



STMICROELECTRONICS ANTI-BRIBERY & CORRUPTION POLICY

INDEX	PAGES
1. PURPOSE AND SCOPE	2
1.1 Purpose	2
1.2 Scope	2
2. ORGANIZATIONAL UNITS AFFECTED	2
3. POLICY STATEMENT	2
4. GENERAL PRINCIPLES	3
4.1 Definitions	3
4.2 What is ST's policy on bribery and corruption?	3
4.3 What is bribery and corruption?	4
4.4 PRACTICE	
4.4.1 What does this mean in practice?	5
4.4.2 Engaging Third Parties	5
4.4.3 Facilitation Payments	6
4.4.4 Political contributions and activities	6
4.4.5 Charitable donations and contributions	7
4.4.6 Gifts and Entertainment	7
4.5 OTHER	
4.5.1 Anti-Bribery laws and penalties	7
4.5.2 Reporting violations and requests for bribes	8
4.5.3 Modifications and updates to this policy – Publication	8
4.5.4 Questions	9



1. PURPOSE AND SCOPE

1.1 Purpose

Since its creation ST has adopted a policy on business conduct and ethics, seeking to formalize its commitment to comply with the highest standards of ethical conduct and personal integrity.

The purpose of this policy is to ensure ST business is conducted at all times in accordance with ST policy on business conduct and ethics and applicable laws combatting bribery and corruption. This policy further explains and sets out examples of situations of bribery and corruption and how to deal with these situations.

1.2 Scope

This policy applies to all ST Personnel and ST organizations and extends to transactions in all countries in which ST operates and performs business. It furthermore applies to any person acting on behalf of ST (e.g. business partners) and (other) Third Parties engaged by ST.

All ST Personnel and ST organizations are required, without exception, in their personal behaviour and in the way they conduct business to behave honestly and ethically and in compliance with both our policy on business conduct and ethics as well as this policy, by ensuring that business policies and practices are aligned with ethical principles and applicable laws, in their dealings with other ST Personnel, our customers, vendors, their employees and officials of domestic or foreign governments or administrations.

2. ORGANIZATIONAL UNITS AFFECTED

STMicroelectronics N.V. and all its affiliated companies worldwide.

3. POLICY STATEMENT

ST has a zero tolerance approach towards bribery and corruption, regardless of the identity or position of the originator or recipient of the bribe.

Compliance with this policy is mandatory at all times.

This policy serves as a minimum standard. If any jurisdictions have set stricter rules in their (local) laws or regulations than the rules set out in this policy, the stricter rules shall prevail in the concerned jurisdictions.



4. GENERAL PRINCIPLES

4.1 Definitions

For the purpose of this policy the following definitions apply:

Government Official:	(i) an officer or employee of a government and any of its departments, agencies, instrumentalities and state-owned or controlled entities, regardless of his/her rank, (ii) any person acting on behalf of or for any governmental agency or public international organization as well as an officer or employee of an international organization (e.g. the World Bank and the United Nations), (iii) a political party, and officer or employee of a political party or any party official and any candidate for political office, (iv) any member of the royal or ruling family of a country, (v) a board member and/or employee of as well as any person acting in an official capacity for or on behalf of any trade union established in all countries where ST organizations and/or ST Personnel is/are located;
Nominal Value:	in general small enough that it could not be seen as an attempt to induce someone to misuse its position, but subject to final determination by ST's Legal or Compliance departments on a case by case basis;
ST:	STMicroelectronics N.V. and its affiliated companies;
ST Personnel:	all ST's managers, executives and employees (staff, contract and temporary);
Third Party(ies):	persons and/or entities who perform services for and/or act on behalf of ST regardless of the capacity in which they perform services, for example (but not limited to) agents, advisors, consultants, (sub)contractors, vendors, distributors, joint venture partners.

4.2 What is ST's policy on bribery and corruption?

ST has a zero tolerance approach towards bribery and corruption, regardless of the identity or position of the originator or recipient of the bribe. This zero tolerance approach is supported and endorsed by the highest level of management of ST.

The (direct and indirect) offering and/or acceptance of a bribe, or the engagement in any activity that gives the appearance of offering or accepting a bribe, as well as any corrupt



practices (whatever the form thereof) is not tolerated at any time. This applies for bribery and corruption of/by private persons and entities as well as of/by Government Officials.

ST Personnel are expected to behave honestly and ethically when dealing with other ST Personnel, as well as with our customers, vendors, their employees and Governments Officials and administrations. ST Personnel shall not receive or give money or material services, favors or gifts from or to anybody in consideration for business with ST. No cash or cash equivalents (such as vouchers) must ever be accepted or offered.

Gifts of Nominal Value (depending on local customs), entertainment or social invitations are permitted only when in keeping with good business ethics. They must furthermore be duly authorized by or reported to the manager of the employee concerned and to local HR. When in doubt, the concerned manager and local HR are responsible to seek approval from the Legal or Compliance departments. The respective manager and local HR must at all times keep track of the requests received and their considerations and decisions in that respect.

All ST Personnel and their organizations are expected to communicate this policy against corruption and bribery in relationships with their business partners, as further mentioned in paragraph 4.4.2. of this policy.

4.3 What is bribery and corruption?

Although bribery and corruption have various definitions in law and can take on many different forms, the following fundamental principles apply universally:

Bribery occurs when a person and/or legal entity (directly or indirectly) offers or receives, or agrees to offer or receive, an undue reward (tangible or intangible, financial or not) to influence the behavior of another person in private, business and/or government to obtain a commercial advantage. Examples may include (without limitations): (i) accepting an amount in cash (or cash equivalent) from a business relationship to secure a business contract with ST, or (ii) giving presents to a Government Official to ensure certain processes in favor of ST, (iii) etc.

Corruption is the misuse of public office, misuse of power for private gain or misuse of private power in relation to business outside the realm of government. An example could be if a job position is offered to a family member of a business relation to ensure a business contract for ST.

Bribery and corruption can involve private parties, commercial entities and/or Government Officials (or close family members and business associates). Bribery and corruption can be performed directly or indirectly through Third Parties and in many different shapes and forms. But typically they involve corrupt intent and mutual benefit of the parties engaging therein.



4.4 Practice

4.4.1 What does this mean in practice?

At all times and under all circumstances, all ST Personnel must:

- Not make, promise, pay, solicit, request, nor agree to receive or accept a bribe or other undue reward to obtain or retain business or any other improper advantage;
- Ensure that ST's policy in this respect is communicated to Third Parties as appropriate to emphasize they do not offer, promise or give bribes to retain business or other improper advantage for ST;
- Respond adequately in line with this policy when private individuals, business partners, public officials and/or Government Officials with whom business is done, solicit or expect a bribe or other undue advantage; and
- Inform all people with whom business is done and also people working for them, that bribery and corruption is unacceptable.

Furthermore in accordance with the relevant anti-bribery and corruption laws applicable to ST and ST's policy on Business Conduct and Ethics, ST shall make and keep accurate and complete books, records and accounts which (in reasonable detail) accurately and fairly reflect its transactions and dispositions. This relates to all forms of business documentation including correspondence, memos, accounts, paper, books, discs as well as other related documents and information of any type. It applies to all forms of payments, material or not, cash or in kind. In order to fight corruption it is especially important that all ST Personnel make sure that all of ST's transactions are transparent, fully documented and related to accounts that accurately reflect their nature.

No payment on behalf of ST shall be approved without adequate supporting written documentation; nor shall any payment be made with the intention or understanding that part or all of such payment is to be used for any purpose other than the purpose described in the supporting documentation or ultimately addressed to parties other than the party or parties specifically defined in the supporting documentation.

4.4.2 Engaging Third Parties

When retaining, paying and/or working with Third Parties, all ST Personnel should have a solid and documented basis for trusting this Third Party and ensure that such Third Party applies the same standards of business conduct as ST does. This relates to the fact that under various anti-bribery laws, actions of a Third Party can also expose ST to liability.

When applicable, prior to entering into a first agreement with a Third Party, proper and appropriate due diligence on the Third Party's background, reputation and qualifications shall be performed to conclude with reasonable assurance that an agreement can be entered into with the Third Party. The due diligence report must be documented in writing and (together with all supporting documentation) be maintained for five years after the



completion of the due diligence or after conclusion of the business relationship with the Third Party, whichever is later.

All ST Personnel working with a Third Party must furthermore ensure that the Third Party is aware of ST's view and its policy on bribery and corruption. In that respect, the relationship with the Third Party should always be documented in a written agreement with the usual standard required protections, provisions relating to compliance with applicable anti-bribery and corruption laws and a reference to this policy on www.st.com.

Such relationships should periodically be reviewed by performing due diligence on a regular basis applying a risk-based filter depending on the actual relationship, to monitor the Third Party's ongoing compliance in this respect and to prevent misconduct in any way. In some circumstances it may be appropriate to terminate the relationship with the Third Party.

You should respond timely and appropriately to indications and/or actual situations of (possible) misconduct by a Third Party by contacting your local manager and/or the Legal or Compliance departments without delay. Such indications/situations are for example (but not limited to): requests for unusually large commissions or other payments; requests for payments (i) in cash, (ii) to a bank account that is not in the name of the Third Party and/or (iii) in a different country from the country where the substance of the business or the other party reside; and/or refusal to comply with this policy.

4.4.3 Facilitation Payments

Facilitation Payments are unofficial payments made to a Government Official or other public official (as well as any other person) in order to secure or expedite the performance of routine or necessary action.

Facilitation Payments are against ST's policy in any country, even if local laws might in certain circumstances tolerate such payments.

Even if you believe that offering a gift or payment is warranted in the particular circumstances, due to local customs and practices or possible similar practices by competitors or permitted by local laws, and even if the gift or amount is minor in nature, your local manager should always be consulted first in an effort to identify a solution that avoids offering the payment or gift. You should never unilaterally depart from this policy.

4.4.4 Political contributions and activities

In accordance with ST's policy on Business Conduct and Ethics, it is strictly forbidden to use ST funds or assets (such as equipment, products, facilities or other gifts or benefits) directly and/or indirectly to seek illegal or improper advantage with any public official, (candidate) individual politician or political organization.



Any contributions to a political candidate are strictly prohibited at all times.

4.4.5 Charitable donations and contributions

A charitable donation is considered to be anything of value (either in cash, in kind such as goods and services) rendered by or on behalf of ST to support charitable causes and without the expectation or acceptance of a business advantage in return. Contribution payments for memberships in charitable organizations are also considered to be donations.

Donations must always be transparent, they should be tax-deductible, duplicate donations are to be avoided and payments to personal accounts (i.e. accounts belonging to a physical person) or made in cash are always prohibited.

ST donations are part of ST's commitment to society. However, when such donations would for example be made to organizations to which Government Officials or their family members are connected to in any way, these cause concerns under the international anti-corruption laws. Therefore any donation made by or on behalf of ST to a charity associated with a Government Official, for example where this Government Official is a board member, co-founder, etc. is prohibited at all times.

Therefore, before promising, offering or making any and all donations, this should be pre-cleared by local management with approval from the financial controller of the region concerned and approved by the CFO or anyone the CFO has delegated in this respect.

4.4.6 Gifts and Entertainment

In some cultures offering and receiving inexpensive courtesy gifts and entertainment may be interpreted as customary. However, it is sometimes questionable if by offering or receiving such gifts and/or entertainment, an employee is trying to bribe someone or is being bribed.

In accordance with ST's policy, gifts of Nominal Value, entertainment or social invitations are permitted to give and to receive when keeping with good business ethics and duly authorized or reported in accordance with paragraph 4.2 of this policy. However, no cash or cash equivalents (such as vouchers) must ever be accepted or offered.

4.5 Other

4.5.1 Anti-Bribery laws and penalties

ST is a multinational organization conducting business in numerous countries worldwide. There are several anti-bribery laws including national laws adopted pursuant to the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions that apply to ST. In particular, the US Foreign Corrupt Practices Act ('FCPA') and



the UK Bribery Act apply to ST when doing business worldwide. In general these laws all prohibit bribes and other corrupt payments made in an effort to secure business advantages.

Penalties (civil, regulatory and criminal) to ST and ST Personnel for violations of anti-bribery laws vary from country to country, but often include substantial fines, jail sentences for individual employees and corporate officers and suspension or exclusion from government business.

ST emphasizes that this policy applies to all ST Personnel. When acting on behalf of ST, you must at all times comply with this policy and all legal regulations associated with this policy. Violations or perception of violations of anti-corruption laws can be damaging not only to ST's reputation but also to that of all ST Personnel.

Any violation of this policy will be deemed a serious violation of ST's principles and will lead to disciplinary actions including and up to termination of the relationship with ST.

4.5.2 Reporting violations and requests for bribes

Any actual, potential or suspected violations of this policy and all requests for bribes must be reported without delay. This also applies for violations by any individual or organization with which ST does business. It is noted that failure to do so may result in personal liability as well as liability for ST. Also anyone who is offered a bribe or is asked to make one, suspects that this may happen in the future or believes to be a victim of any other form of unlawful activity, should report this without delay.

Such reports must be made in accordance with ST's misconduct reporting procedure. You may either report this to your manager or by contacting your local HR Manager, the Legal or Compliance departments or by using the phone number(s) of the ST Ethics Helpline as further set out in ST's misconduct reporting procedure. In accordance with ST's Business Conduct and Ethics, any retaliation or harassment against anyone who, in good faith, raises a fact based concern or reports a violation and/or bribe is not tolerated.

Records of all reports that have been made within ST, shall be kept by either the Chief Audit and Risk Executive or the Chief Compliance Officer, to demonstrate the effectiveness of its anti-bribery and corruption policies and procedures and to allow it both to improve these policies and procedures and better assess the risks of corruption and bribery. Therefore, if and when any situation of bribery or corruption is identified, an investigation will take place and a report will be drawn up. Such report will (amongst others) be shared with ST's Audit Committee.

4.5.3 Modifications and updates to this policy - Publication

This policy is subject to periodic revisions and updates in light of the applicable requirements of the various jurisdictions in which ST operates.



This Anti-Bribery and Corruption policy in its latest form is to be published on ST's intranet and www.st.com and will be made available to all ST Personnel who may request it.

4.5.4 Questions

If you have any questions in respect of this policy, please contact your local manager or the Human Resources, Legal or Compliance departments.ⁱ

ⁱ This policy was last updated on: February 2015