

Chapter 1: Scope of application

The Global Framework Agreement applies directly to all STMicroelectronics activities: sites, product divisions, subsidiaries and all companies over which ST exercises a dominant influence either through a majority financial holding or where this is limited to 50% through its responsibility in the social management of this subsidiary.

Chapter 2: STMicroelectronics commitments to fundamental human rights

STMicroelectronics, the IndustriALL Global Union, the National Trade Unions organized in STMicroelectronics and Workers Representatives adhere to and commit to ensuring that the fundamental principles and rights at work, included in the 1998 ILO Declaration, are respected.

These ILO Conventions include:

- Freedom of Association and Collective Bargaining (Conventions 87 and 98);
- Discrimination (Conventions 100 and 111);
- Forced Labour (Conventions 29 and 105);
- Child Labour (Conventions 138 and 182);
- Maternity Protection (Convention 183)

The Core Labour Standards and relevant jurisprudence of the ILO must take precedence over national laws in case the latter are less favourable than the respective ILO Conventions.

It is important for IndustriALL Global Union to seek formal recognition of fundamental international labour and human rights standards, such as the Universal Declaration of Human Rights, the revised OECD Guidelines for Multinational Enterprises, the ILO Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy, UN Guiding Principles on Business and Human Rights, and the UN Global Compact.

STMicroelectronics further highlights its commitment to respect the revised OECD Guidelines for Multinational Enterprises, the ILO Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy and to promote the 10 principles of the UN Global Compact: fundamental labor rights and human rights, environmental protection and fight against corruption.

Article 2.1 The promotion and respect of internationally recognized Human Rights

In all its fields of activities STMicroelectronics respects the laws and regulations in force in the countries where it conducts its business. Signing this Global Framework Agreement for Social Responsibility, STMicroelectronics commits to go beyond the sole respect of national standards in order to ensure that fundamental human rights are respected throughout its activities.

STMicroelectronics promotes the respect of Human Rights in all countries where it operates including places where the affirmation of human rights remains inadequate.

Article 2.2 Non complicity in human rights violation

STMicroelectronics agrees to work towards preventing situations of complicity or acts of collusion concerning fundamental human rights violations. The company considers that this issue is part of its social responsibility.

STMicroelectronics condemns the non-respect of these rights such as infringing the rights and dignity of people as well as verbal or physical abuse and harassment. These actions are punishable by sanctions and are subject to preventative measures in all countries

Article 2.3 Freedom of association and effective recognition of the rights to collective bargaining

STMicroelectronics is open to trade union activities and recognizes, everywhere in the world, trade union existence and the right of employees to organize and establish trade union organizations of their own choosing and takes care to respect trade union independence and pluralism (ILO Convention no 87).

STMicroelectronics guarantee a commitment to treat unions positively, and refrain from all anti-union activities and to remain strictly neutral concerning employee preference to join, remain with, transfer, or abandon their relationship with a union organization.

STMicroelectronics commits to protect trade union members and coordinators and to not engage in any anti-trade union discriminations (ILO Convention no. 135)

STMicroelectronics recognizes the right to information and the consultation of the employees' representatives as regards the major decisions, which affect the life of the company.

STMicroelectronics commits to promote collective bargaining, a central features of social dialogue (ILO Convention no. 98).

Article 2.4 Elimination of all forms of forced and compulsory labor

STMicroelectronics commits to respect employees' free choice of employment and condemns forced labor, which it defines as labor imposed through threat or coercion (food deprivation, confiscation of land, non-payment of salary, physical violence, sexual abuse, involuntary prison work etc.) (ILO Conventions nos. 29 and 105)

Article 2.5 Effective abolition of child labor

STMicroelectronics condemns and prohibits child labor.

For the Group, the minimum general age for access to employment is set at 18 years olds. However, the group authorizes employment or work by teenagers from sixteen years old provided that their health, safety and morality are fully guaranteed and that they have received, in the corresponding sector of activity, specific and adequate instruction or vocational trainings (ILO Convention n. 138). In this case, the company shall set up, for the employees concerned, a specific training measure, in order to assist them in achieving a higher level of general and vocational training.

In order to support young people during their studies and promote their entry in the company, various job integration schemes combining vocational training within the company and the acquisition of skills in training establishments may also be offered to young people as young as fifteen years old or the minimum legal age in the country.

Article 2.6 Elimination of discrimination in employment, the exercise of a profession and the promotion of diversity

STMicroelectronics commits not to commit any discrimination based on origin, sex, habits, sexual orientation, age, family status, pregnancy or maternity, genetic characteristics, the membership or non-membership, real or supposed, of an ethnic group, nation or race, political opinions, trade union or mutual activities, religious convictions, physical appearance, family name or health states or disablement in recruitment and vocational development (ILO Convention no. 111)

STMicroelectronics intends to apply and promote, beyond the legal rules, best practice and fight racism, sexism, xenophobia and homophobia and more generally intolerance to guarantee the respect of difference and of private life.

In particular, STMicroelectronics commits to not operate any discrimination of migrant workers versus national workers.

Article 2.7 Fighting against gender discrimination

STMicroelectronics ensures equal remuneration for masculine and feminine workforce doing equal work (ILO Convention n. 100)

Given that ending work-based discrimination is key to achieve real equality between women and men, STMicroelectronics commits to ensure that the work performed by men and women is equally valued and rewarded its true value, seeking to achieve pay equity between women and men. STMicroelectronics undertakes to ensure equal opportunities in the development and professional mobility of its employees.

STMicroelectronics commits to respecting ILO Convention no. 156 as regards workers with family responsibilities and Convention no.183 protecting maternity rights.

Article 2.8 Work organization

STMicroelectronics commits to ensuring that working hours are always equal to or lower than the periods set by national legislation or collective agreements in the countries concerned. STMicroelectronics undertakes to respect the ILO Conventions on the length of a working period, which limit the length of a working day to 8h per day and 48h per week with at least 35hrs of consecutive rest every 7 days.

STMicroelectronics commits to respecting ILO Convention n. 132, which sets that all workers has a right to annual paid leave which *“should never be less than three weeks of work for one year of service”*.

Article 2.9 Remuneration and Social Protection

Remuneration and salaries, paid for one week of average work, shall be higher or at least equal to the conditions set out by national legislation or sectorial national market practices.

STMicroelectronics commits to ensure that in every country of its operation, workers and their families have access to welfare insurance, covering the risks of death, invalidity, incapacity, work-related illness or work related accident.

Article 2.10 Safety, working conditions, health and the environment

STMicroelectronics is responsible for ensuring at all workplaces the respect of health and safety, the improvement of working conditions and the respect of the environment. As regards these issues, worksite representative committees and trade unions must be stakeholders in the prevention and action programs such as management policies, diagnostic, action plan and implementation.

At every STMicroelectronics site, workers' health will be monitored. This monitoring shall comprise of a medical visit prior to the hiring, and periodic reviews without any cost for the examined worker. A doctor whose skills are recognized and whose judgment is independent from the company shall deliver these medical visits.

Emergency means and first aid means will be available on each working site to react in the case of an accident, occupational disease, intoxication or illness.

STMicroelectronics commits to establish and/or organize relationship with external services.

In an emergency, threatening one's or other people's security, the worker must be able to alert immediately his/her line manager. The worker must be able to take the appropriate measures, given his or her knowledge and available technical means to avoid the consequences of such a danger, including leaving his/her workstation or dangerous zone. Until corrective actions are implemented, the worker cannot be coerced to go back to his or her workstation.

At every STMicroelectronics site, a precautionary approach will be taken to tackle with environmental issues. Action plans will be implemented to support the introduction of and/or development of technologies, which respect the environment, in order to, limits the environmental footprint of a site. These actions will be reviewed and presented to the work site representative committee and the trade unions.

Chapter 3: Social requirements shared with suppliers, sub-contractors, industrial partners and distribution networks

Without replacing its suppliers', sub-contractors', industrial partners' and distribution networks' legal responsibility, STMicroelectronics commits to communicate this agreement to these companies and request that they apply the previously mention ILO international conventions.

STMicroelectronics requests from its suppliers a similar commitment in respect of their own suppliers and sub-contractors.

As part of calls for proposals, STMicroelectronics commits to ensure that the respects of human rights as set out in chapter 2 is a determining criterion in the selection of the suppliers that will join the panel. Any failing relating to the respect of human rights shall lead to corrective action plans after a warning from STMicroelectronics. Non-respect of these rights shall lead to sanctions, which may, ultimately, lead to withdrawal from the panel.

A specific process will also be set up for small companies of suppliers and sub-contractors, to enable them to gradually apply the previously stated ILO standards.

Chapter 4: Implementation of the commitments

The International Framework Agreement, signed between STMicroelectronics, IndustriALL Global Union, the affiliated and non-affiliated national trade union organizations is applied in each country where the entities falling within the scope of application of the agreements chapter 1) are represented.

STMicroelectronics commits to disseminate information widely about the content of this agreement, at every site where the company operates. This text is therefore broadcasted throughout the Group through international communication tools and translated into all languages.

STMicroelectronics commits to ensure that local management and line managers are aware of and trained to respect this agreement and ensure that is it properly applied, both in letter and in spirit.

Any employee encountering difficulties of interpretation of this agreement or doubts about its correct application may refer to his/her line manager, the Human Resources Department and/or a trade union representative without this feedback of information being prejudicial to him/her.

Chapter 5: Monitoring of the agreement

In each of the main countries (over 500 employees) local social observatories are set up, comprised of the human resources management and the trade union organizations.

These social observatories carry out annual monitoring of the international framework agreement's application through a joint document drawn jointly by the signatories to this agreement. This document allows each trade union organization to give its opinion as part of the annual monitoring of the application of this agreement in their subsidiary.

In the other countries, the same monitoring document is drawn up, with a gathering of the opinions of the trade union organizations, or failing this, the personnel's representative bodies as part of the annual monitoring procedure.

The "agreement monitoring committee" comprised of IndustriALL Global Union, national trade unions and Works Council representatives, with the management representatives, will organize an annual visit of one of STMicroelectronics site in the world. The visit will be no less than 5 days long. STMicroelectronics will cover all the costs for this meeting and representatives' salaries.

Chapter 6: Recognition of a World Works Council

World Works Council will be created, to represent all STMicroelectronics workers at the global level. Its composition will be calculated in proportion to the number of workers employed in each country in which there are STMicroelectronics production plants, and of a secretariat comprised of 6 members with greater means. The World Work Councils gets together at least once a year. It is in charge of social dialogue at the international level. Its members will be informed of the company's economic, social, financial and environmental strategic decisions. It will be systematically consulted in the advent of a global restructuring project with large social consequences. The monitoring committee will present each year its report to the World Works Council as regards the monitoring of the agreement.

The agreement will grant 120h of delegation per year for each site in addition to the hours of meeting with the management related to this agreement.

STMicroelectronics commits that the members of the local social observatories, of the monitoring committee or of the World Works Council are not threatened, pressured, discriminated or sanctioned for this activity.

Chapter 7: Final provisions

The signature by all of the trade union organizations has made this agreement directly applicable for an indeterminate period.

Every three years, the parties agree to meet to carry out an overall review of the actions undertaken and to plan for the required adjusting measures through amendments to the agreement, in particular in respect of legislative and regulatory changes.

French law regulates this agreement. In the event of a divergence between the different language versions, the French version is binding.

The governmental and administrative bodies of each country have been officially informed about this Global Framework Agreement (GFA).

The signatories commit to inform each other as soon as possible of difficulties encountered in the application of this agreement. Signatories commit to privilege the resolution of such issues through dialogue. If the issue continues, the conflict will be brought to the tribunal of...