

## **Minutes of the Annual General Meeting of Shareholders of STMicroelectronics N.V., held on June 13, 2014 at the hotel Sofitel Legend The Grand in Amsterdam, the Netherlands**

### **1. Opening**

Mr. Didier Lombard, Chairman of the Supervisory Board and Chairman of the meeting, opened the Annual General Meeting of Shareholders of STMicroelectronics N.V. (the '**Company**') and welcomed all shareholders and all other persons who were entitled to attend the meeting present. He also introduced his fellow members of the Supervisory Board, Mr. Bruno Steve, Mr. Alessandro Ovi, Ms. Martine Verluyten, Mr. Jean-Georges Malcor, Mr. Alessandro Rivera, Mr. Tom de Waard and Ms. Janet Davidson. Furthermore, the Chairman introduced Mr. Carlo Bozotti, President and CEO of STMicroelectronics, as well as Mr. Carlo Ferro, Chief Financial Officer of STMicroelectronics and Georges Penalver Chief Strategy Officer of STMicroelectronics, and the following guests:

- (a) Ms. Heleen Kersten, proposed member of the Supervisory Board;
- (b) Ms. Marchella Bakker of TMF Netherlands, who acted as the Company's registrar in the Netherlands;
- (c) Mr. Remco Bosveld, the Company's legal counsel in the Netherlands, who the Chairman appointed as the secretary of the meeting; and
- (d) Mr. Ilja Linnemeijer of PricewaterhouseCoopers, the Company's independent external auditor.

The Chairman also informed the meeting that Mr. Jean d'Arthuys and Mr. Maurizio Tamagnini, proposed member of the Supervisory Board, were unfortunately not able to join the meeting.

The Chairman stated that, for the purpose of preparing the minutes, the proceedings of the meeting would be recorded and the official language of the meeting would be the English language. He kindly requested the persons present to state their name and the shareholder they represented when addressing the meeting.

The Chairman recorded that the meeting was duly convened on April 28, 2014, through the publication of a convocation notice on the Company's website and a press release on that same date.

The Chairman noted that shareholders and other persons entitled to attend meetings who were registered in the Company's shareholders' register were called by letters to their address as stated in the register.

The Chairman informed the meeting that shareholders and other persons entitled to attend meetings who were registered as such on the 16<sup>th</sup> of May, 2014, were authorized to participate in and vote at the meeting. Registration for the meeting was possible until Friday, the 6<sup>th</sup> of June, 2014.

The Chairman recorded that on the record date, the total issued share capital of the Company consisted of 910,724,305 common shares and the number of voting rights amounted to 890,762,999.

The Chairman informed the meeting that the agenda, copies of the statutory annual accounts, which include the reports of the Managing Board and the Supervisory Board and the proposed resolutions, which also include a short biography of Mr. Tamagnini and Ms. Kersten as well as the other proposed members of the Supervisory Board, have been made available on the Company's website, as well as deposited for inspection by shareholders at the Company's offices at Schiphol, in the Netherlands, since the 28<sup>th</sup> of April 2014.

The Chairman recorded that according to the attendance list 548,919,176 shares were represented at the meeting representing 61.62% of the issued and outstanding share capital so that resolutions regarding the voting items on the agenda could validly be taken.

## **2. Report of the Managing Board on our 2013 financial year**

The Chairman moved to the second item on the agenda, the report of the Managing Board on the Company's 2013 financial year. The Chairman informed the meeting that the report of the Managing Board was prepared in accordance with the articles of association of the Company and Dutch law. He continued that the report was included in the Company's statutory annual accounts.

The Chairman thanked the Managing Board for the report and invited Mr. Bozotti to present the Company's results over 2013.

Mr. Bozotti subsequently presented the Company's results over 2013<sup>1</sup>.

The Chairman thanked Mr. Bozotti for his presentation and gave the persons present at the meeting the opportunity to discuss and ask questions regarding the Managing Board's report and Mr. Bozotti's presentation.

Since there were no questions, the Chairman concluded the item.

## **3. Report of the Supervisory Board on our 2013 financial year**

The Chairman moved to the third item on the agenda, the report of the Supervisory Board, including the remuneration report of the Supervisory Board, on the 2013 financial year. The Chairman informed the meeting that the report was included in the statutory annual accounts of the Company.

The Chairman gave the persons present at the meeting the opportunity to discuss and ask questions regarding the Supervisory Board report.

Since there were no questions, the Chairman concluded the item.

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<sup>1</sup> The presentation of Mr. Bozotti is included in the Company's statutory annual report on pages 5 and 6.

#### **4.a. Implementation of our Remuneration Policy in 2013**

The Chairman moved to the next item on the agenda, the implementation of the Remuneration Policy in 2013.

The Chairman informed the meeting that the Remuneration Policy is described in paragraph 4.8 of the report of the Supervisory Board, included in the statutory annual accounts of the Company and gave the persons present at the meeting the opportunity to discuss and ask questions regarding the Company's Remuneration Policy.

#### **4.b. Adoption of our statutory annual accounts for our 2013 financial year**

The Chairman moved to the next item on the agenda, the adoption of the statutory annual accounts for the 2013 financial year.

The Chairman informed the meeting that the statutory annual accounts had been audited by the Company's independent external auditor, PwC and had been approved by the Supervisory Board.

The Chairman also informed the meeting that the statutory annual accounts, which include the reports of the Managing Board and Supervisory Board, had been prepared in accordance with IFRS Accounting Standards, the statutory reporting standards.

The Chairman gave the persons present at the meeting the opportunity to discuss and ask questions regarding the statutory annual accounts, thereby specifically noting that Mr. Linnemeijer from PwC was available to answer any questions regarding his opinion with respect to the statutory annual accounts as well as his audit activities.

Since there were no questions, the Chairman proposed to adopt the Company's statutory annual accounts over the 2013 financial year, drawn up by the Managing Board, examined and audited by the external auditors, PricewaterhouseCoopers Accountants N.V. and approved by the Supervisory Board.

548,491,914 votes (99.98%) were cast in favor of the proposal and 105,570 votes (0.02%) were cast against the proposal. There were 321,692 abstentions.

The Chairman recorded that the proposal was adopted.

#### **4.c. Allocation of result**

The Chairman moved to the next item on the agenda, the proposal to allocate the loss for the 2013 financial year to the retained earnings of the Company.

The Chairman gave the persons present at the meeting the opportunity to ask questions regarding the proposed allocation of the result.

Since there were no questions, the Chairman proposed to adopt the resolution to

allocate the loss for the financial year 2013 to the retained earnings of the Company.

545,098,071 votes (99.36%) were cast in favor of the proposal and 3,525,019 votes (0.64%) were cast against the proposal. There were 296,086 abstentions.

The Chairman recorded that the proposal was adopted.

#### **4.d. Adoption of a dividend**

The Chairman moved to the next item, the proposal to distribute, a quarter dividend in cash of US \$0.10 per common share in the second quarter of 2014 and a quarter dividend in cash of US \$0.10 per common share in the third quarter of 2014, to be charged to the retained earnings of the Company.

The Chairman recorded that information concerning the ex-dividend dates, the record dates and the payment dates were included in annex A to the proposed resolutions, which is attached to the agenda of the meeting.

The Chairman gave the persons present at the meeting the opportunity to ask questions regarding the proposed dividend distribution.

Since there were no questions, the Chairman proposed to adopt the proposed dividend distribution.

544,014,044 votes (99.15%) were cast in favor of the proposal and 4,646,707 votes (0.85%) were cast against the proposal. There were 258,425 abstentions.

The Chairman recorded that the proposal was adopted.

#### **4.e. Discharge of the sole member of our Managing Board**

The Chairman moved to the next item on the agenda, the discharge of the sole member of the Managing Board for his management during the 2013 financial year.

The Chairman gave the persons present at the meeting the opportunity to ask questions regarding the proposed discharge.

Since there were no questions, the Chairman proposed to adopt the proposal.

544,367,873 votes (99.24%) were cast in favor of the proposal and 4,157,180 votes (0.76%) were cast against the proposal. There were 394,123 abstentions.

The Chairman recorded that the proposal was adopted.

#### **4.f. Discharge of the members of our Supervisory Board**

The Chairman moved to the next item on the agenda, the discharge of the members of the Supervisory Board for their supervision during the 2013 financial year.

The Chairman gave the persons present at the meeting the opportunity to ask questions regarding the proposed discharge.

Since there were no questions, the Chairman proposed to adopt the proposal.

540,940,707 votes (98.62%) were cast in favor of the proposal and 7,579,273 votes (1.38%) were cast against the proposal. There were 399,196 abstentions.

The Chairman recorded that the proposal was adopted.

## **5. Appointment of member(s) of our Managing Board**

The Chairman moved to the next item on the agenda, the appointment of Mr. Carlo Bozotti as the sole member of the Managing Board for a three-year term that will expire at the end of the 2017 AGM.

The Chairman gave the persons present at the meeting the opportunity to ask questions regarding the proposed appointment.

Since there were no questions, the Chairman proposed to adopt the proposal.

547,570,584 votes (99.85%) were cast in favor of the proposal and 804,788 votes (0.15%) were cast against the proposal. There were 543,804 abstentions.

The Chairman recorded that the proposal was adopted.

## **6. Approval of the stock-based portion of the compensation of our President and CEO**

The Chairman moved to the next item on the agenda, the approval of the delegation to the Supervisory Board of the power to grant the stock-based portion of the compensation of the President and CEO of the Company up to a maximum of 100,000 common shares, in the form of Unvested Stock Awards, for services to be rendered in 2014 as President and CEO, whereby the vesting of such Unvested Stock Awards will be tied to company performance, according to predetermined and quantifiable criteria to be fixed by our Supervisory Board upon the recommendation of its Compensation Committee, with the objective of creating long-term value for our shareholders.

The Chairman gave the persons present at the meeting the opportunity to ask questions regarding the approval of the stock-based portion of the compensation of the President and CEO.

Since there were no questions, the Chairman proposed to adopt the proposal.

437,413,079 votes (82.82%) were cast in favor of the proposal and 90,740,506 votes (17.18%) were cast against the proposal. There were 20,765,591 abstentions.

The Chairman recorded that the proposal was adopted.

## **7. Appointment of members of our Supervisory Board**

The Chairman moved to the next item on the agenda, the appointment of six members of the Supervisory Board: Mr. Maurizio Tamagnini, Mr. Jean d'Arthuys, Mr. Alessandro Rivera, Mr. Jean-Georges Malcor, Ms. Heleen Kersten and Mr. Didier Lombard.

The Chairman gave the persons present at the meeting the opportunity to ask questions regarding the proposed appointments of the members of the Supervisory Board.

Since there were no questions, the Chairman proceeded with warmly thanking both Mr. Bruno Steve and Mr. Tom de Waard for their professionalism, dedication and contribution during all their years of service on the Supervisory Board, after which the Chairman proceeded with the appointment of each of the proposed candidates.

### **7.a. Appointment of Mr. Didier Lombard as a member of our Supervisory Board**

The Chairman proceeded with the appointment of Mr. Didier Lombard as a member of the Supervisory Board for a three-year term effective as of the 2014 AGM to expire at the end of the 2017 AGM.

The Chairman proposed to adopt the proposal.

474,103,105 votes (86.42%) were cast in favor of the proposal and 74,469,375 votes (13.58%) were cast against the proposal. There were 346,696 abstentions.

The Chairman recorded that the proposal was adopted.

### **7.b. Appointment of Mr. Maurizio Tamagnini as a member of our Supervisory Board**

The Chairman proceeded with the appointment of Mr. Maurizio Tamagnini as a member of the Supervisory Board for a three-year term effective as of the 2014 AGM to expire at the end of the 2017 AGM.

The Chairman proposed to adopt the proposal.

545,608,465 votes (99.47%) were cast in favor of the proposal and 2,912,223 votes (0.53%) were cast against the proposal. There were 398,488 abstentions.

The Chairman recorded that the proposal was adopted and congratulated Mr. Maurizio Tamagnini on his appointment.

### **7.c. Appointment of Mr. Jean d'Arthuys as a member of our Supervisory Board**

The Chairman proceeded with the appointment of Mr. Jean d'Arthuys as a member of the Supervisory Board for a three-year term effective as of the 2014 AGM to

expire at the end of the 2017 AGM.

The Chairman proposed to adopt the proposal.

468,986,585 votes (85.50%) were cast in favor of the proposal and 79,554,902 votes (14.50%) were cast against the proposal. There were 377,689 abstentions.

The Chairman recorded that the proposal was adopted.

#### **7.d. Appointment of Mr. Alessandro Rivera as a member of our Supervisory Board**

The Chairman proceeded with the appointment of Mr. Alessandro Rivera as a member of the Supervisory Board for a three-year term effective as of the 2014 AGM to expire at the end of the 2017 AGM.

The Chairman proposed to adopt the proposal.

469,129,958 votes (85.53%) were cast in favor of the proposal and 79,397,707 votes (14.47%) were cast against the proposal. There were 391,511 abstentions.

The Chairman recorded that the proposal was adopted.

#### **7.e. Appointment of Mr. Jean-Georges Malcor as a member of our Supervisory Board**

The Chairman proceeded with the appointment of Mr. Jean-Georges Malcor as a member of the Supervisory Board for a three-year term effective as of the 2014 AGM to expire at the end of the 2017 AGM.

The Chairman proposed to adopt the proposal.

547,883,353 votes (99.88%) were cast in favor of the proposal and 642,593 votes (0.12%) were cast against the proposal. There were 393,230 abstentions.

The Chairman recorded that the proposal was adopted.

#### **7.f. Appointment of Ms. Heleen Kersten as a member of our Supervisory Board**

The Chairman proceeded with the appointment of Ms. Heleen Kersten as a member of the Supervisory Board for a three-year term effective as of the 2014 AGM to expire at the end of the 2017 AGM.

The Chairman proposed to adopt the proposal.

548,283,596 votes (99.96%) were cast in favor of the proposal and 238,685 votes (0.04%) were cast against the proposal. There were 396,895 abstentions.

The Chairman recorded that the proposal was adopted and congratulated Ms. Heleen Kersten on her appointment.

**8. Appointment of PricewaterhouseCoopers Accountants N.V. ('PwC') as external auditor for the 2014 and 2015 financial years**

The Chairman moved to the next item on the agenda, the appointment of PwC as the external auditor for the 2014 and 2015 financial years.

The Chairman gave the persons present at the meeting the opportunity to ask questions regarding the proposed appointment.

Since there were no questions, the Chairman proposed to adopt the proposal.

534,660,996 votes (97.46%) were cast in favor of the proposal and 13,941,086 votes (2.54%) were cast against the proposal. There were 317,094 abstentions.

The Chairman recorded that the proposal was adopted.

**9. Delegation to our Supervisory Board of the authority to issue new shares, to grant rights to subscribe for shares and to limit and/or exclude existing shareholders' pre-emptive rights for a period of eighteen months**

The Chairman moved to the next item on the agenda, the proposal to designate the Supervisory Board as the corporate body authorized to resolve:

- i. upon the issuance of shares in the Company's share capital or to grant rights to subscribe for common shares in the Company's share capital, up to a maximum of 10% of the Company's issued common share capital, as per 31 December 2013, increased with another 15% of the Company's issued common share capital, as per 31 December 2013, in case of mergers and acquisitions, but not exceeding the limits of our authorized share capital;
- ii. upon the terms and conditions of an issuance of common shares; and
- iii. upon limitation and/or exclusion of pre-emptive rights of existing shareholders upon issuance of common shares, all for a period of eighteen months effective as of the 2014 AGM.

The Chairman gave the persons present at the meeting the opportunity to ask questions regarding the proposed delegation to the Supervisory Board.

Since there were no questions, the Chairman proposed to adopt the proposal.

298,934,253 votes (54.51%) were cast in favor of the proposal and 249,457,450 votes (45.49%) were cast against the proposal. There were 527,473 abstentions.

The Chairman recorded that the proposal was adopted.

**10. Authorization to our Managing Board for eighteen months to repurchase shares, subject to the approval of our Supervisory Board**

The Chairman moved to the final voting item on the agenda, the proposal to authorize the Managing Board to acquire for a consideration on a stock exchange or

otherwise up to such a number of fully paid-up common shares and/or preference shares in our share capital as is permitted by law and our Articles of Association as per the moment of such acquisition for a price:

- i. per common share which at such moment is within a range between the par value of a common share and 110% of the average of the highest share price per common share on each of the five trading days prior to the acquisition date on respectively Euronext Paris, the New York Stock Exchange or Borsa Italiana, whichever average at such moment is the highest; and
  - ii. per preference share which is equal to the par value of a preference share increased with an amount equal to the accrued but unpaid dividend on such preference share per the relevant repurchase date calculated in accordance with article 37 paragraph 2 sub e of our Articles of Association;
- all subject to the approval of our Supervisory Board, for a period of eighteen months following the 2014 AGM.

The Chairman gave the persons present at the meeting the opportunity to ask questions regarding the authorization to the Managing Board to repurchase shares in the capital of the Company.

Since there were no questions, the Chairman proposed to adopt the proposal.

543,189,262 votes (99.01%) were cast in favor of the proposal and 5,418,637 votes (0.99%) were cast against the proposal. There were 311,277 abstentions.

The Chairman recorded that the proposal was adopted.

## **11. Question time**

The Chairman recorded that the meeting had voted on all proposals on the agenda.

The Chairman gave the persons present at the meeting the opportunity to ask any other questions which they had regarding the Company.

Since there were no questions, the Chairman preceded to the last item on the agenda, the close of the meeting.

## **12. Close**

The Chairman thanked all persons present at the meeting for their participation to the meeting. On behalf of the entire Supervisory Board and Mr. Bozotti, the Chairman expressed his hope that the persons present would also attend the following shareholders' meeting and wished everyone a good day. Subsequently, the Chairman closed the meeting.



Signed by: D. Lombard (Chairman) and R. Bosveld (Secretary)