

Foreword by our President and CEO

“ This is ST’s 27th sustainability report, highlighting the longstanding commitment to sustainability within our business model and culture. Sustainability is not just a corporate responsibility, but a core component of our value proposition delivering benefits to our company, our customers, and to society. I am proud of what ST employees have achieved throughout the year, and we remain committed to doing more.

We believe that technology has a critical role to play in addressing the environmental, social, and economic challenges facing our world today. We are committed to developing innovative technologies and products that enable the transformation of our economies and societies through digitalization, smarter mobility, and decarbonization.

During the year, we saw continued business growth, driven by strong demand in Automotive and, to a lesser extent, Industrial. This was partially offset by lower revenues for Personal Electronics. To enable our future growth and drive enhanced profitability, we made further progress on the transformation of our manufacturing base. This included the expansion of our 300mm capacity and a strong focus on wide-bandgap semiconductors. Investments in manufacturing capacity were complemented by investments to reduce emissions and improve the operational footprint of our facilities.

In the context of evolving trade dynamics and challenges resulting from climate change, we remain committed to driving progress across our sustainability programs and improving resilience across all aspects of our business. This commitment is also reflected in our ambitious goal of becoming carbon neutral on scope 1 and 2, and partially on scope 3 by 2027.

Each year we make substantial progress towards these ambitious targets. In 2023, the global sourcing of electricity from renewable energy grew to 71%, on track to reach our target of 100% by 2027. Long-term power purchasing agreements are a key part of our strategy and we signed a significant agreement in Italy to produce 250GWh renewable energy per year. In 2023 our scope 1 and 2 greenhouse gas emissions were down 45% in absolute terms compared to 2018. We achieved this while transforming our manufacturing footprint and despite the challenges in the global energy markets.

Minimizing our own carbon footprint is critical, but we also focus on the positive impact of our products by developing solutions for a more sustainable society. We continue to collaborate with our global network of academic and private partners, as we recognize the importance of partnerships in the innovation process.

We are also passionate about supporting and empowering our employees across a range of key topics including employee experience, career planning, diversity, equity, wellbeing, and inclusion. Employee engagement is high and still growing. In 2023 we established employee resource groups (ERGs) to promote inclusion in the workplace, employee dialogue and professional development. In less than one year our first ERG for women – WISE (Women Inspiring Supporting and Empowering) – is growing fast, with 1,400+ members in 60 locations.

Finally, the strategic value of, and interest in, our industry has never been higher. With this comes an increasing need for talent. During 2023 we continued to expand our awareness, education, and training initiatives around STEM, targeting future young professionals globally.

In 2023, our progress across multiple areas, as detailed in this report, was once again acknowledged by multiple third-party assessments. This external recognition is an important validation of our actions and transparency, helping us ensure we remain aligned with the expectations of our stakeholders.

We look forward to continuing to accelerate sustainability together with our customers, partners, and employees worldwide.

Jean-Marc Chery
President and CEO

