



**Proposed resolutions and shareholders' information**  
**for the Annual General Meeting of Shareholders ("AGM") of STMicroelectronics N.V.**  
**(the "Company") to be held on May 14, 2008 in Amsterdam, the Netherlands**

Our Supervisory Board proposes:

**Agenda item 4-a** - **Resolution 1**

To adopt our statutory annual accounts for our 2007 financial year, as drawn up by our Managing Board, examined and audited by our independent external auditors, PricewaterhouseCoopers Accountants N.V., and approved by our Supervisory Board. Our statutory annual accounts, which include the reports of our Managing and Supervisory Boards, have been prepared in English consistent with the Company's prior practice, and in accordance with IFRS Accounting Standards, as IFRS constitute our statutory reporting standards.

**Agenda item 4-b** - **Resolution 2**

To distribute a dividend in cash of US \$0.36 per common share, in line with our dividend policy as communicated, in four equal installments, payable for 2008 at [30 May], 2008, [29 August], 2008, [28 November], 2008, and [28 February], 2009. Payment of an installment will be made to those holding shares in the Company at the aforementioned dates.

**Agenda item 4-c** - **Resolution 3**

To discharge the sole member of our Managing Board for his management during the 2007 financial year.

**Agenda item 4-d** - **Resolution 4**

To discharge the members of our Supervisory Board for their supervision during the 2007 financial year.

**Agenda item 5** - **Resolution 5**

To re-appoint Mr. Carlo Bozotti as the sole member of our Managing Board for a three-year term effective as of our 2008 AGM to expire at the end of our 2011 AGM.

**Agenda item 6** - **Resolution 6**

- a. To re-appoint Mr. Bruno Steve as a member of our Supervisory Board for a three-year term effective as of our 2008 AGM to expire at the end of our 2011 AGM.
- b. To re-appoint Mr. Tom de Waard as a member of our Supervisory Board for a three-year term effective as of our 2008 AGM to expire at the end of our 2011 AGM.
- c. To re-appoint Mr. Gérald Arbola as a member of our Supervisory Board for a three-year term effective as of our 2008 AGM to expire at the end of our 2011 AGM.



- d. To re-appoint Mr. Didier Lombard as a member of our Supervisory Board for a three-year term effective as of our 2008 AGM to expire at the end of our 2011 AGM.
- e. To appoint Mr. Antonino Turicchi as a member of our Supervisory Board for a three-year term effective as of our 2008 AGM to expire at the end of our 2011 AGM.

**Agenda item 7-b - Resolution 7 and shareholders' information**

To re-appoint PricewaterhouseCoopers Accountants N.V. as our external auditors for a two-year term effective as of our 2008 AGM to expire at the end of our 2010 AGM. Given the review under 7-a of the agenda there seems to be adequate reasons to request the re-appointment of the external auditor.

**Agenda item 8 - Resolution 8 and shareholders' information**

To approve the delegation to our Supervisory Board of the power to grant Mr. C. Bozotti up to a maximum number of 100,000 common shares, in the form of Unvested Stock Awards, for services to be rendered in 2008 as our 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 Unvested Stock Awards are intended to provide an incentive to our President and CEO to increase his efforts for the success of our Company by offering him an opportunity to obtain or increase his proprietary interest in our Company through the vesting of the up to 100,000 Unvested Stock Awards to be granted to him, provided the performance conditions attached to vesting of such Awards are met.

The compensation for our President and CEO does not fully comply with the Dutch corporate governance code, however, such compensation is aimed at the (international) markets in which the Company operates.

**Agenda item 9 - Resolution 9 and shareholders' information**

To set the compensation of the Chairman and the Vice Chairman of our Supervisory Board at EUR 115,000 per annum; to set the compensation of the President of our Audit Committee at EUR 115,000 per annum; to set the compensation of the other members of our Supervisory Board at EUR 57,000 per annum; to set the compensation of the members of our Audit Committee at EUR 7,500 per annum; to set the compensation of the members of our Compensation Committee at EUR 3,500 per annum; to set the compensation of the members of our Strategic Committee at EUR 3,500 per annum; to set the compensation of the members of our Nominating and Corporate Governance Committee at EUR 3,500 per annum; to set the attendance fee per meeting of our Supervisory Board and of any Committee of our Supervisory Board at EUR 1,500 (with no limitation on the number of Committees on which Supervisory Board members may serve); and to set the attendance fees per meeting by telephone or videoconference at EUR 375.



Given that most members of the Supervisory Board live in countries with eur-denominated currency and the Company is an European company, the currency of the compensation has been converted from USD into EUR.

The compensation for our Supervisory Board does not fully comply with the Dutch corporate governance code, however, such compensation is aimed at the (international) markets in which the Company operates.

**Agenda item 10 - Resolution 10 and shareholders' information**

To approve our new three year Stock-Based Compensation Plan for the members and professionals of our Supervisory Board. This plan provides for the grant of up to 15,000 stock awards at a strike price of Euro 1.04, corresponding to the nominal value of our share, to Supervisory Board members, and of up to 7,500 stock awards at a strike price of Euro 1.04, for professionals of the Supervisory Board.

This new three year Stock-Based Compensation Plan is intended to attract and retain suitable candidates for this demanding position in an international environment.

**Agenda item 11-a - Resolution 11(a) and shareholders' information**

To approve our new five year Employee Share Plan. The Employee Share Plan will provide that senior directors and management may be granted options under restricted criteria. These criteria may be linked to the Company's performance in 2008. The maximum number of "restricted" options shall be six million one hundred thousand (six million one hundred thousand shares).

This new Employee Share Plan is intended to provide an incentive to our employees to increase their efforts for our success by offering them an opportunity to obtain or increase their proprietary interest in us through grants under this new Employee Share Plan.

**Agenda item 11-b - Resolution 11(b) and shareholders' information**

To authorize our Supervisory Board to approve the following grant of Stock-Based Compensation to our employees:

- The grant of Stock-Based Compensation will be in the form of a right to acquire common shares out of our existing treasury shares;
- Employees will receive Stock-Based Compensation at no consideration;
- The vesting conditions will be determined by our Supervisory Board or its Compensation Committee (on behalf of our Supervisory Board) and will relate to Company performance and continued service at ST; and
- Our Supervisory Board has the authority to determine all other terms of the Stock-Based Compensation grant including the right to authorize details of the Stock-Based Compensation for specific groups of employees.

The Stock-Based Compensation is intended to provide an incentive to our employees to increase their efforts for the success of our Company by offering them an opportunity to obtain or increase their proprietary interest in our Company through the grant of the aforementioned Stock-Based Compensation.



**Agenda item 12 - Resolution 12 and shareholders' information**

To authorize our 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 – other than acquisition of shares pursuant to article 5 paragraph 2 of our Articles of Association – 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 share price per common share on Eurolist by Euronext™ Paris, the New York Stock Exchange or Borsa Italiana, whichever 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, *mutatis mutandis* 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 as of the date of our 2008 AGM.

This authorization is requested to offer our Managing Board with the approval of our Supervisory Board the possibility to repurchase, when it is in the best interest of the Company's shareholders and other stakeholders for creating long term value, a number of fully paid-up ordinary and/or preference shares, within the legal limits.