

STMicroelectronics NV (STMicroelectronics)

TICKER
STM

MARKET CAPITALIZATION
US\$44.2 billion

HEADQUARTERS
Switzerland

DISCLOSURES

UK Modern Slavery Act: Not applicable

California Transparency in Supply Chains Act: Not applicable

Australia Modern Slavery Act: Not applicable

OVERALL RANKING

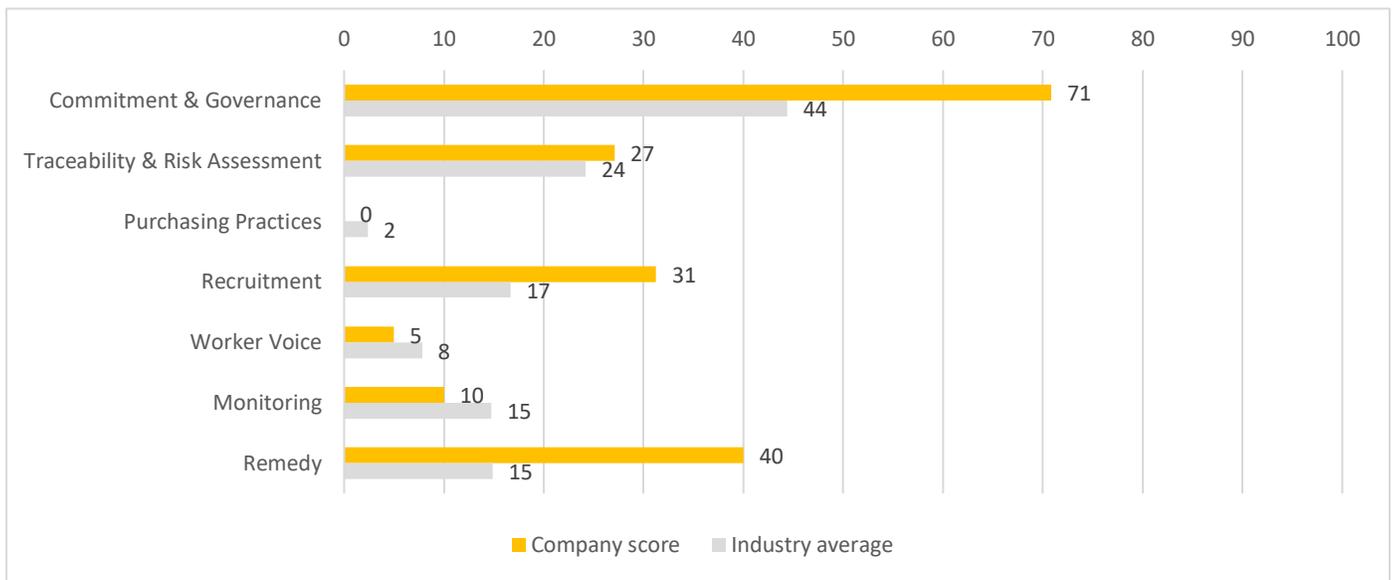
15 out of 60

([2020 Rank](#): 22 out of 49)

OVERALL SCORE

29 out of 100

THEME-LEVEL SCORES



KEY DATA POINTS

SUPPLIER LIST

❌ No

RISK ASSESSMENT

Yes

ENGAGED WITH KNOWTHECHAIN¹

Yes

NO-FEE POLICY

Yes (Employer Pays Principle)

REMEDY FOR SUPPLY CHAIN WORKERS

Yes

HIGH-RISK SOURCING COUNTRIES

❌ China and Malaysia

SUMMARY

STMicroelectronics NV (STMicroelectronics), a semiconductor manufacturing company which supplies to companies such as Apple, Cisco, and HP ranks 15th out of 60 companies. Compared to 2020, the company improved its rank by 7 places. This is because the company began disclosing some information on how it ensures the prevention of fees charged to supply chain workers, more detail on internal responsibility for its supply chain standards addressing forced labour, including board-level oversight, and training for suppliers on its supplier code. The company is one of 35% of benchmarked companies disclosing remediation of fees to supply chain workers. The company has an opportunity to improve its performance and disclosure on the themes of Purchasing Practices, Worker Voice.

LEADING PRACTICES

None.

OPPORTUNITIES FOR IMPROVEMENT

Purchasing Practices: To address forced labour risks in its supply chains, the company is encouraged to adopt purchasing practices that decrease the risk of forced labour, such as improving planning and forecasting and prompt payment. The company may further consider separating labour costs from price negotiations such that all direct and indirect labour costs are isolated and incorporated as a distinct costing block in pricing. The company should consider integrating [responsible buying practices in its contracts](#) with suppliers, to ensure that the responsibility for respecting human rights is shared.

Recruitment: The company discloses a policy prohibiting worker-paid fees in its supply chains and additionally discloses a policy requiring that fees are paid directly to labour agencies by the employer. STMicroelectronics also reports the amount of fees paid back to supply chain workers in 2020 and 2021 (USD 29.8 and 137.6), the number of workers impacted respectively (22 and 42), and the number of suppliers involved (3 and 4). The company may also consider providing details of how it supports responsible recruitment in its supply chains (for example, by sharing due diligence findings on recruitment fees with peers or by creating demand for responsible recruitment agencies). The company is further encouraged to disclose information on the recruitment agencies used by its suppliers.

Worker Voice: While the company has a policy requiring suppliers to establish grievance mechanisms, the company is encouraged to disclose data about the practical operation of grievance mechanisms, such as the number of grievances filed, addressed, and resolved. To support collective worker empowerment, the company is encouraged to work with local or global trade unions to support freedom of association in its supply chains. The company is also encouraged to disclose the percentage of suppliers' workers covered by collective bargaining agreements.

¹ For further details on high-risk raw materials and sourcing countries, see KnowTheChain's [2022 ICT benchmark findings report](#). Research conducted through June 2022 or through September 2022, where companies provided additional disclosure or links. For more information, see the full dataset [here](#). For information on a company's positive and negative human rights impact, see the Business & Human Rights Resource Centre [website](#).