risks extracted from a supply chain intelligence platform using both publicly available and audit data. We refine the process according to spend and the regular presence of suppliers on site. At the end of 2022, we identified 340 suppliers across 535 facilities as being high risk in terms of sustainability.

- When specific risks, such as forced labor, are identified in our upstream supply chain, we may extend our due diligence to sub-tier suppliers. In 2022, we asked 15 raw material suppliers additional questions to better assess the risk of forced labor through upstream sourcing.

100%
of new material suppliers assessed on sustainability risks

Impact-driven monitoring

Once onboarded, suppliers must declare they have read and understood ST's business ethics and corporate responsibility statement, and that they agree to comply with the latest version of the RBA code of conduct and apply it in their own supply chain.

In addition, we require our high-risk suppliers to undertake a three-step process.

Commitment letter	**Self-Assessment Questionnaire (SAQ)**	**RBA-based audit and follow-up**
Suppliers sign a supply chain responsibility commitment letter, agreeing to comply with the RBA code, to complete self-assessment questionnaires and accept second or third-party audits.	Suppliers complete an RBA self-assessment. The results enable us to identify areas that require attention.	Suppliers receive a third-party RBA Validated Assessment Program (VAP) audit or a second-party RBA-based audit to monitor and control compliance and address areas of non-compliance with corrective actions.

In 2022:

- 99% of our high-risk suppliers signed the RBA commitment letter
- 394 suppliers' facilities completed a self-assessment questionnaire
- 116 corporate social responsibility audits were conducted in one year – the most ever
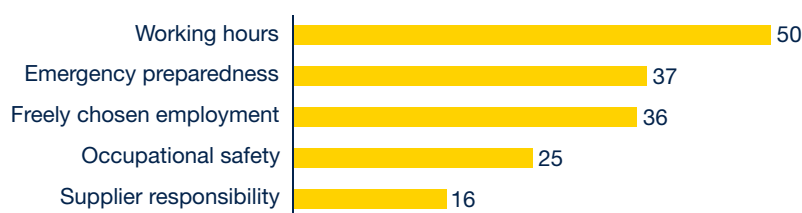
All audited suppliers with non-conformances must implement corrective actions. These are verified in a follow-up closing audit.

If the supplier is unable or unwilling to meet these requirements, we may impose sanctions. These could include:

- a warning letter from executive management
- selecting alternative products or services to decrease the supplier's market share
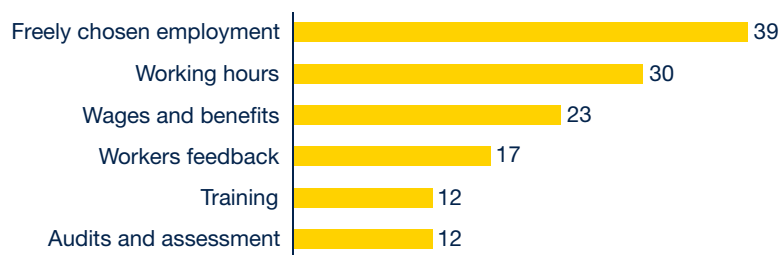- temporary or definitive termination of the contract and the supplier being blacklisted

Top audit findings of material, equipment/spare-parts suppliers and subcontractors[1]
I 308-2 I 414-2 I 409-1 I

Finding	Value
Working hours	50
Emergency preparedness	37
Freely chosen employment	36
Occupational safety	25
Supplier responsibility	16

[1] Number of findings based on results of 46 third-party RBA audits.

Top audit findings of local service providers[1] I 308-2 I 414-2 I 409-1 I

Finding	Value
Freely chosen employment	39
Working hours	30
Wages and benefits	23
Workers feedback	17
Training	12
Audits and assessment	12

[1] Number of findings based on results of 70 local service providers' 2nd party RBA audits.

Detection and remediation are the two main approaches to decrease major risks. In 2022, remediation measures obliged our suppliers to reimburse US$248,000 in recruitment fees unfairly paid by workers, an 80% increase on 2021.

US$248,000

of recruitment fees reimbursed to workers

RAISING THE BAR FOR SUBCONTRACTOR PERFORMANCE

Our manufacturing subcontractors are an important part of our procurement activity, and we consider most of them as high-risk suppliers. In 2022, we raised our expectations relating to social responsibility and environmental management by introducing strategic objectives and monthly monitoring of these objectives.

More specifically, for our top subcontractors' back-end facilities we:

- organized dedicated strategy meetings
- developed a roadmap to have 100% RBA third-party audited
- achieved ISO 14001 and ISO 45001 certifications for them all
- set health and safety objectives (recordable case rate and severity rate)
- required them to adopt carbon neutrality objectives: 100% of sites have set annual reduction targets to reach carbon neutrality

In addition to this, we enhanced environmental reporting on carbon emissions, energy consumption, water, and waste KPIs for our top front-end and back-end subcontractors, representing 95% of our subcontracting spend. This data will enable us to set a baseline for progress and for developing lifecycle assessment in our supply chain.

We also introduced awareness and communication sessions for new onboarded subcontractors to develop their understanding and commitment around social and environmental management.

Capacity building on sustainability

Engaging our buyers

From December 2021 and throughout 2022, all ST buyers were enrolled in the RBA's responsible procurement training program, with 89 buyers completing at least one training module.

In addition, we regularly invite our procurement community to participate in responsible supply chain quarterly calls where we present the most recent updates on regulations, risk identification, and monitoring processes.

Training our suppliers

We not only manage our suppliers appropriately, we also support them in raising their awareness of sustainable practices. We provide e-learning on risk areas such as labor (including working hours and forced labor), ethics, health and safety and the environment, and through dedicated awareness sessions where necessary.

In 2022, more than 250 supplier employees, representing around 100 different companies, went through our customized learning paths in the RBA e-learning platform. In addition, our sustainability champions organized awareness and training sessions. Overall, more than 1,700 supplier employees went through training actions through e-learnings, meetings, webinars and workers' voice channels in 2022.

Grievance reporting

Like our own employees, our suppliers and their workers have the right to use the independent multilingual Ethics Hotline, accessible on our website (see **www.st.com**), to share any concerns. This channel is reachable online or by phone in local languages and allows reports to be made anonymously if desired. In case of grievances, ST and the supplier must ensure complainants are protected against any retaliation. I 3-3 I

Contributing to the Sustainable Development Goals

Our commitments and programs as described above contribute to:

SDG target 8.7 – Take immediate and effective measures to eradicate forced labor, end modern slavery and human trafficking, and secure the prohibition and elimination of the worst forms of child labor.

SDG target 8.8 – Protect labor rights and promote safe and secure working environments for all workers.

SDG target 17.16 – Enhance the global partnership for sustainable development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the sustainable development goals in all countries, in particular developing countries.

2025 sustainability goal	Status	Comments
SG20: Conduct an annual risk assessment of our supply chain and audit 100% of our high-risk suppliers by 2025.	⟳	Risk assessment conducted Audit: 36.4% with valid audit (2 year cycle – 195 out of 535 facilities at risk)

Annual sustainability goal	Status	Comments
≥90% of suppliers at risk for sustainability signed an agreement to comply with the RBA code of conduct.	✔	99%

Responsible mineral sourcing

We use a holistic approach to identify, manage, and monitor responsible mineral sourcing.

RMI
member since 2011

600+
customer requests on mineral sourcing

100%
of products are conflict-mineral free

A diverse range of minerals and metals are needed to manufacture semiconductors. Sourcing these components is complex and requires robust processes to manage the risks. The multitier nature of the supply chain adds further difficulties, as does its global scale, which may include areas affected by conflict.

At ST we have developed a holistic approach to identify, manage, and monitor responsible mineral sourcing. We are closely engaged with our suppliers and conduct due diligence in our sub-tier supply chain. Our priority is to ensure we do not procure raw materials that have a negative impact on people, and we actively seek solutions to limit our impact on the environment.

Our policy statement is fully aligned with OECD due diligence guidelines. It is available at **www.st.com** ⬀ . | 3-3 |

A long journey

Acting on 3TGs

Tantalum, tin, tungsten and gold, collectively known as the 3TGs, are used in electronic components such as semiconductors. They are also potential 'conflict minerals'. This refers to minerals (and the associated refined metals) that are mined, traded, controlled, supported, or financed by illegal armed groups, causing serious human rights violations and environmental damage in conflict-affected and high-risk areas (CAHRAs).

As part of our strategy to address this risk, we joined the Responsible Minerals Initiative (RMI) in 2011 and started to implement a conflict minerals process focused on the Democratic Republic of Congo (DRC) and neighboring countries. In 2012, we released our first Conflict Minerals Reporting Template (CMRT). By implementing new processes and reporting templates within our supply chain, we achieved 100% compliance with the Responsible Minerals Assurance Process (RMAP). From 2017 to 2020 and again in 2022, all our products were conflict free.

RMI

member since

2011

Extending to cobalt

In 2016, we extended our efforts to monitor cobalt, another potential conflict mineral found in our products and technologies. Two years later, cobalt became part of our standard process, and we published our first Cobalt Reporting Template (CRT), issued by the RMI. At the end of 2021, we started using the Extended Minerals Reporting Template (EMRT) which is a combination of the CRT and Mica Reporting Template (MRT).

Our 2022 EMRT demonstrates significant progress, 60% of the smelters in our supply chain are now RMAP compliant, compared to 24% in 2021.

As an RMI member, we contribute to the working group and plan to address further unregulated minerals in the future.

Risk assessment and mitigation

An essential requirement for our suppliers is to use minerals originating from smelters that conform with the RMAP standard. Each new supplier is screened, and every new raw material used is systematically pre-assessed to determine whether it falls within the scope of our responsible minerals sourcing program.

We are committed to removing all non-compliant smelters from our supply chain. Every year, suppliers complete a questionnaire on our requirements, enabling us to evaluate their maturity and their willingness to commit to due diligence. Additionally, suppliers are required to provide us with their updated CMRT. In case of changes in the supply chain, suppliers are expected to notify us within two weeks and provide a compliant reporting template within 90 days.

We ensure we remain vigilant by sharing any risks we identify with ST management every quarter.

We encourage any stakeholders concerned about non-compliance or risk of non-compliance to raise a grievance either on ST's independent multilingual Ethics Hotline, accessible on our website (see **www.st.com**) or through the **RMI grievance portal** .

2022 overview

As part of our ongoing due diligence efforts, in 2022 we declared 229 smelters from 154 suppliers and subcontractors in our 3TGs supply chain. At the end of the year, 100% of these smelters were validated as RMAP compliant, compared to 99% in 2021. During this period, we removed 22 smelters from our supply chain and introduced 53 new smelters.

Conflict minerals – suppliers/subcontractors and smelters

	2018	2019	2020	2021	2022
Number of suppliers and subcontractors associated with at least one 3TG metal	128	124	124	137	**154**
3TG suppliers and subcontractors that have completed the RBA-RMI[1] due diligence survey (%)	100%	100%	100%	100%	**100%**
Number of smelters identified in ST's raw materials supply chain	182	167	168	163	**222**
Number of smelters identified in ST subcontractors' supply chain	251	253	238	183	**217**
Total number of smelters identified in ST supply chains	251	253	239	189	**229**

[1] Responsible Minerals Initiative.

New challenges

In 2022, we faced additional challenges due to the global geopolitical context, the Russia/Ukraine conflict, and new legislation on forced labor. This meant it took us five months to complete our annual supplier questionnaire, the longest period since 2013. Challenges included:

- suppliers' responsiveness
- customers' individual and more stringent approaches to anticipate upcoming risks and legislation
- companies conducting CMRT exercise only once a year

Alice Ferreira
Responsible Minerals Specialist, Product Quality and Reliability group

Facing a complex geopolitical environment, we have worked with the responsible minerals' community globally to overcome these new challenges. We have adopted a risk-based approach, leveraging collaboration and enhanced transparency to identify and tackle adverse impacts. I am proud to represent ST in the working groups responsible for driving due diligence for new minerals in the years ahead."

The CMRT is an essential tool for us to share our supply chain evolution with our customers. In 2022, we released four CMRT updates. The number of customer requests for CMRTs increased by 50%, to more than 600. In view of this heightened demand, we implemented a new communication process to make relevant information and updates more accessible. Updates to the CMRT are now automatically communicated to customers who have already raised a request. A total of 165 customers benefited from this new process in 2022.

600+

requests on responsible mineral sourcing

EU regulation

In 2021, the EU due diligence regulation came into force, and we decided to voluntarily engage in the RMI Downstream Assessment Program (DAP) to assess the maturity of our responsible minerals sourcing program. This gave us the opportunity to update internal procedures and practices. This included:
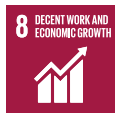
- ensuring alignment with OECD due diligence guidance for responsible supply chains of minerals from CAHRAs
- defining risks and formalized response strategies
- communicating ST and RMI grievance processes internally, on our portal and in supplier communications
- reinforcing internal and external stakeholder training using RMI materials
- implementing formal reporting to ST management

Our DAP audit encompassed our entire organization and minerals throughout our supply chain. In 2022, ST was confirmed as fully compliant and the first semiconductor company to have passed this audit.

We revised our US Security and Exchange Commission (SEC) report to integrate changes and build a unique SEC and EU reporting framework.

Contributing to the Sustainable Development Goals

Our commitments and programs as described above contribute to:

SDG target 8.7 – Take immediate and effective measures to eradicate forced labor, end modern slavery and human trafficking, and secure the prohibition and elimination of the worst forms of child labor.

SDG target 8.8 – Protect labor rights and promote safe and secure working environments for all workers.

SDG target 17.16 – Enhance the global partnership for sustainable development, complemented by multistakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the sustainable development goals in all countries, in particular developing countries.

Annual sustainability goal	Status	Comments
SG19: Follow highest standards for 100% of the materials we use: Hazardous Substances Process Management (IECQ080000) and responsible sourcing initiatives, such as RMI.	⟳	HSPM: 95% RMI: 100%

Community and education

We encourage our employees to organize and participate in community initiatives to support social and economic development.

450
STEM your way events globally

660+
community events worldwide

220,000+
beneficiaries of community initiatives

Robotics Workshop, ST Greater Noida, India

We believe in supporting the communities where we operate by building local ecosystems to enrich and create value. Our activities include industry and academic partnerships, and community development initiatives. We are passionate about sharing science and engineering with young people. We encourage our employees to engage in our programs, which support our sustainability strategy and are adapted to the local context.

Since 2012, we have measured our community involvement through the Business for Societal Impact (formerly London Benchmarking Group) methodology, a global standard to measure and manage corporate community investment. I 3-3 I

BUSINESS FOR SOCIETAL IMPACT
CORPORATE CITIZENSHIP

2022 achievements

In 2022, we implemented more than 660 community initiatives worldwide, a 27% increase from last year and double our 2020 figure. These included:

660+

community initiatives

- 37 sites in 23 different countries involved in community and education initiatives
- 148,000+ hours of Company time, representing 55% of the total contribution
- US$2.2 million in cash donations
- US$2.3 million in in-kind donations

The large increase in the number of community initiatives is largely due to the expansion of our 'STEM your way' program.

Other areas we supported include the ST Foundation, innovation, economic development, health, environment, and social welfare. In 2022, we organized a fundraising campaign for the Ukrainian Red Cross. Our employees raised over US$180,000, which was matched by ST.

To grow employee involvement with social and community activities, we acquired a digital platform in 2022 that will be rolled out in 2023. This tool will raise awareness of our events and facilitate donations and fundraising appeals.
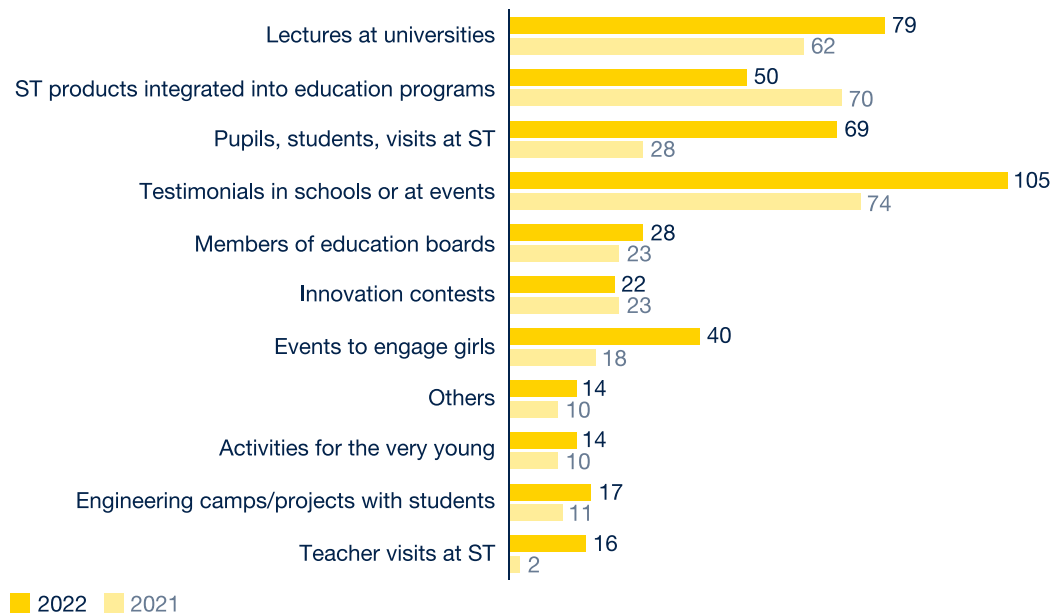
STEM your way program

Science, Technology, Engineering, and Mathematics (STEM) education is increasingly considered to be indispensable. It can provide the tools needed to develop solutions to complex global problems and boost curiosity in young people. Our 'STEM your way' program raises awareness among young people about the importance of STEM subjects and inspires them to explore STEM-related careers.

100,000+
beneficiaries

In 2022, over 450 STEM events and initiatives reached more than 100,000 students and teachers, a 53% increase from 2021. The creation of a worldwide network of STEM champions and ambassadors has helped us accelerate our efforts.

Number of STEM initiatives

Initiative	2022	2021
Lectures at universities	79	62
ST products integrated into education programs	50	70
Pupils, students, visits at ST	69	28
Testimonials in schools or at events	105	74
Members of education boards	28	23
Innovation contests	22	23
Events to engage girls	40	18
Others	14	10
Activities for the very young	14	10
Engineering camps/projects with students	17	11
Teacher visits at ST	16	2

■ 2022   ■ 2021

Starting young

We recognize the benefits of encouraging curiosity and creativity in children. Throughout the year, we significantly increased the number of events, including webinars, tours of our sites, and visits to schools, with dedicated hands-on activities enabling us to reach more children.

An important part of our program for schools is a project started in 2021 with **Vittascience** ⧉ , a French startup specializing in educational tools.

Aimed at pupils and teachers in junior and secondary education, the project aims to raise interest in electronics and coding among young people. It uses educational kits to teach children to code. The kits are built with STMicroelectronics' electronic components and supported by the Vittascience digital platform.

We launched two new kits in 2022, a STM32 starter kit and an IoT sensor kit, adding to the existing Martian robot and connected plant kits. The digital platform for programming the kits is available in English, French, Italian, and Arabic.

These educational kits were jointly funded by ST and the Important Projects of Common European Interest (IPCEI) for Microelectronics program.

Our site in Tunis (Tunisia) has done further work to design and develop hands-on materials for young pupils to complement the educational kits. The site has also held discussions with the Tunisian National Education Authority about the use of Vittascience kits in schools.

Higher education

At university level, we support students with our expertise and help to equip them with skills for their future careers. Our technical experts are involved in developing new curricula, building content, delivering courses and training teachers to prepare students for the world of work.

Our programs have grown significantly in France, Italy and China, and we are building on this with new activities in the USA and India.

In the USA, we partnered with ARM and the EdX education platform to offer online learning courses on ST products: 'Build your first IoT application with ARM' and 'Machine learning at the edge', with both courses using an STM32 IoT Discovery board (see **Educational Platforms on www.st.com** 🔗). More than 10,000 students attended these courses in 2022.

In India, we organized the second edition of the Annual Faculty Development Program workshop in partnership with the All India Council for Technical Education, ARM Education, Microsoft, and the National Institute of Electronics and Information Technology. This event, which was attended by over 8,000 participants, aimed to equip faculty members, academics, educators, researchers, and industry practitioners with further knowledge of IoT and AI/machine learning technologies.

In addition to the programs run by our major sites, our small and medium-sized sites are also highly involved in their local ecosystems. Our site in Tunis (Tunisia), for example, has been collaborating with local universities since 2001 to develop the local education ecosystem. At present, almost 80% of Tunisian universities are involved in this collaboration.

STEM for girls

We believe our industry needs more diverse talent to create a better future. Our role in combating gender stereotypes in science and technology is a key focus of our initiatives in this area.

In 2022, we organized 40 events dedicated to enhancing diversity in STEM that reached nearly 7,000 students globally. Italy was particularly active, engaging with more than 1,700 teenagers. In addition to this, our Singapore site reached around 13,700 beneficiaries through a social media campaign on Instagram 'A Day in the Life at Work' showing short videos of women in STEM jobs.

In Singapore, we have been working with a partner, United Women Singapore, on a program called Girls2Pioneers. Key initiatives included STEM outreach activities in schools and shelters and an inaugural STEM mentorship program.

Georgette Tan
President United Women Singapore

United Women Singapore (UWS) is proud to work closely with ST to encourage and inspire girls and young women to pursue STEM careers. ST partnered with UWS for several milestone projects through our Girls2Pioneers STEM program and supported the launch of our 'Close the skills gap: STEM To STEAM' research. Thanks to this partnership and ST's commitment towards closing the STEM gender gap, more girls and young women are being empowered to build their future in STEM."

Our employees are involved in these activities as both mentors and facilitators. Members of our Women in Leadership community act as role models to participants, speak at webinars and participate in social media campaigns, inspiring women and girls to be confident about their future roles in STEM.

We continued to expand our programs in 2022 by organizing a series of webinars on the theme 'Break the bias in STEM' to encourage young female students to pursue STEM studies.

BREAK THE BIAS IN STEM

To celebrate International Women's Day in March 2022, we organized a series of international webinars and meetings called 'Break the bias in STEM'. The events addressed prejudice related to women's roles and contribution to science and technology, with the aim of encouraging girls to pursue STEM studies.

In total, 77 of our STEM ambassadors discussed their studies and careers to help break down stereotypes. Key messages were shared to encourage girls to be independent and confident in their career choices and to foster a passion for the field. The closing session of the series was open to all ST employees, providing the opportunity to recruit new STEM ambassadors. The series was conducted in 10 different languages across 15 countries. It reached over 1,400 students, teachers, and academics.

The success of this initiative led us to formalize 'Break the bias in STEM' as an annual global event. This will help us foster diversity and inclusion and strengthen our impact in the long-term.

ST Foundation

The mission of the ST Foundation (see **www.stfoundation.org** 🔗) is to develop, coordinate, and sponsor projects that use modern sciences to promote progress and sustainable development in less privileged communities worldwide.

970,000+
people trained since 2003

The ST Foundation's flagship Digital Unify (DU) program, launched in 2003, has trained over 970,000 people in 28 countries since its inception.

In 2022, after two years of lockdowns and DU lab closures, the program resumed in every country. Over 110,000 students took part in a diverse range of courses to improve their computer skills. An introduction to a computer basics course for visually impaired people was launched in Senegal with great success. It serves as a starting point for reaching a community that is strongly disadvantaged in our increasingly digital world.

To achieve its aims, the ST Foundation receives a wide range of support from ST. In 2022, this included:

- a cash donation of US$1 million
- the appointment of two full-time people to manage the Foundation's activities in France and Italy
- electronic and IT equipment
- time devoted by employees to developing new courses or to support the DU program, especially Italian, Indian and Filipino volunteers
- support from the Corporate External Communication team to maintain the Foundation's website and produce its activity report for external stakeholders

In 2022, ST volunteers in Italy helped to develop a new coding course to support elementary and secondary school students with creativity and problem-solving skills, using coding to combat digital education poverty.

Contributing to the Sustainable Development Goals

Our commitments and programs as described above contribute to:

SDG target 4.3 – Ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university.

SDG target 10.2 – Empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.

2025 sustainability goal	Status	Comments
SG6: Engage employees in deploying STEM partnerships in 20 countries by 2025.		12 out of 20 countries*

*   China, Czech Republic, France, India, Italy, Malaysia, Morocco, Singapore, Switzerland, Tunisia, UK, USA

Community indicators

This section includes indicators and GRI Standard disclosures.

Supplier agreement to comply with ST business ethics and corporate responsibility standards[1] (%)

	2018	2019	2020	2021	2022
Supplier agreement	65	79	89	93	91

[1] Percentage of total number of suppliers.

Number of suppliers and facilities at risk for sustainability[1]
l 308-2 l 414-2 l

		2018	2019	2020	2021	2022
Direct procurement						
Material suppliers	Suppliers	96	87	89	103	84
	Facilities	242	237	240	277	227
Back-end subcontractors	Suppliers	28	26	28	26	29
	Facilities	45	39	40	54	55
Front-end subcontractors	Suppliers	12	7	6	11	12
	Facilities	17	18	14	23	24
Indirect procurement						
Equipment/spare-parts suppliers	Suppliers	74	80	58	59	38
	Facilities	102	94	75	85	52
Local service providers & labor agencies	Suppliers	200	252	154	177	177
	Facilities	NA	NA	NA	NA	NA
Total suppliers		**410**	**452**	**335**	**376**	**340**
Total facilities		**606**	**640**	**523**	**616**	**535**

[1] According to social, ethics and EHS criteria.
NA = not applicable

Suppliers' and subcontractors' Environmental, Health & Safety performance[1] (%)

	2018	2019	2020	2021	2022
ISO 14001 certified/EMAS validated					
Material suppliers	82	97	97	88	96
Equipment/spare-parts suppliers	5[2]	44	50	52	50
Back-end subcontractors	96	96	96	96	97
Front-end subcontractors	100	100	100	100	91
Overall	**58**	**76**	**82**	**79**	**85**
ISO 45001 validated					
Material suppliers	48	56	58	55	58
Equipment/spare-parts suppliers	1[2]	14	10	14	11
Back-end subcontractors	72	75	61	66	78
Front-end subcontractors	67	78	80	80	73
Overall	**36**	**43**	**45**	**46**	**53**

[1] For the number of eligible suppliers see the table 'Number of suppliers and facilities at risk for sustainability'.
[2] Issue with data consolidation in 2018.

Step 1 – supplier agreement to comply with RBA code or equivalent[1,2]

	2018	2019	2020	2021	2022
Direct procurement					
Material suppliers	89	79	82	102	82
Back-end subcontractors	25	26	27	23	29
Front-end subcontractors	12	7	6	10	12
Indirect procurement					
Equipment/spare-parts suppliers	66	68	54	55	37
Local service providers & labor agencies	194	240	151	149	176
Total	**386**	**420**	**320**	**339**	336

[1] For the number of eligible suppliers see the table 'Number of suppliers and facilities at risk for sustainability'.
[2] Number of suppliers who have signed a commitment to the current version of the RBA code of conduct or equivalent, and accept to complete assessments and audits.

Step 2 – supplier CSR self-assessment questionnaires[1,2] (SAQ) l 308-2 l 414-2 l

	2018	2019	2020	2021	2022
Direct procurement					
Material suppliers	215	197	214	257	205
Back-end subcontractors	43	34	34	44	35
Front-end subcontractors	17	16	14	20	20
Indirect procurement					
Equipment/spare-parts suppliers	74	82	70	82	48
Local service providers & labor agencies	110	82	99	31	86
Total	**459**	**411**	**431**	**434**	394

[1] For the number of eligible facilities see the table 'Number of suppliers and facilities at risk for sustainability'.
[2] Completed at facility level.

Step 3 – supplier CSR audits[1,2,3] I 308-2 I 414-2 I

	2018	2019	2020	2021	2022
Direct procurement					
Material suppliers	4	5	12	21	**23**
Back-end subcontractors	3	9	4	14	**9**
Front-end subcontractors	7	3	6	3	**8**
Indirect procurement					
Equipment/spare-parts suppliers	1	0	5	5	**6**
Local service providers & labor agencies	26	32	66	36	**70**
Total	**41**	**49**	**93**	**79**	**116**

[1] For the number of eligible facilities see the table 'Number of suppliers and facilities at risk for sustainability'.
[2] Completed at facility level.
[3] Either official third-party RBA audit or ST verification based on RBA audit protocol (audits are valid for 2 years).

Supplier facilities average RBA SAQ score[1] (%)

	2018	2019	2020	2021	2022
Health and safety section	90.7	90.3	89.6	89.4	**90.1**
Environment section	88.0	88.6	85.8	84.4	**87.2**
Labor section	91.1	91.7	91.7	90.9	**91.3**
Ethics section	93.1	94.0	93.4	91.3	**93.1**
Overall average	**90.5**	**91.0**	**90.1**	**89.1**	**89.7**

[1] Key suppliers' facilities (material, equipment/spare-parts suppliers, subcontractors).

Average number of findings per supplier audit

	2020	2021	2022
Direct procurement			
Priority non-conformances	0.23	0.18	**0.45**
Major non-conformances	3.50	4.84	**4.08**
Closure rate[1]	–	40%	**38%**
Indirect procurement			
Priority non-conformances	0.06	0.22	**0.17**
Major non-conformances	1.56	3.54	**1.89**
Closure rate[1]	–	83%	**87%**

[1] Percentage of priority and major non-conformances closed during the year.

Recruitment fees reimbursed to workers by suppliers I 409-1 I SDG 8.7

	2020	2021	2022
Total amount of fees paid back (US$)	29,852	137,651	**248,153**
Number of impacted workers		22	42	**220**
Number of suppliers involved		3	4	**2**

Supplier RBA training and awareness in 2022

Number of supplier[1] companies reached	**222**
Number of supplier employees[1] reached	**1,733**

[1] Suppliers and employees are counted for each training, so the same suppliers and employees may be counted several times.

Suppliers terminated as a result of a negative social or environmental impact I 308-2 I 414-2 I SDG 8.7

	2018	2019	2020	2021	2022
Number of suppliers	2[1]	1[2]	1[3]	1[4]	**2[5]**

[1] Recruitment fees and detention of employee passports in a cleaning service supplier; and recruitment fees and levy deduction with a security service supplier in Muar site (Malaysia).
[2] Legal requirement concerning social contributions not respected by a cleaning services company in Tunis site (Tunisia).
[3] Contract not renewed with a security service supplier in Bouskoura (Morocco) due to excessive working hours.
[4] Non-payment of social security contributions for its employees in Marcianise site (Italy).
[5] Material supplier with risk of forced labor in subtiers (Japan); canteen service provider failing to comply with laws and regulation in Muar site (Malaysia).

Conflict minerals inquiry results in 2022 SDG 8.7

	Gold	Tantalum	Tin	Tungsten
Number of smelters	98	34	58	39
Smelters which are RMAP[1] validated (%)	100%	100%	100%	100%
Smelters which are active in the RMAP[1] but were not RMAP validated as of December 31, 2021 (active smelters) (%)	0%	0%	0%	0%
Active smelters which have declared sourcing from L1/L2[2] countries or recycled or scrap sources[3] (%)	0%	0%	0%	0%
Active smelters which have not provided a declaration regarding country or origin of recycled or scrap sources (%)	0%	0%	0%	0%

[1] Responsible Minerals Assurance Process (formerly Conflict Free Smelter Program).
[2] Level 1 countries are not identified as conflict regions or plausible areas of smuggling or export from the Democratic Republic of the Congo and its nine adjoining countries.
Level 2 countries are known or plausible countries for smuggling, export out of region or transit of materials containing tantalum, tin, tungsten or gold.
[3] Based on information presented by suppliers and subcontractors.

Community involvement – inputs I 201-1 I

	2018	2019	2020	2021	2022
Number of community involvement initiatives[1]	374	389	340	520	**661**
Total contribution (evaluated in US$m)	8.0	7.9	10.4	8.9	**11.1**

[1] Multiple activities linked to the same program count as one initiative.

Geographical spread of community contributions[1] (%)

	2018	2019	2020	2021	2022
Africa	10	2	1	2	2
Americas	0	0	0	3	3
Asia	16	11	11	11	7
Europe	57	73	76	69	69
Worldwide	17	14	12	16	19

[1] The sums may not add up to 100% due to rounding of the figures.

Community contribution[1]

	2018	2019	2020	2021	2022
Cash donations (%)	15	23	21	15	20
Staff time volunteering (%)	75	66	43	68	55
In-kind (%)	7	9	34	15	20
Management costs (%)	2	2	2	2	5
Number of employees engaged in volunteering[2]	5,663	6,065	4,231	4,620	6,648
Number of hours contributed inside Company time	124,154	145,498	114,324	138,305	148,300

[1] The sums may not add up to 100% due to rounding of the figures.

[2] Employees are counted for each initiative, so the same employee may be counted several times.

Reason for community contribution[1] (%)

	2018	2019	2020	2021	2022
Community investment	97	97	64	96	96
Charitable donation (gift)	3	3	36	4	4
Commercial initiative	0	1	0	0	1

[1] The sums may not add up to 100% due to rounding of the figures.

Community involvement – outcomes

	2018	2019	2020	2021	2022
Number of beneficiary organizations	1,384	1,856	2,938	3,111	3,849
Number of direct beneficiaries	103,703	117,136	163,497	132,004	228,563

Direct beneficiary groups[1] (%)

	2018	2019	2020	2021	2022
Children/Teenagers	8	9	3	6	7
Students/Scientific communities	79	77	53	82	75
Affected by natural/man made disaster[2]	–	–	32	3	0
Local population	8	8	7	7	16
Senior/Elderly people	–	1	4	0	0
Others[3]	4	3	2	2	2

[1] The sums may not add up to 100% due to rounding of the figures.

[2] Mainly linked to COVID-19 pandemic.

[3] Includes people on low incomes/unemployed, people with poor health, migrants and disabled people.