STMicroelectronics Response 16/2/2023

Luisella BASSO <luisella.basso@st.com>

to me

Dear Sirs,

In response to your letter, please be advised that ST has always complied with export control rules.

ST has a comprehensive global trade compliance program through which it complies with all international trade rules and regulations.

Following the implementation by the European Union, the United States and partnering countries of multiple sanction packages and export control measures against Russia and Belarus since the end of February 2022, ST has taken the necessary actions to comply with those specific new requirements.

We are no longer conducting business in Russia and we have closed our operations there.

The report you mention is one of several (including the reports of CAR with whom we are in regular contact) clearly outlining that all ICs identified were not subject to the EU export controls and sanctions against Russia.

As per your point on GLONASS-enabled chips: we have not sold any to customers in Russia during the last 2 years.

Sincerely,

Luisella Basso

## B4Ukraine

Jean-Marc Chery Chief Executive Officer 39 Chemin du Champ des Filles-Plan-Les-Ouates Geneva, CH-1228 Switzerland

CC: STMicroelectronics Executive Team and Board of Directors

January 11, 2023

RE: STMicroelectronics business operations in Russia

Dear Jean-Marc Chery,

We write to you as <u>B4Ukraine</u>, a coalition of Ukrainian and international civil society organizations working to curtail the financial resources enabling the Russian invasion of Ukraine, to discuss STMicroelectronics exposure to the Russian invasion of Ukraine.

According to the Kyiv School of Economics Institute's #LeaveRussia <u>company tracker</u>, STMicroelectronics has continued operations in Russia. Indeed, STMicroelectronics' website still provides contact details for the Russian office and lists the details of its 11 Russian distributors.<sup>1</sup> Our research indicates that STMicroelectronics is failing to execute its Human Rights and due diligence commitments expeditiously and remains significantly exposed to the Russian market.

STMicroelectronics components have been found in Russian military equipment and weapon systems. An August 2022 report published by the UK-based Royal United Services Institute (RUSI) found STMicroelectronics components in a range of Russian military UAVs "including the Orlan-10, E95M, Eleron-3SV and KUB-BLA."<sup>2</sup> The report further identified that "other products produced by STMicroelectronics include a PD55003 radio frequency power transistor found in an R-168 radio set and two 44-lead thin quad flat packages recovered from a Kh-101 ALCM's SN-99 satellite navigation system."<sup>3</sup>

Furthermore, in November 2022 the Ukrainian Directorate of Intelligence released a report revealing that STMicroelectronics continues to produce GLONASS-compatible microchips, namely the STA8090FG.<sup>4</sup> GLONASS is used by the Russian military to direct missiles, including those targeting Ukrainian critical infrastructure and civilian targets. The Ukrainian Directorate of Intelligence called on the companies involved in the manufacture of

<sup>&</sup>lt;sup>1</sup> STMicroelectronics, "Contacts," <u>https://www.st.com/content/st\_com/en/contact-us.html</u> (accessed January 5, 2023).

 <sup>&</sup>lt;sup>2</sup> RUSI, "Silicon Lifeline: Western Electronics At The Heart Of Russia's War Machine," <u>https://static.rusi.org/RUSI-Silicon-Lifeline-final-updated-web\_1.pdf</u> (accessed January 5, 2023).
<sup>3</sup> Ibid.

<sup>&</sup>lt;sup>4</sup> Defence Intelligence of the Ministry of Defence of Ukraine, "Foreign Companies Help Guide Russian Missiles to Ukraine,"

https://gur.gov.ua/en/content/inozemni-kompanii-dopomahaiut-skerovuvaty-rosiiski-rakety-na-ukrainu. html (accessed January 5, 2023).

GLONASS components to "stop producing chips with GLONASS support and remove the function of supporting this navigation system from all their devices."<sup>5</sup>

We note STMicroelectronics' stated commitment to human rights. STMicroelectronics has been a "signatory to the Global Compact since 2000 and a member of the Responsible Business Alliance since 2005."<sup>6</sup> This commits STMicroelectronics to abide by fundamental principles on human rights, including that "Businesses should support and respect the protection of internationally proclaimed human rights...[and] make sure that they are not complicit in human rights abuses."<sup>7</sup>

We are concerned that STMicroelectronics' current business operations risk enabling and financing Russia's violations of IHL and human rights law during the ongoing invasion of Ukraine, and in doing so, violating STMicroelectronics' human rights commitments.

B4Ukraine has an extensive network of supply chain and due diligence specialists who would be well suited to assisting you in resolving this exposure to Russia's invasion. We understand that you will be represented at Davos later this month, and we would very much welcome the opportunity to discuss the matter with you and explore proactively remedying the situation.

Please contact B4Ukraine at <u>contact@b4ukraine.org</u> to schedule a meeting at the event. We kindly ask for your response by 5:00pm CET, January 15th, 2023.

Sincerely,

The B4Ukraine Coalition

<sup>&</sup>lt;sup>5</sup> Ibid.

<sup>&</sup>lt;sup>6</sup> STMicroelectronics, "Sustainability report 2022,"

https://ungc-production.s3.us-west-2.amazonaws.com/attachments/cop\_2022/513434/original/STMicr oelectronicsSustainabilityReport2022small.pdf?1654678519 (accessed January 5, 2023). <sup>7</sup> United Nations Global Compact, "The Ten Principles of the UN Global Compact," https://www.unglobalcompact.org/what-is-gc/mission/principles (accessed January 5, 2023).