

The following is an English translation of the Notice of the 21st Annual General Meeting of Shareholders of Renesas Electronics Corporation to be held on March 30, 2023 (as well as the Business Report, the Consolidated Financial Statements and the Non-consolidated Financial Statements with respect to the 21st Business Period, and the report on the results of the audit conducted on such Consolidated Financial Statements by the independent auditors and the Board of Corporate Auditors). The following English translation is provided for your reference and convenience only. Should there be any inconsistency between this translation and the official Japanese original, the latter shall prevail.

Securities code: 6723

Renesas Electronics Corporation

21st Annual General Meeting of Shareholders Convocation Notice



January 1st, 2022 ▶ December 31, 2022

Date
and
Time

March 30, 2023 (Thursday) at 10:00 A.M.
(Japan Standard Time)

*You will be able to login from 9:30 A.M. (JST)

Method

**Shareholders Meeting without a Designated Location
(Virtual-Only Shareholders' Meeting)**

* Since the General Meeting will be held entirely online,
there is no physical venue where you can visit.

Voting
Deadline

5:30 P.M.
March 29, 2023 (Wednesday)

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To Our Shareholders

Hidetoshi Shibata

Representative Director, President & CEO
Renesas Electronics Corporation

We would like to take this occasion to express our sincere gratitude to all of our shareholders for your continued support. We are pleased to inform you of the convocation of the 21st Annual General Meeting of Shareholders.

During the fiscal year ended December 31, 2022 ("2022"), the product supply constraints that continued from the previous year gradually began to dissipate. On the other hand, we faced significant changes in our business environment at every turn: the war in Ukraine, mounting global inflation, excessive volatility in the dollar-yen exchange rate.

Despite these challenges, we delivered record financial performance in 2022. Our consolidated revenue increased significantly by 51% year on year (approximately 40% in comparison with the revenue which includes Dialog's sales from the beginning of the previous fiscal year). Demand growth, tailwind of the yen depreciation and price adjustments accompanying the rise in raw material prices were the major factors supporting this substantial revenue increase. In addition, we marked record-high operating profit and EBITDA (Non-GAAP basis) since we began operation as Renesas Electronics in April 2010.

For new product release, we have launched a wide array of products successfully in 2022. Some of the products include the "RZ/Five" general-purpose MPUs based on 64-bit RISC-V CPU core, the "R-Car V4H" SoC that realizes automated driving for vehicles in the popular price range, and the "AE5" new generation of Si-IGBT for xEV inverters.

Through our products and solutions, we have won many new design-ins, which will be a source of our future revenue. Some significant design-ins in 2022 include the "RA8 Series" offering the highest performance in RA MCU Family, and automotive products such as the "RH850/U2A MCU Series" for zone control and the "R-Car S4 SoC Series" for central computing.

We have also acquired new technologies by welcoming Reality AI, Inc. and Steradian Semiconductors Private Limited to the Group.

In 2022, Renesas was highly evaluated by external organizations. Among many awards, we received the GSA (Global Semiconductor Alliance)'s "Outstanding Asia-Pacific Semiconductor Company Award" and the Hitotsubashi University Business School's "Porter Prize." We believe this to be a proof that our global presence as a semiconductor supplier have been recognized as a result of our transformation.



As part of our shareholder return, we acquired a total of approximately 200 billion yen of our own shares in 2022. Although we have decided to forego payment of dividends for 2022, we will strive to resume dividend payments at the earliest opportunity. We intend to continue to return profits to shareholders while taking into account changes in the business environment and the balance with retained earnings for long-term growth investment.

In 2023, with the stagnation of the macro economy and the slowdown in demand, our business environment is expected to be challenging. Renesas is well positioned to successfully navigate through these challenges to achieve long-term success. We will exercise restraint where necessary to secure an appropriate level of profitability, while remaining flexible and responsive to market changes.

We have announced our "2030 Aspirations", in which we set our target to: "Become a Top 3 embedded semiconductor solution supplier;" "Achieve revenues of more than \$20 billion;" and "Bring up the corporate value by up to six times the market capitalization" by 2030. In order to realize our 2030 Aspirations and our Purpose of "To Make Our Lives Easier," we will continue to drive innovation with our products and solutions that are vital to our daily lives. At the same time, as a member of the global community, we will remain steadfast in our commitment to further enhance our corporate value by addressing environmental issues and contributing to a sustainable society. I am confident in our ability to deliver lasting value to our shareholders.

Thank you for your continued trust and confidence and for being part of our journey with Renesas.

March 2023

Renesas Electronics Corporation

Securities Code: 6723
3-2-24 Toyosu, Koto-ku, Tokyo

Hidetoshi Shibata
Representative Director, President and CEO

March 10, 2023
(Commencement Date of Electronic Provision: March 3, 2023)

To Our Shareholders:

NOTICE OF THE 21ST ANNUAL GENERAL MEETING OF SHAREHOLDERS

The Twenty-First Annual General Meeting of Shareholders (the “General Meeting”) of Renesas Electronics Corporation (the “Company”) will be held as follows.

The General Meeting will be held online as a “Shareholders Meeting without a Designated Location” (so-called Virtual-Only Shareholders’ Meeting) pursuant to the provisions of the laws and regulations and the Company’s Articles of Incorporation. Since there is no physical venue where you can visit, we request your attendance via the Internet.

In convening the General Meeting, we have posted, as electronic provision of the materials, etc., the matters that may be provided in electronic format (i.e., information contained in the Reference Documents for the General Meeting, etc.) on the following our website with the title “Notice of the 21st Annual General Meeting of Shareholders”.

<Our website>

<https://www.renesas.com/us/en/about/investor-relations>



In addition, the same matters have been posted on the following Tokyo Stock Exchange’s website and can be viewed by entering or searching for an issue name (company name) or securities code, and selecting “Basic information,” and then selecting “Documents for public inspection/PR information.”

< Tokyo Stock Exchange’s website>

<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>



You may, and are recommended to, exercise your voting rights via the Internet or in writing in advance if you are unable to attend the General Meeting, or, even if you plan to attend the General Meeting, as a precaution against communication problems or other difficulties. If you plan to exercise your voting rights by these methods, you need to exercise your voting rights by 5:30 P.M. on March 29, 2023 (Wednesday) (Japan Standard Time), after reviewing the Reference Documents for the General Meeting below and in accordance with the guidance on pages 6 and 7 of this notice.

1. DATE AND TIME: March 30, 2023 (Thursday) at 10:00 A.M. (Japan Standard Time)
 - * You will be able to login from 9:30 A.M. (JST)
 - * In the event it becomes difficult to hold the General Meeting on the date and time above due to communication problems or other reason, the meeting will be postponed to March 31, 2023 (Fri) at 10:00 A.M. (JST). In such case, we will make an announcement to that effect on our website (<https://www.renesas.com/us/en/about/investor-relations>).
 2. METHOD OF HOLDING: Shareholders Meeting without a Designated Location
(Virtual-Only Shareholders' Meeting).
 - (*) To attend the meeting, please login to the dedicated website for the General Meeting (<https://web.lumiagm.com/#/m/705537650>). For more information, please refer to "Guide to the Virtual-Only Shareholders' Meeting" on page 8 onward.
 - (*) Since the General Meeting will be held entirely online, there is no physical venue where you can visit.
 3. AGENDA OF THE GENERAL MEETING:
 - MATTERS TO BE REPORTED ON:

Report on the Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements, and report on the results of the audit conducted on the Consolidated Financial Statements by the independent auditors and the Board of Corporate Auditors with respect to the 21st Business Period from January 1, 2022 to December 31, 2022.
 - MATTERS TO BE VOTED ON:
 - (1) Election of Five (5) Directors
 - (2) Introduction of a tax-advantaged Employee Share Purchase Plan for the Company's and its subsidiaries' employees who are resident in the U.S.
- The communication method used for sending and receiving information in the proceedings of the General Meeting will be via the Internet.
 - In the event that a shareholder who has exercised the voting rights via the Internet or in writing in advance attends the General Meeting, if the shareholder exercises the voting rights in duplicate, the voting exercised at the General Meeting will be regarded as effective, and, if the shareholder has not exercised the voting rights at the General Meeting, the voting rights exercised in advance will be regarded as effective. If a shareholder who has not exercised the voting rights in advance logs into the dedicated website for the General Meeting on the day of the meeting, but the exercise of the voting rights by such shareholder cannot be confirmed, such shareholder will be treated as absent.
 - A resolution will be adopted at the beginning of the General Meeting to grant the chairperson the authority to decide to postpone or adjourn the General Meeting in the event the proceedings of the General Meeting are significantly impeded due to communication problems or other reason. If the chairperson decides to postpone or adjourn the General Meeting in accordance with such resolution, the meeting so postponed or adjourned will be held on March 31, 2023 (Fri) at 10:00 A.M. (JST). In

such case, we will promptly make an announcement to that effect on our website (<https://www.renesas.com/us/en/about/investor-relations>).

- For shareholders who have not made a request for delivery of documents in paper-based format, we have sent the Reference Documents for the General Meeting together with a summary of the Business Report. For shareholders who have made a request for delivery of documents in paper-based format, we have sent documents containing the matters that may be provided in electronic format except for the matters that may be omitted in accordance with the laws and regulations and the Company's Articles of Incorporation.
- Any corrections or amendments made to the matters that may be provided in electronic format, etc. will be posted on the respective websites where they are posted.
- We would like to invite you to attend a shareholder roundtable session, which will be held via the Internet after the closing of the General Meeting. For more information, please refer to the information accessible by clicking on the "DOCUMENTS" tab at the top of the screen of the dedicated website for the General Meeting.

Guidance for Exercising Voting Rights

Voting rights at a general meeting are important rights for shareholders. We request that you exercise your voting rights after reviewing the Reference Documents for the General Meeting below.

You can exercise your voting rights in the following methods:

1. For those who will exercise voting rights in advance

There are following two methods for exercising voting rights by the day before the date of the General Meeting.

<Exercise of voting rights in writing>	<Exercise of voting rights via the Internet> (For more information, please see next page)
<p>Please indicate your approval or disapproval in respect of each proposal in the enclosed voting right exercise form and return it in time for it to be delivered to us by the voting deadline below.</p> <p>If you return the voting right exercise form with no indication of approval or disapproval of any proposal, your vote will be regarded as having indicated approval.</p> <p style="text-align: center; margin-top: 20px;">Voting deadline: 5:30 P.M., March 29, 2023 (Wed) (JST) (Time of receipt)</p>	<p>Please input your approval or disapproval in respect of each proposal by using the “Smart Vote” method, through which you scan the QR code printed on the voting right exercise form with your smartphone, or by accessing the voting right exercise website (https://www.web54.net) maintained by the Company’s transfer agent via a PC, etc., and entering the “voting right exercise code and password” printed on the enclosed voting right exercise form.</p> <p style="text-align: center; margin-top: 20px;">Voting deadline: 5:30 P.M., March 29, 2023 (Wed) (JST)</p>

<Handling of Duplicate Voting Rights>

- (1) If you exercise your voting rights in duplicate, via the Internet and in writing, we will only accept as effective the exercise of your voting rights via the Internet.
- (2) If you exercise your voting rights more than once via the Internet, we will only accept as effective the last exercise of your voting rights.

2. For those who will attend and exercise voting rights at the Virtual-Only Shareholders’ Meeting

Please refer to “Guide to the Virtual-Only Shareholders’ Meeting” on page 8 onward and attend the General Meeting on the scheduled date.

Exercise of voting rights via the Internet (Only Japanese is available)

Voting deadline: 5:30 P.M. on March 29, 2023 (Wed) (JST)

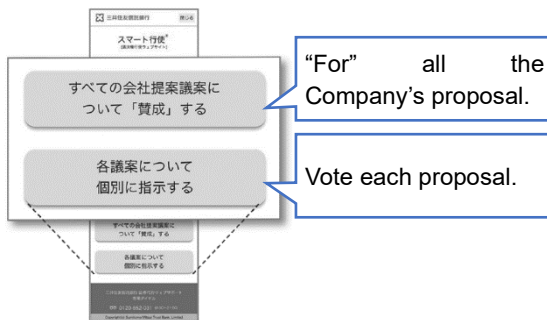
By using Smartphones

1. Scan the QR code on the lower right of the enclosed voting right exercise form and you can easily exercise your voting rights without entering the voting right exercise code and password.



Notice: If you wish to change your vote after exercising your voting rights, you will need to scan the QR code again and enter your “voting right exercise code” and “password” printed on the enclosed voting right exercise form.

2. Follow the guidance on the screen and enter your approval or disapproval.



For inquiries regarding how to operate your PC or smartphone to exercise voting rights via the Internet, please contact:

Sumitomo Mitsui Trust Bank, Limited

Transfer Agent Web Support Dedicated line

Phone: 0120-652-031 (toll-free only from Japan)

(Opening hours: 9:00 A.M. – 9:00 P.M. (JST)) (*) In Japanese only

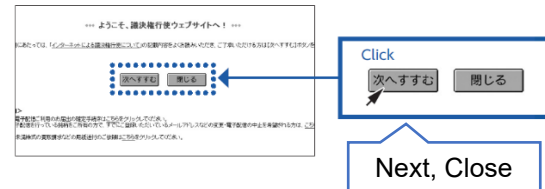
(*) To Institutional Investors:

Institutional investors who applied in advance to use the “electronic voting platform” operated by ICJ, Inc. may exercise their voting rights via said platform.

By Accessing the Website to Exercise Voting Rights

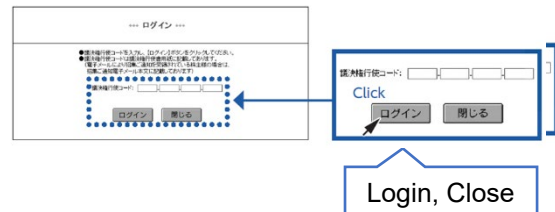
1. Access the website:

<https://www.web54.net>



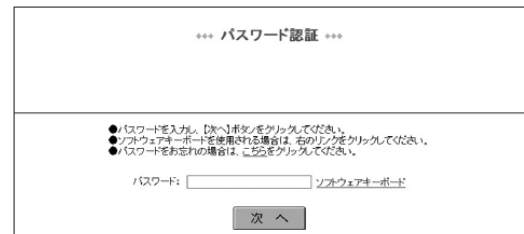
2. Login

Enter the “voting right exercise code” printed on the enclosed voting right exercise form.



3. Enter the password

Enter the “password” printed on the enclosed voting right exercise form.



Follow the guidance on the screen and enter your approval or disapproval.

Guide to the Virtual-Only Shareholders' Meeting

The General Meeting will be held in the form of a Virtual-Only Shareholders' Meeting using the Internet as the sole means of communication.

The Company's Board of Directors, the majority of which consists of independent outside directors, has considered the method of holding the General Meeting by taking into account, among others, the circumstances surrounding the Company, the proposals presented at the General Meeting, as well as shareholders' opinions, and has decided to hold the General Meeting in the form of so-called Virtual-Only Shareholders' Meeting for the following reasons:

- (i) We will be able to provide an equal opportunity to all shareholders to participate in the General Meeting, regardless of their whereabouts or time constraints, and it is expected that the exercise of shareholders' voting rights and dialogue with shareholders at the General Meeting will be promoted more than ever before.
- (ii) Given the recent significant increase in the number of shareholders of the Company, attendance by as many shareholders as possible to the General Meeting, without any physical or time constraints, will contribute to the vitalization, efficiency, and facilitation of the General Meeting, and in turn, to the interests and convenience of our shareholders.
- (iii) As the Company has many overseas directors and executive officers, from the perspective of promoting dialogue with shareholders, it is appropriate to have overseas directors and executive officers participate in the General Meeting in the same manner as other directors and executive officers, and to answer shareholders' questions.
- (iv) At our ordinary general meeting of shareholders held in March of last year, a proposal to amend the Articles of Incorporation to enable the holding of a Virtual-Only Shareholders' Meeting was approved with approximately 87.7% of the votes cast in favor.
- (v) There are no special circumstances, such as shareholder proposals, that would render it more desirable to hold the General Meeting at a physical venue.
- (vi) The shareholders will be able to attend the General Meeting in a safe manner, without being exposed to the risk of infection under the Covid-19 infection environment, and this will be also appropriate from the viewpoint of ensuring the stable operation of the General Meeting.

The following website will be set up as a dedicated website for shareholders to attend the General Meeting.

<https://web.lumiagm.com/#/m/705537650>

Attendance at a Virtual-Only Shareholders' Meeting is treated as "attendance" at a general shareholders' meeting for the purpose of the Companies Act, and you can ask questions and exercise your voting rights in respect of each proposal presented at the General Meeting while watching the proceedings of the General Meeting live on the Internet.

Please note that there is no physical venue where you can visit.

1. How to attend the General Meeting

Please log in to the dedicated website for the General Meeting and attend the meeting. For more information, please refer to “Guide on How to Login to the Virtual-Only Shareholders’ Meeting (Procedure)” at the end of this notice.

2. How to ask questions and submit motions

At the General Meeting, you can ask questions and submit motions in textual form from the dedicated website for the General Meeting.

(1) How to ask questions and submit motions at the General Meeting

If you wish to ask a question, please follow instructions of the chairperson, and enter and send your question.

To ask a question:

- (i) Click on the “MESSAGING” tab at the top of the screen.
- (ii) Enter your question in text format.
- (iii) Confirm the contents and send.

A screenshot of a web application interface for a virtual meeting. At the top, there is a navigation bar with five tabs: 'HOME', 'MESSAGING', 'VOTING', 'VOTING', and 'DOCUMENTS'. The 'MESSAGING' tab is highlighted with a blue box and a circled '1'. Below the navigation bar, the 'Messaging' section is visible. It contains a text input field with a placeholder text in Japanese and English: '3問まで。1問250文字以内。日本語または英語。 | Up to 3 questions. Within 250 characters. English or Japanese only...'. The input field is highlighted with a blue box and a circled '2'. To the right of the input field is a blue button with a white right-pointing arrow, highlighted with a blue box and a circled '3'. Below the input field, there is a character count '0 / 250'. At the bottom of the messaging section, there are two buttons: 'ALL MESSAGES' and 'MY MESSAGES'.

Due to a limited question and answer time, and from the standpoint of smooth proceedings, the total number of questions that each shareholder may ask is limited to three questions, with a maximum of 250 characters per question (in Japanese or English only).

Please note that the scope of questions by attending shareholders is limited to matters related to the proposals presented at the General Meeting, and that due to a limited question and answer time, it may not be possible to answer all of questions received.

For questions that could not be answered at the General Meeting, we plan to publish the answers on our website (<https://www.renesas.com/us/en/about/investor-relations>) after the General Meeting, except for those that are not appropriate for publication.

If you wish to submit a motion, please follow instructions of the chairperson, and enter and send your motion.

To submit a motion:

- (i) Click on the “VOTING” tab on the left side at the top of the screen.
- (ii) Enter your motion in text format.
- (iii) Confirm the contents and send.

The screenshot shows a web interface with a top navigation bar containing 'HOME', 'MESSAGING', 'VOTING' (highlighted with a blue box and circled 1), 'VOTING' (with a red dot), and 'DOCUMENTS'. Below the navigation bar, the 'Voting' section is visible. A text input field labeled 'Your response' is highlighted with a blue box and circled 2. At the bottom right, a 'SUBMIT' button is highlighted with a blue box and circled 3. The status 'Responses: 0 of 1' is displayed next to the button.

From the standpoint of smooth proceedings, motions will also be limited to a maximum of 250 characters per motion (in Japanese or English only).

Please note that if the chairperson determines that the proceedings of, or the stable operation of the system for, the General Meeting may be hindered by, for example, sending the same questions numerous times in succession or repeatedly sending inappropriate questions, the communication with the shareholder in question may be forcibly discontinued in accordance with chairperson's instructions and orders.

(2) How to ask questions in advance

You may ask questions in advance regarding the proposals presented at the General Meeting. As far as possible, we will answer to questions regarding matters of great interest to our shareholders at the General Meeting.

To ask a question in advance:

- (i) Log in to the dedicated website for the General Meeting.
- (ii) Click on the “VOTING” tab on the left side at the top of the screen.
- (iii) Enter your question in text format
- (iv) Confirm the contents and send.

The screenshot shows the same web interface as the previous one. The 'VOTING' tab in the top navigation bar is highlighted with a blue box and circled 2. The text input field labeled 'Your response' is highlighted with a blue box and circled 3. The 'SUBMIT' button is highlighted with a blue box and circled 4. The status 'Responses: 0 of 1' is displayed next to the button.

[Receipt Period] March 10, 2023 (Fri) 9 A.M. to March 28, 2023 (Tue) 5 P.M. (JST)

- (*) A total number of questions that each shareholder may ask is limited to three questions, with a maximum of 250 characters per question (in Japanese or English only).

3. How to exercise voting rights

- (1) At the General Meeting, you may exercise your voting rights via the dedicated website for the General Meeting.

To exercise your voting rights:

- (i) Click the “VOTING” tab on the right side at the top of the screen.
- (ii) Select “For” or “Against” for each proposal.



- (2) In the event that a shareholder who has exercised the voting rights via the Internet or in writing in advance attends the General Meeting, if the shareholder exercises the voting rights in duplicate, the voting rights exercised at the General Meeting will be regarded as effective, and, if the shareholder has not exercised the voting rights at the General Meeting, the voting rights exercised in advance will be regarded as effective. If a shareholder who has not exercised the voting rights in advance logs into the dedicated website for the General Meeting on the day of the General Meeting, but the exercise of the voting rights by such shareholder cannot be confirmed, such shareholder will be treated as absent.

4. Handling of Communication Problems, etc.

A resolution will be adopted at the beginning of the General Meeting to grant the chairperson the authority to decide to postpone or adjourn the General Meeting in the event the proceedings of the General Meeting are significantly impeded due to communication problems or other reason. If the chairperson decides to postpone or adjourn the General Meeting in accordance with such resolution, the meeting so postponed or adjourned will be held on March 31, 2023 (Fri) at 10:00 A.M. (JST). In such case, we will promptly make an announcement to that effect on our website (<https://www.renesas.com/us/en/about/investor-relations>).

5. Outline of the policy of giving consideration to ensuring the interests of shareholders who have difficulties using the Internet as a method of communication for sending and receiving information in the proceedings for the General Meeting

We request that you exercise your voting rights in writing in advance, if you wish to exercise your voting rights but have difficulties using the Internet.

6. How to attend the meeting by proxy

You may exercise your voting rights by appointing a proxy one other shareholder holding voting rights at the General Meeting.

Shareholders who wish to attend the meeting by proxy are required to submit a “document stating intention of appointing a proxy” (power of attorney) to the Company prior to the General Meeting, by sending it to the address below.

The form of a power of attorney is available in the “DOCUMENTS” tab at the top of the screen of the dedicated website for the General Meeting.

[Required Documents]

- Power of Attorney
 - (*) Please sign or affix the seal of the shareholder exercising the voting rights by proxy.
- A copy of the voting right exercise form of the shareholder exercising voting rights by proxy
- A copy of the voting right exercise form of the shareholder acting as a proxy

[Address for submission]

- E-mail: agm@lm.renesas.com
- Mail: 3-2-24, Toyosu, Koto-ku, Tokyo 135-0061, Japan
To the Administration Office of the General Meeting of Shareholders, Legal Division
Renesas Electronic Corporation

[Submission deadline]

March 23, 2023 (Thu) at 5 P.M. (JST) (time of receipt)

- (*) If the required documents have not been received by the submission deadline, attendance by proxy will not be permitted.
- (*) If the required documents are incomplete, attendance by proxy may not be permitted.

7. Other points to note

- (1) The language used during the General Meeting will be Japanese; however, for the convenience of shareholders, it is possible to view the meeting and exercise voting rights in English by way of simultaneous interpretation by logging in to the dedicated website for the General Meeting and selecting “English”. Please note that in the event of any discrepancy between the Japanese content and English content, the Japanese content will prevail.
- (2) In order to attend the General Meeting, you need to prepare for the location of attendance and the communication environment/equipment by yourself. All expenses such as interconnection charges and communication charges for attending the meeting are to be borne by you. You may not be able to attend the General Meeting or exercise your voting rights due to problems with the communications equipment used by you, such as PC and/or smartphone, or with the Internet environment, or with your communication environment.

- (3) Due to the communication environment or other technical reason, there is a possibility of communication problems or other problems, such as interference with webcast image and sound, temporary interruption and the like, and time lag in transmission and reception, and you may not be able to attend the General Meeting or exercise your voting rights. In convening the General Meeting, we will take measures against communication problems and other problems to the extent reasonable. However, we are not responsible for any detriment suffered by shareholders who attend the General Meeting due to such measures.
- (4) It is strictly prohibited to share the URL and ID/password for attending the General Meeting with a third party, or to record, videotape, or disclose to the public the proceedings of the General Meeting.
- (5) In the event we determine that it is unavoidable, the contents of the General Meeting may be partially changed or the General Meeting may be canceled.
- (6) If there are any changes in the operation of the General Meeting, such as responses to system failures or other emergencies or changes in circumstances, we will make an announcement on our website (<https://www.renesas.com/jp/ja/about/investor-relations>).

8. Contact Information

If you have any questions regarding the General Meeting, please have this notice to hand and contact us at the following, as we are available for telephone inquiries (in Japanese only).

Please note that we cannot respond to any problems that may be caused by your environment such as the Internet connection method or functions of PC and/or smartphone that you use.

If you cannot find your ID and/or password as stated in the enclosed “Login ID and Password Notice”, we will send a form detailing them to your registered address. Requests for issuance of such form can be accepted until 5 business days before the date of the General Meeting (March 23 (Thu), 5:00 P.M. (JST)). Please note that we will not provide ID and/or password by telephone.

[General inquiries about the General Meeting]

Sumitomo Mitsui Trust Bank, Limited, dedicated support dial for virtual shareholders' meeting
0120-782-041

(Opening hours)

9:00 A.M. to 5:00 P.M. (JST)

(weekdays; excluding Saturdays, Sundays and national holidays in Japan)

[Technical inquiries about the system]

Virtual-Only Shareholders' Meeting Help Desk

0120-245-022

(Opening hours) From March 3, 2023 (Fri) to March 30, 2023 (Thu)

- 9:00 A.M. to 5:00 P.M. (JST) (weekdays; excluding Saturdays, Sundays and national holidays in Japan)
- On the day of the General Meeting: 9:00 A.M. (JST) to end of webcast.

Reference Documents for the General Meeting

Proposal No. 1: Election of Five (5) Directors

The terms of office held by all Directors will expire at the conclusion of the General Meeting. Accordingly, we request that five (5) Directors be elected at the General Meeting.

The candidates are as below.

In order to ensure objectivity and transparency, each of these candidates for Director has been nominated by the Board of Directors after seeking suggestion from the Voluntary Nomination Committee, all members of which are Independent Outside Directors.

No.	Name (Age)		Current Position at the Company	Years Served as Director	Attendance at Meetings of the Board of Directors
1	Hidetoshi Shibata (50)	Reappointment	Representative Director, President and CEO	7 years and 8 months	100% (6 out of 6)
2	Jiro Iwasaki (77)	Reappointment Outside Independent Officer	Outside Director	6 years and 9 months	100% (6 out of 6)
3	Selena Loh Lacroix (58)	Reappointment Outside Independent Officer	Outside Director	3 years	100% (6 out of 6)
4	Noboru Yamamoto (60)	Reappointment Outside Independent Officer	Outside Director	2 years	100% (6 out of 6)
5	Takuya Hirano (52)	New Outside Independent Officer	-	-	-

Reappointment : Candidates for Reappointed Directors New : Candidates for New Directors

Outside : Candidates for Outside Directors Independent Officer : Candidates for Independent Officers

(Note) 1. "Years Served as Director" for Mr. Hidetoshi Shibata indicates the total period served as Director.

2. Ms. Selena Loh Lacroix is a foreign national and female Director candidate.

No.	Name	Brief Employment History, Position, Responsibility and Important Concurrent Positions	
1	Hidetoshi Shibata <u>Reappointment</u> Date of Birth: November 16, 1972 Number of the Company's Shares Held: 340,000 Attendance at Meetings of the Board of Directors: 6 out of 6 (100%)	April 1995 August 2001 August 2004 October 2007 September 2009 June 2012 October 2013 November 2013 June 2016 March 2018 July 2019	Joined Central Japan Railway Company Joined MKS Partners Limited as Principal Partner, MKS Partners Limited Joined Global Private Equity, Merrill Lynch Japan Securities Co., Ltd (currently, BofA Securities Japan Co., Ltd.) as Managing Director Joined Investment Group, Innovation Network Corporation of Japan (currently, Japan Investment Corporation) as Managing Director Executive Managing Director, Investment Group, Innovation Network Corporation of Japan (currently, Japan Investment Corporation) Member of the Board of Directors, the Company Executive Vice President, Member of the Board of Directors and CFO, the Company Executive Vice President and CFO, the Company Executive Vice President, Member of the Board of Directors and CFO, the Company Representative Director, President and CEO, the Company (present)
<p>【Reasons for selection as a candidate for Director】</p> <p>The Company selected Mr. Hidetoshi Shibata for a candidate of Director with the expectation that he would enhance the corporate value by demonstrating leadership skills to expedite the decision-making process and strengthen the ability to propose semiconductor solutions, based on the abundant knowledge, experiences and achievements cultivated through global and various management experiences. He has led the overall management of the Company and achieved a sustained enhancement of the corporate value of the Company as the Representative Director, President and CEO. He has served as Director for a combined total of 7 years and 8 months at the closure of this General Meeting.</p>			

No.	Name	Brief Employment History, Position, Responsibility and Important Concurrent Positions	
2	Jiro Iwasaki <div>Reappointment</div> <div>Outside</div> <div>Independent Officer</div> <div>Date of Birth: December 6, 1945</div> <div>Number of the Company's Shares Held: 0</div> <div>Attendance at Meetings of the Board of Directors: 6 out of 6 (100%)</div>	April 1974 June 1996 June 1998 June 2006 March 2008 June 2009 March 2011 April 2011 March 2015 March 2016 June 2016	Joined Tokyo Denki Kagaku Kogyo K.K. (currently, TDK Corporation) Director, General Manager of Human Resources, TDK Corporation Director and Senior Vice President, Executive Officer of Recording Media & Solutions Business Group, TDK Corporation Director and Executive Vice President, Senior Executive Officer of Administration Group, TDK Corporation Audit and Supervisory Board Member, GCA Savvian Corporation (currently, HOULIHAN LOKEY Corporation) Director and Senior Vice President, Executive Officer of Strategic Human Resources and Administration Division, JVC KENWOOD Holdings, Inc. (currently, JVC KENWOOD Corporation) Audit and Supervisory Board Member, SBS Holdings, Inc. Professor at Teikyo University, Faculty of Economics/Department of Business Administration Outside Director, SBS Holdings, Inc. (present) Outside Director (Full-time Audit and Supervisory Committee Member), GCA Savvian Corporation (currently, HOULIHAN LOKEY Corporation) Outside Director, the Company (present) (Important Concurrent Position) Outside Director, SBS Holdings, Inc.
	<p>【Reasons for selection as a candidate for Outside Director】</p> <p>The Company selected Mr. Jiro Iwasaki for a candidate of Outside Director with the expectation that the Board of Directors will be strengthened by him demonstrating supervising and monitoring capabilities on the overall management of the Company, based on his abundant knowledge, experiences and deep insights cultivated through the experiences as a director at multiple companies in electrical and electronic component companies. He has led the activities of the Voluntary Nomination Committee, including deliberation of selection of candidates of Directors, as the chairperson of that Committee. He has served as Outside Director for 6 years and 9 months at the closure of this General Meeting.</p>		

No.	Name	Brief Employment History, Position, Responsibility and Important Concurrent Positions	
3	Selena Loh Lacroix <div>Reappointment</div> <div>Outside</div> <div>Independent Officer</div> <div>Date of Birth: November 18, 1964</div> <div>Number of the Company's Shares Held: 44,322</div> <div>Attendance at Meetings of the Board of Directors: 6 out of 6 (100%)</div>	1988 August 1992 June 1995 December 2004 May 2010 December 2016 June 2017 November 2017 December 2019 March 2020	Joined a Singaporean law firm as an associate Joined Gray Cary Ware & Freidenrich LLP (now DLA Piper) as an associate Senior Counsel, Texas Instruments Incorporated Vice President & General Counsel, Asia Pacific, Honeywell International Inc. Global Semiconductor Practice Leader & Global Legal, Regulatory and Compliance Practice Leader, Egon Zehnder Member of Board of Directors, Integrated Device Technology, Inc. (Part-time; resigned March 2019) Global Technology & Communication Practice Leader, Egon Zehnder Board Member, National Association of Corporate Directors - North Texas Chapter (Part-time; present) Vice Chair, Technology Practice, Korn Ferry (present) Outside Director, the Company (present) (Important Concurrent Positions) Vice Chair, Technology Practice, Korn Ferry Board Member, National Association of Corporate Directors - North Texas Chapter
	<p>【Reasons for selection as a candidate for Outside Director】</p> <p>The Company selected Ms. Selena Loh Lacroix for a candidate of Outside Director with the expectation that the Board of Directors will be strengthened by her demonstrating supervising and monitoring capabilities on the overall management of the Company, based on her global insight in the field of corporate legal, corporate governance and human resources gained through extensive experiences in the semiconductor industry and several other industries, and from the perspective of promoting diversity. She has led the activities of the Voluntary Compensation Committee, including deliberation of the compensation policy for Directors and Executive Officers, as the chairperson of that Committee. She has served as Outside Director for 3 years at the closure of this General Meeting.</p>		

No.	Name	Brief Employment History, Position, Responsibility and Important Concurrent Positions	
4	Noboru Yamamoto <div>Reappointment</div> <div>Outside</div> <div>Independent Officer</div> <div>Date of Birth: November 21, 1962</div> <div>Number of the Company's Shares Held: 0</div> <div>Attendance at Meetings of the Board of Directors: 6 out of 6 (100%)</div>	April 1986 May 1989 February 2002 April 2003 October 2006 October 2011 June 2016 September 2016 January 2017 March 2018 March 2018 March 2021 January 2023	Joined Mazda Motor Corporation Joined Daiwa Securities Co. Ltd. Joined PricewaterhouseCoopers Financial Advisory Service Ltd. (currently, PwC Advisory LLC) as Managing Director Joined Lazard Frères K.K. as Managing Director Joined Nikko Citigroup Securities Co., Ltd. (currently, Citigroup Global Markets Japan Inc.), Investment Banking Unit, as Managing Director Joined BNP Paribas, Tokyo Branch, Investment Banking Division, as Co-head Outside Director, Hitachi Koki Co., Ltd. (currently, Koki Holdings Co., Ltd.) (present) Representative Director, Representative Partner & CEO, XIB Capital Partners Inc. (currently, XIB Inc.) (present) Senior Advisor, CLSA Capital Partners K.K. (present) Outside Director, Tsubaki Nakashima Co., Ltd. (present) Outside Corporate Auditor, the Company Outside Director, the Company (present) Senior Advisor, Bain & Company Japan, Inc. (present) (Important Concurrent Positions) Representative Director, Representative Partner & CEO, XIB Inc. Outside Director, Koki Holdings Co., Ltd. Senior Advisor, CLSA Capital Partners K.K. Outside Director, Tsubaki Nakashima Co., Ltd. Senior Advisor, Bain & Company Japan, Inc.
	<p>【Reasons for selection as a candidate for Director】</p> <p>The Company selected Mr. Noboru Yamamoto for a candidate of Outside Director with the expectation that the Board of Directors will be strengthened by him demonstrating supervising and monitoring capabilities on the overall management of the Company, based on his abundant knowledge, experiences and achievements cultivated through years of management experiences in the global finance and security industry and representative for M&A advisory companies. He has led the supervising and monitoring activities by the Board of Directors regarding the enhancement of the Company's ESG activities as the ESG Sponsor of the Board of Directors. He has served as Outside Director for 2 years at the closure of this General Meeting.</p>		

No.	Name	Brief Employment History, Position, Responsibility and Important Concurrent Positions	
5	Takuya Hirano <div>New</div> <div>Outside</div> <div>Independent Officer</div> <div>Date of Birth: August 11, 1970</div> <div>Number of the Company's Shares Held: 0</div> <div>Attendance at Meetings of the Board of Directors: -</div>	December 1995 February 1998 February 2001 August 2005 February 2006 July 2007 March 2008 September 2011 July 2014 March 2015 July 2015 September 2019 March 2022 June 2022 October 2022	Joined Kanematsu USA Joined Hyperion Solutions Corporation (currently, Oracle Corporation) President, Hyperion Solutions Japan Senior Director, Business & Marketing Division, Microsoft Co., Ltd. (currently, Microsoft Japan Co., Ltd.) General Manager, Enterprise Service, Microsoft Co., Ltd. General Manager, Enterprise Business & Enterprise Service, Microsoft Co., Ltd. General Manager, Enterprise Business, Microsoft Co., Ltd. General Manager, Multi-country, Microsoft Central and Eastern Europe Executive Vice President, Marketing & Operations, Microsoft Japan Co., Ltd. Representative Officer, Executive Deputy President, Microsoft Japan Co., Ltd. President, Microsoft Japan Co., Ltd. Vice President, Global Service Partner Business, Microsoft Corporation Director (part-time), Japan Professional Football League (J. LEAGUE) (present) Outside Director, Yokogawa Electric Corporation (present) Outside Director, Yayoi Co., Ltd. (present) (Important Concurrent Positions) Director (part-time), Japan Professional Football League (J. LEAGUE) Outside Director, Yokogawa Electric Corporation Outside Director, Yayoi Co., Ltd.
	<p>【Reasons for selection as a candidate for Outside Director】</p> <p>The Company selected Mr. Takuya Hirano for a candidate of Outside Director with the expectation that the Board of Directors will be strengthened by him demonstrating supervising and monitoring capabilities on the overall management of the Company, in particular based on his abundant insights in the technology field, business transformation and cross-cultural leadership, cultivated through years of management experiences of multiple leadership positions in Japan and other regions at Microsoft Corporation, a global IT company which achieved successful business transformation from packaged software to cloud computing services.</p>		

- (Note) 1. None of the candidates has any special interest in the Company.
2. Mr. Jiro Iwasaki, Ms. Selena Loh Lacroix, Mr. Noboru Yamamoto and Mr. Takuya Hirano are candidates for Outside Directors.
3. Mr. Jiro Iwasaki, Ms. Selena Loh Lacroix, Mr. Noboru Yamamoto and Mr. Takuya Hirano satisfy the requirements as Independent Officers stipulated by the Tokyo Stock Exchange and the “Standards for determining the Independence of Outside Officers” established by the Company (see below).
The Company has notified the Tokyo Stock Exchange in respect of Mr. Jiro Iwasaki, Ms. Selena Loh Lacroix and Mr. Noboru Yamamoto as Independent Officers. If their reappointments are approved, the Company will continue this notification. In addition, if the appointment of Mr. Takuya Hirano is approved, the Company will notify the Tokyo Stock Exchange in respect of him as Independent Officers.
4. The Company has entered into liability limitation agreements with Mr. Jiro Iwasaki, Ms. Selena Loh Lacroix and Mr. Noboru Yamamoto, limiting their liability as defined in Paragraph 1, Article 423 of the Companies Act to the minimum liability amount specified in the Company’s Articles of Incorporation, and if their reappointments are approved, the Company will continue such liability limitation agreements with them. In addition, if the appointment of Mr. Takuya Hirano is approved, the Company will enter into a liability limitation agreement with him similar to such agreements.
5. The Company has executed a contract for Directors and Officers Liability (D&O) insurance with an insurance company, and it is expected to be renewed in the future. Under such insurance, damages and costs incurred by each candidate in connection with their performance of duties for the Company are indemnified, and the insurance premium is borne by the Company.

《Reference》

1. Expertise and Experience of Director Candidates (Skills Matrix)

The main expertise and experience of each of the candidates for Director are as follows.

Name	Management Strategy	Leadership Experience	Risk Management	Legal Affairs	Finance	Sustainability	International Business	Semiconductor Technology / DX
Hidetoshi Shibata	●	●			●		●	●
Jiro Iwasaki	●	●	●				●	
Selena Loh Lacroix				●		●	●	●
Noboru Yamamoto		●	●		●	●	●	
Takuya Hirano	●	●					●	●

2. Overview of Standards for determining the Independence of Outside Officers

To ensure that our corporate governance is conducted with the appropriate level of objectivity and transparency, we have established the Standards for determining the Independence of Outside Officers, which are standards for determining whether Outside Directors and Outside Corporate Auditors (“Outside Officers”) are sufficiently independent, i.e., whether there is no possibility for a conflict of interest with the Company.

Accordingly, only individuals who meet the requirements of the Companies Act and the independence standards set forth by the Tokyo Stock Exchange and who do not fall under any of the following categories are considered to be sufficiently independent to serve as our Outside Officers.

1. Business relationship as an Important Customer of the Company:

The Outside Officer is an Officer or Employee of an important customer of the Company

- (*) An important customer of the Company means a customer to whom the Company’s sales (on a consolidated basis) exceeds 2% of the Company’s consolidated revenue, on average over the past three years, or a direct or indirect purchaser or user of the Company’s products who is deemed to have a similar level of importance

2. Business relationship where the Company is an Important Customer of the Business Partner:
The Outside Officer is an Officer or Employee of a business partner of which the Company is an important customer
(*) A business partner of which the Company is an important customer means a business partner whose revenue from the Company (on a consolidated basis) exceeds 2% of the business partner's consolidated revenue, on average over the past three years
3. Business relationship as an Important Fund Provider:
The Outside Officer is an Officer or Employee of a financial institution or other fund provider which provides the Company with funds greater than 2% of the Company's consolidated total assets (as of the end of the last fiscal year)
4. Business relationship providing Professional Services:
The Outside Officer provides, or is an Officer or Employee of an organization that provides, professional services (including, but not limited to, accounting, legal, consulting services) to the Company
(*) Limited to cases where (i) if the services are provided by an organization, the remuneration (on a consolidated basis) for services exceeds 2% of the organization's consolidated revenue, on average over the past three years, or (ii) if the services are provided by an individual, the average remuneration (on a consolidated basis) over the past three years is greater than 10 million yen
5. Capital relationship as a Major Shareholder or Investee:
The Outside Officer either holds, or is an Officer or Employee of an organization which holds, directly or indirectly, 10% or more of the total shareholder voting rights of the Company; or The Company or its subsidiaries are among the major shareholders or investors (holding 10% or more of the total shareholder voting rights or total investment) of the organization in which the Outside Officer serves as an Officer
6. Other significant relationship as an Employee:
The Outside Officer is an Employee of the Company or its subsidiaries
7. Other significant relationship as Accounting Auditor:
The Outside Officer is an Employee or partner of the Company's Accounting Auditor, or a member of the Company's Accounting Auditor in charge of conducting an accounting audit of the Company
8. Other significant relationship as the recipient of a Donation:
The Outside Officer has received donations from the Company or its subsidiaries in excess of 10 million yen in any of the past three years, or is an Officer or Employee of an organization that has received such donations
9. Other significant relationship as a Close Relative:
The Outside Officer is the spouse, relative within two degrees of kinship, or living in the same household as persons having management control of the Company (senior vice president level or above)

Categories 1 through 5, 7 and 8, apply to those persons who meet said criteria at any given point in the past three years; Category 6 applies to those persons who meet said criteria at any given point in the past ten years.

Proposal No. 2: Introduction of a tax-advantaged Employee Share Purchase Plan for the Company's and its subsidiaries' employees who are resident in the U.S.

The Company intends to introduce an Employee Share Purchase Plan (the "ESPP") for employees of the Company and its subsidiaries who are U.S. resident (including executive officers of the Company and its subsidiaries and directors of the Company's subsidiaries; the same shall apply hereafter).

1. Reason for this Proposal

The Company has been conducting its businesses on a global basis as one of the global leading semiconductor companies to realize a stable and sustainable growth in the rapidly changing and highly competitive semiconductor industry. As part of this effort, the Company has acquired various overseas semiconductor companies in the past few years, such as the former Intersil Corporation, the former Integrated Device Technology, Inc. and Dialog Semiconductor Plc. In the midst of these global activities, securing global talented personnel is an important management issue for the Company and its subsidiaries.

The Company intends to introduce an ESPP, which is a plan under which companies provide their employees the opportunity to purchase the Company's shares with certain supports, in order to strengthen alignment between the interests of the employees and the shareholders, and to improve the Company's corporate values by encouraging employees to be exposed to the benefits and risks of share price fluctuations along with shareholders.

The Company has adopted the Employees Share Ownership Plan (*Jugyoin Mochikabukai*), which has been introduced by many Japanese companies, for employees of the Company and its subsidiaries in Japan to help the employees build their financial assets as well as strengthen alignment between the interests of the employees and the shareholders by encouraging employees to be exposed to the benefits and risks of share price fluctuations along with shareholders. Similar plans that support employees to purchase shares in their companies have been introduced by many global companies and some Japanese companies are even starting to introduce such ESPP. The Company intends to introduce an ESPP globally (except for Japan and some countries where regulatory restrictions make it difficult to introduce an ESPP), to expand the benefits already provided to Japanese employees through the Employees Share Ownership Plan to overseas employees in a manner that aligns with global practice, and is competitive globally.

We would like to introduce an ESPP in the U.S. as soon as possible because an ESPP is a very common feature of benefit plan in the U.S. It is already offered by many of the Company's US peers and competitors (in 2022 more than 85% of technology companies in the S&P 500, one of the leading share indices in the U.S., offered an ESPP). Often ESPPs in the U.S. are provided by peers and competitors as a 'tax-advantaged' version, in accordance with the U.S. Internal Revenue Code.

As described above, securing global talented personnel is an important management issue for the Company and its subsidiaries. Employees in the U.S. are increasingly enquiring about opportunities to actively acquire shares in the Company. The Company considers that operating an ESPP in the U.S. will support the Company to continue to attract and retain talented personnel in the U.S.

Further, we believe that a tax-advantaged ESPP will encourage the U.S. employees of the Company and its subsidiaries to participate the ESPP, and thereby help maximize participation in the ESPP in the U.S., and increase the overall attractiveness of the Company and its subsidiaries to talented U.S. personnel. The benefit of a tax-advantaged ESPP is that participating employees who purchase shares under the ESPP may receive favorable U.S. tax treatment, such as favorable tax rates under certain conditions and the deferral of taxation until the sale of the shares.

In this regard, in order to introduce a tax-advantaged ESPP in the U.S. and provide U.S. participating employees with a more beneficial tax treatment under Section 423 of the U.S. Internal Revenue Code of 1986, as amended, the ESPP will require the approval of a majority of the voting rights of the shareholders present at a general meeting of shareholders of the Company within 12 months before or after the date that the ESPP is adopted.

Thus, it is proposed that the Company be authorized to introduce the tax-advantaged ESPP for the U.S. employees of the Company and its subsidiaries, in accordance with the U.S. tax qualification requirements, and in accordance with the framework described in Section 2 below.

2. Framework of the ESPP in the U.S.

(1) Persons Who will be Eligible to Participate

Employees and executive officers of the Company and certain of its subsidiaries, and directors of the Company's certain subsidiaries in each case, who reside in the U.S. (subject to certain exclusions set out in the rules of the ESPP).

(2) Application and Contribution by Eligible Employees

The Company will issue a general invitation to the eligible persons to apply to participate in the ESPP and to make contribution from their net (post-tax) salary. Eligible persons who apply are granted a right to purchase shares of the Company in the future, the purchase price to be paid using the contributions from salary. The maximum amount of salary that may be contributed under the tax-advantaged ESPP will be up to 10 percent of the base salary of each participant (but up to a maximum of \$25,000 per participant per year). Regular contributions from salary shall be accumulated from each payroll of the participants for the period from the grant of awards and until the right to purchase the shares to be exercised (the "Offering Period").

(3) Grant of Awards by the Company and Benefit for Participants

The Company will grant participants a right to purchase the Company's shares as described at Section (2) provided that the purchase price per share shall not be less than 85 percent of the lower of (i) the fair market value of a share at the time of purchase or (ii) the fair market value of a share at the beginning of the Offering Period.

(4) Class of Shares to be purchased and Source of the Shares

The class of share that is the subject of the right to purchase described at Section (3) shall be the Company's common shares. Shares purchased on the open market will be used to settle the participant's right to purchase (except when otherwise resolved by the Board of Directors under special circumstances). At the end of the offering period, the contributions accumulated by each participant will be used to purchase the Company's shares.

(5) Offering Period between Grant of Awards and Share Purchase

The maximum Offering Period will be 12 months.

(6) Term of the ESPP

The ESPP will remain in effect for 10 years from the ESPP's effective date, unless the Company decides to terminate it earlier.

(Note 1) Assuming that all of the eligible persons (Section (1) above) as of January 31, 2023 participate up to their respective purchase price limits (Section (2) above), the total number of shares to be purchased per year at maximum is estimated to be approximately 8,500,000 shares (approximately 0.48% of the total number of shares outstanding excluding treasury stock as of January 31, 2023), which is calculated based on the Company's stock price (JPY 1,329.5) and the exchange rate USD to JPY (1 USD = JPY 131.1) as of January 31, 2023.

(Note 2) Although it has not been determined, if the Company introduces the ESPP in overseas countries or regions other than the U.S. (except for some countries where regulatory restrictions make it difficult to introduce an ESPP) in the future with a framework equivalent to the U.S. as described above, the total number of shares to be purchased per year at maximum is estimated to be approximately 4,000,000 shares (approximately 0.22% of the total number of shares outstanding excluding treasury stock as of January 31, 2023), which is calculated based on the Company's stock price (JPY 1,329.5) and the exchange rate USD to JPY (1 USD = JPY 131.1) as of January 31, 2023.

End

Business Report

(For the period from January 1, 2022 to December 31, 2022 (this “Business Period”))

Overview of Group Operations

● **Business Progress and Results**

(1) Overview

During this Business Period, the global economy slowed down due to accelerating inflation and further rising interest rates globally in the context of the escalating situations in Russia and Ukraine, activity restrictions accompanying China's zero-Covid policy, supply constraints, and labor shortages due to supply chain disruptions.

In the semiconductor market in which Renesas group companies (the “Group”) operate, those semiconductor products which surged due to the COVID-19 pandemic (such as personal computers and mobile phones) entered a phase of inventory adjustment due to demand running its course. Meanwhile, the demand for semiconductors for automobiles, industrial equipment and infrastructure products remained firm due to the electrification and automation of automobiles, the automation and digitization of industrial equipment, and the development of infrastructure such as data centers. Although the supply constraints of semiconductors that became apparent in the previous fiscal year due to tight supply and demand gradually began to dissipate, product shortages continued to persist in a limited number of product groups, particularly in some microcontrollers, analog semiconductors, and power semiconductors for the automotive industry.

In such an environment, the Group has been working on various measures to realize its purpose, “To Make Our Lives Easier” (building a sustainable future through technologies that make people’s lives easier). As a result, in this Business Period the Group recorded all-time highs (Non-GAAP basis) in the period since April 2010, when the Group started out as Renesas Electronics, with both sales revenues and operating income significantly increased over the previous term.

In terms of specific initiatives in this Business Period, first, in terms of product development, in both the automotive and industrial/infrastructure/IoT businesses, which the Group is focusing on, we have driven expansion of a competitive product portfolio that meets customer needs and improved scalability through, for example, development and market launches of over 100 new winning combinations (comprehensive solutions provided by combining the product portfolios of the Group and companies that we have acquired in the past), semiconductors for automotive such as the R-Car family (S2, V4H), RH850 series (U2B), new-generation silicon IGBT (Insulated Gate Bipolar Transistor) products (AE5), as well as semiconductors for industrial, infrastructure, and IoT devices such as the RZ MPU family (Five), RA MCU family, and have won many design-ins that will be the source of our future revenue.

In terms of production and supply chain, in order to meet the demand for power semiconductor devices, which is expected to expand rapidly in the future in the context of the spread of electric vehicles and renewable energy, we decided to restart our existing Kofu Plant as a 300mm production plant, with a target to start operations in 2024. In addition to beginning preparations for the restart, we also moved ahead with improving facilities at the Naka, Saijo, and Kawashiri plants to meet the demand for microcontrollers for automotive controls and analog and power semiconductor devices for data centers. In addition, in order to strengthen resilience (toughness and restoration), we also have addressed

thorough implementation of 5S activities (sorting, setting in order, shining, standardizing, and sustaining discipline), strengthening the introduction of backup power supply equipment and fire prevention equipment (ultra-sensitive smoke detectors, sprinklers, etc.), and establishment of a die bank for products manufactured within the Group.

In addition, in order to acquire products and technologies that the Group does not possess at an early stage and to strengthen our solutions capabilities in the highly competitive semiconductor industry, we pushed forward with the acquisition of the United States-based Reality AI, which has strengths in embedded AI (artificial intelligence) technology, and the India-based Steradian, which has advanced radar technology.

In terms of raising the awareness and behavior of our Group employees and improving our business operations, we conducted a survey of employees in order to further instill our Group's action guidelines, "Renesas Culture" which consists of five elements (i.e., Transparent, Agile, Global, Innovative, Entrepreneurial) (abbreviation: TAGIE). Based on the results of this survey, we implemented initiatives to simplify various business operations (such as review of ringi-approval criteria, or internal approval rules) and enhance career opportunities for employees (such as revitalizing the internal recruitment system), and engaged in various activities such as holding panel discussions and disseminating information to employees. In addition, from the perspective of optimizing our talent composition, we organized a global talent recruitment team, and while also utilizing RPO (Recruitment Process Outsourcing), we worked to achieve a well-balanced mix of employee with age, region, and skills for the entire Group, and to strengthen recruitment in priority areas such as software. As an initiative to improve and strengthen IT systems and cybersecurity, we are promoting the integration of ERP (Enterprise Resource Planning), the Group's core IT system for improving the efficiency of operations and decision-making. In addition, in order to respond to cyber security issues, which have become increasingly urgent in recent years, we have implemented various security measures based on the results of current evaluations and simulations, and established a Security Committee and regular reporting and discussions at Board of Directors meetings.

In terms of ESG (Environment/Social/Governance) initiatives, we set priority issues (materiality) to be addressed by the Group and implemented various measures to resolve those issues. We have also endeavored to enhance information disclosure at our website, etc. In addition, in order to strengthen ESG activities, our Board of Directors has newly appointed an Outside Director as an "ESG sponsor". As a result of these efforts, the Group received an "AA" rating from MSCI, an international ESG research organization, and were also selected for the first time in three constituent brands such as the FTSE4Good Index Series from FTSE, a leading global ESG index in this Business Period. In addition, we received certification from the international environmental initiative SBT (Science Based Targets) of our greenhouse gas reduction target of 1.5°C, and were also awarded for the first time the gold prize, the highest rating, in the PRIDE Index 2022 which evaluates corporations' efforts aimed at LGBTQ+ inclusion.

As a high evaluation of the Group's strategies and initiatives, in 2022 the Group was awarded the Porter Prize by the: Hitotsubashi Business School International Corporate Strategy group and the Outstanding Asia-Pacific Semiconductor Company Award by the Global Semiconductor Alliance.

(2) Summary of Consolidated Financial Results

The Group discloses consolidated business results in terms of both its internal indicators which the management relies upon in making decision (hereinafter referred to as “Non-GAAP”) as well as indicators based on IFRS to support good understanding of our constant business performance.

Non-GAAP revenue, gross profit and operating profit are derived as follows: IFRS revenue, gross profit and operating profit subtracting or reconciling non-recurring items and other reconciliation items in accordance with certain rules established by the Group. Non-recurring items include depreciation of intangible assets recognized from acquisitions, other purchase price allocation (hereinafter “PPA”) adjustments and stock compensation as well as other non-recurring expenses and income the Group believes to be applicable.

(Note) The Group references standards determined by the U.S. Securities and Exchange Commission in connection with the disclosures of the Non-GAAP, but the disclosures do not fully comply with such standards.

Financial results of the Group in this Business Period are as follows.

<Consolidated Financial Results of this Business Period (Non-GAAP Basis)>**(Non-GAAP Net Revenues)**

Net revenues for this Business Period increased by 51.1% year-on-year to 1,502.7 billion yen. This was due to the sales increase effect from the consolidation of Dialog acquired in August 2021, and the effects of yen depreciation, as well as an increase in net revenues supported by continuous growth in the value of semiconductors installed per vehicle in the automotive business, and an increase in revenues in the industrial, infrastructure and IoT businesses from the demand expansion in the infrastructure market such as data centers.

(Non-GAAP Gross Profit)

Gross profit for this Business Period increased by 334.3 billion yen (63.2%) year-on-year to 863.2 billion yen (gross margin of 57.4%). This was due to an increase in revenues and an increase in gross margins due to factors such as an improvement of product mix.

(Non-GAAP Operating Profit)

Operating profit for this Business Period increased by 262.8 billion yen (88.6%) year-on-year to 559.4 billion yen (operating margin of 37.2%). This was due to factors such as an increase in gross profit and efforts to streamline business operations.

(Adjustment from Non-GAAP Gross Profit to IFRS Gross Profit)

During this Business Period, the Non-GAAP reconciliations in revenue level which is deducted from non-GAAP gross profit are 1.8 billion yen, amortization of purchased intangible assets and depreciation of property, plant and equipment was 1.0 billion yen, and the market valuation of inventories is 1.5 billion yen, and stock compensation are 1.5 billion yen. Further, one-time and limited-in-scope gains or losses are included in other reconciliation items in non-recurring expenses and adjustment of 3.2 billion yen.

(Adjustment from Non-GAAP Operating Profit to IFRS Operating Profit)

During this Business Period, the Non-GAAP reconciliations in revenue level which is deducted from non-GAAP operating profit are 1.8 billion yen, amortization of purchased intangible assets and depreciation of property, plant and equipment is 106.2 billion yen, and the market valuation of inventories is 1.5 billion yen, and stock compensation are 18.1 billion yen. Further, one-time and limited-in-scope gains or losses are included in other reconciliation items in non-recurring expenses and adjustments of 7.5 billion yen.

<Consolidated Financial Results for this Business Period (IFRS Basis)>

Net revenues for this Business Period increased 51.0% year-on-year to 1,500.9 billion yen, and gross profit increased 72.1% year-on-year to 854.0 billion yen (gross margin 56.9%), operating profit increased 144.0% year-on-year to 424.2 billion yen (operating margin of 28.3%). In addition, profit attributable to owners of the parent for this Business Period was 256.6 billion yen, resulting in an increase of 137.1 billion yen year-on-year.

(Billion yen)

Classification	20th Business Period (From Jan. 1, 2021 to Dec. 31, 2021)	21st Business Period (This Business Period) (From Jan. 1, 2022 to Dec. 31, 2022)
Non-GAAP Gross Profit	528.9	863.2
Reconciliations in Revenue Level (Note 1)	(0.5)	(1.8)
Amortization of Purchased Intangible Assets and Depreciation of Property, Plant and Equipment	(0.9)	(1.0)
Market Valuation of Inventories	(13.1)	(1.5)
Stock compensation	(1.4)	(1.5)
Other Reconciliation Items in Non-Recurring Expenses and Adjustments (Note 2)	(16.9)	(3.2)
IFRS Gross Profit	496.1	854.0
Non-GAAP Operating Profit	296.6	559.4
Reconciliations in Revenue Level (Note 1)	(0.5)	(1.8)
Amortization of Purchased Intangible Assets and Depreciation of Property, Plant and Equipment	(67.3)	(106.2)
Market Valuation of Inventories	(13.1)	(1.5)
Stock compensation	(14.9)	(18.1)
Other Reconciliation Items in Non-Recurring Expenses and Adjustments (Note 2)	(27.0)	(7.5)
IFRS Operating Profit	173.8	424.2
IFRS Profit Attributable to Owners of Parent	119.5	256.6

- (Notes)
1. Non-GAAP adjustments have been applied to the revenue following the implementation of PPA.
 2. "Other reconciliation items in non-recurring expenses and adjustments" includes the non-recurring items related to acquisitions and other adjustments as well as non-recurring profits or losses the Group believes to be applicable.

<Segment Overview>

Financial results (Non-GAAP basis) in individual segments are as follows.

(Automotive Business)

The Automotive Business includes the product categories “Automotive control,” comprising semiconductor devices for controlling automobile engines and bodies, and “Automotive information,” comprising semiconductor devices used in automotive information systems such as censoring systems to detect environment inside and outside the vehicle, IVI (In-Vehicle Infotainment) to convey various information to drivers, etc., and instrument panels. The Group mainly supplies microcontrollers, system-on-chips (SoCs), analog semiconductor devices and power semiconductor devices in each of these categories.

Net revenues of the automotive business for this Business Period increased by 39.5% year-on-year to 645.0 billion yen. This was mainly due to an increase in net revenues for both “Automotive control” and “Automotive information” as a result of the increase in the value of semiconductors installed per vehicle, as well as the effects of yen depreciation. Moreover, gross profit increased by 109.9 billion yen (51.2%) year-on-year to 324.4 billion yen (gross margin of 50.3%). This was due to an increase in revenues and a rise in gross margins from product mix improvement.

Operating profit increased by 96.8 billion yen (79.0%) year-on-year to 219.2 billion yen (operating margin of 34.0%) due to the impact of increases in profits from gross margin improvements.

(Industrial, Infrastructure and IoT Business)

The Industrial, Infrastructure and IoT Business includes “Industrial,” “Infrastructure” and “IoT” which support the smart society. The Group mainly supplies microcontrollers, SoCs and analog semiconductor devices in each of these categories.

In this Business Period, net revenues from the Industrial, Infrastructure and IoT Business increased 64.1% year-on-year to 845.9 billion yen. This was due to revenue increase associated with the Dialog consolidation and the effects of the yen depreciation, as well as increases in revenues in each of the “Industrial” “Infrastructure,” and “IoT” segment. The main contributors were devices for factory automation, PC/mobile, and data centers.

Moreover, gross profit increased by 223.0 billion yen (71.4%) year-on-year to 535.3 billion yen (gross margin of 63.3%). This was due to an increase in revenues and increase in gross margin by product mix improvement.

Operating profit increased by 164.7 billion yen (98.6%) year-on-year to 331.8 billion yen (operating margin of 39.2%) due to the impact of sales increase as well as increase in profits from gross margin improvements.

(Other)

The Other segment includes development and manufacturing of semiconductors for other companies.

Revenues of the Other segment for this Business Period decreased by 28.9% year-on-year to 11.8 billion yen.

Operating profit increased by 70.4% year-on-year to 3.4 billion yen.

We are working to improve corporate value to increase shareholder returns by allocating internal reserves to strategic investment opportunities in order to respond to rapid changes in the environment and survive in the global competition.

Meanwhile, as part of our policies on the allocation of resources and capital, we have placed shareholder returns as one of our most important measures along with strategic investment.

In this Business Period, following confirmation of heightened shareholder concern regarding returns of profit and completion of building the necessary financial base, in June 2022, the Company carried out a return of profit to shareholders in the form of acquisition of its own shares (200 billion yen in total). Also, to further proceed with return of profits to shareholders, the Company has announced it will newly proceed with an additional acquisition of its own shares through a tender offer (totaling approximately 50 billion yen) (see "Other Important Matters Concerning the Current Status of the Group" below for an overview).

Going forward, we aim to resume dividend payment at the earliest opportunity by achieving stable and sustainable profit growth from a long-term perspective; however, we would like to postpone the payment of dividends for this Business Period.

In this regard, we appreciate our shareholders' continuous understanding and support.

● **Issues to be Addressed by the Group**

(1) Sales growth, appropriate cost control and optimization of production structure

First, in terms of sales of the Group, demand for semiconductors for automobiles, which recovered in the previous Business Period, continued to be strong, and demand for semiconductors for industrial, infrastructure and IoT field was also strong. In addition, due to the impact of the acquisition of Dialog, which was completed in August 2021, and the rapid depreciation of the yen during this Business Period, our sales increased year-on-year. Further, design-in, which will be a source of future revenue for the Group, exceeded the target for this Business Period by 10% and increased by 32% year-on-year.

In order to achieve further sales growth, the Group will intensively conduct R&D investment in focus areas, and will promote, through M&A, the expansion and enhancement of product portfolios and technologies that the Group does not own at the moment.

The specific focus areas where the Group will intensively invest in R&D include SoCs for AD (Autonomous Driving) and ADAS (Advanced Driver-Assistance Systems), microcontrollers for automotive domain control, IGBT products for xEV, mixed-signal products for ADAS and xEV, microcontrollers/SoCs with Arm cores and RISC-V cores, BMICs (Battery Management ICs), MPUs with built-on DRP-AIs (Dynamically Reconfigurable Processor-AI), and analog mixed signal products for data centers and 5G-related fields.

Meanwhile, with regard to the past acquisitions of the former Intersil, former IDT, Dialog, and Celeno, the Group has strengthened efforts to maximize synergies, including winning combinations. During this Business Period, we acquired Reality AI, which has strengths in highly efficient embedded AI technology, and Steradian, which has advanced radar technology, with the intention of acquiring early-stage products and technologies to keep up with the spectacular evolution of semiconductor technology.

Going forward, we will continue to add to and update the list of acquisition candidates to acquire products, technologies, and solutions that the Group does not own at the moment.

In terms of cost control, first, as a cost synergy associated with the acquisition of Dialog, we have been implementing measures to reduce the cost of sales, SG&A expenses, and R&D expenses since the completion of the acquisition, and it is expected that the target value that we announced at the time of the acquisition will be achieved. In addition, regarding transportation costs, which continue to remain high due to the impact of the spread of COVID-19 and rising labor costs, we will continue to reduce costs by implementing measures to streamline logistics flow and utilizing the Dialog acquisition to build new logistics routes. We will continue striving to stabilize our supply chain by promoting multi-sourcing of raw materials and executing long-term supply contracts with our suppliers.

To improve the efficiency of operations and IT systems, the Group has made strategic investments toward the integration of the Group's core ERP IT systems and is proceeding with integration in stages. Some functions have started operating in August 2022, and we believe that this will make a major contribution in the medium- to long-term.

In the short term, the Group will steadily implement strategic investment necessary for future sales growth and business efficiencies while continuing to strive to achieve appropriate cost controls.

In terms of production, the utilization rate of the Group's front-end production factories during this Business Period was 63% for the 150mm wafer production line, 93% for the 200mm wafer production line, and 80% for the 300mm wafer production line, an average of 86% for all factories.

In the context of a global supply shortage of semiconductors, the Group will strive to enhance the production facilities at the Group's factories in order to ensure a stable supply. Specifically, in order to meet demand for power semiconductor devices, which is expected to increase in the future, we aim to restart the Kofu Factory as a 300mm wafer production line with a target start in 2024, and are strengthening facilities at the Naka, Saijo, and Kawashiri factories to meet the demand for microcontrollers for automotive controls as well as analog and power semiconductor devices for data centers. Additionally, in order to strengthen resilience, we will continue to enhance measures such as the introduction of backup power supply equipment and establishment of a die bank.

We will also work to secure and expand production capabilities at our outsourced production partners.

As a result of these aggressive investments, the Group's capital investment for this Business Period was about 14% of revenue, but we will restrict this to about 5% of revenue in the medium- to long-term.

(2) Responding to geopolitical issues

The dislocation of supply chains triggered by the trade friction between the United States and China is expected to increase further in the future as this friction grows protracted. This dislocation may have

a significant impact on the semiconductor market, and on business opportunities for the Group, both in the short- and medium- to long-term.

In order to respond to the dislocation of each of the supply chains centering on the United States and China, the Group is promoting the decentralization of design and manufacturing sites and the optimization of resources.

Going forward, we will continue our activities to minimize these geopolitical risks and maximize business opportunities.

(3) Maximizing user experience value

With our purpose of “To Make Our Lives Easier”, the Group has promoted improvement of the user experience (UX) to ease customer’s product and service development activities. To realize this, the Group has implemented various efforts to enable customers to proceed with product and service development as easily and speedily as possible.

As an example of specific initiatives, the Group has proceeded with expanding “winning combinations” that combine our broad product portfolio and strengthening boards and software solutions which transcend block diagrams. In addition, we have prepared various development environments (integrated development environment, Lab on the Cloud, etc.) that enable customers to proceed with product development online from the early stages of development without waiting for the physical design to be completed. We are also developing Quick Connect IoT, which enables customers to immediately put their products on the market just by adjusting a simple software code.

The Group will continue to expand and strengthen these efforts in order to further maximize the value of the user experience.

(4) Optimization of the supply chain

The Group’s supply chain has issues in terms of matching lead time between production and orders, as well as business practices of order confirmation. To address these issues, the Group is currently introducing a new IT system to further speed up decision-making.

In terms of production execution, we are establishing a die bank to further strengthen our ability to respond to fluctuations and the BCP (Business Continuity Plan). Of these, we were able to achieve a certain level of success with products produced within the Group, however, we have not yet established a die bank for products outsourced due to continued tight supply and demand conditions. We will continue to orient appropriate die bank development while carefully checking market trends.

The Group will continue to work on optimizing the supply chain through various measures.

(5) Promotion of ESG initiatives and information disclosure

The Group implemented many initiatives related to ESG and SDGs (Sustainable Development Goals) during this Business Period, and we will continue to promote activities that contribute to the “environment” for the realization of a sustainable society, activities that contribute to “society” such as human resources diversity, employee health and safety, and supply chain management, and activities that contribute to “governance” such as strengthening the functions of the Board of Directors.

In addition, we will further enhance the disclosure of non-financial information related to ESG activities, strive to improve our ESG rating, provide information to various stakeholders surrounding the Group, and aim to further improve our corporate value.

(6) Optimization of talent composition

As of the end of this Business Period, personnel composition of each of the business areas of the Group as of the end of this Business Period was as follows: 44% in Japan, 11% in North America, 11% in Europe, and 34% in Asia Pacific.

The Group will, from a medium- to long-term perspective, work on various personnel measures with the aim of achieving a well-balanced age composition, regional composition, and skillset mix of employees throughout the Group, and increasing the number of employees engaged in important fields such as software and fields that are expected to grow in the future.

The Group has organized a global talent recruitment team, and will implement strategic recruitment activities in each region based on globally consistent policies, and continue to work on optimizing our talent mix as a whole Group while making use of M&A when necessary.

(7) Improving employee engagement and instilling Renesas Culture

The Group provides products and solutions to meet our purpose of “To Make Our Lives Easier”. In 2020, the Group developed and launched “Renesas Culture,” which consists of five elements: “Transparent, Agile, Global, Innovative, Entrepreneurial” which was shared with the Group organization and employees all over the world as action guidelines to respond to the ever-changing environment swiftly and flexibly.

During this Business Period, the Group took various measures to accelerate the penetration of this Renesas Culture. Going forward, the Group will further employee engagement by integrating this culture into each part of the HR cycle such as hiring, training, and performance evaluations, while also continuing to share Renesas Culture elements to employees.

● Research and Development Activities of the Group

(1) Renesas announced AI chip development that realized a maximum of 10 times electricity efficiency compared to conventional technologies

The Group has developed an AI chip using DRP that processes complex tasks.

The Group will promote and expand automation in various industries through the development of this AI chip, including the smart market and robotics, and contribute to the creation of new services accompanying the acceleration of DX (Digital Transformation).

(2) Renesas launches integrated development environment that enables ECU-level automotive software development without hardware

The Group launched the integrated development environment for automotive development, as a part of the expansion of the development environment to contribute to the realization of the “software first” approach in which software drives the value of automobiles in automotive development, and of a “shift left” approach in which specifications, functions, and performance can be verified without hardware from the initial stages of automotive development.

With this development environment, the Group will provide customers with a verification environment from the initial stage of development of customer products and enable software development at the ECU

level, which will improve the product value. We will contribute to the realization of “software first” and “shift left.”

(3) Renesas RA family MCUs achieve CAVP certification for comprehensive suite of cryptographic algorithms

Secure Crypto Engine 9 (SCE9), the security engine of the Group's RA family of 32-bit microcontrollers (MCUs) implementing Arm Cortex®-M has been certified by the United States' National Institute of Standards and Technology (NIST) Cryptographic Algorithm Verification Program (CAVP).

This certification provides independent verification from the viewpoint of a third party by NIST of the correct implementation of the cryptographic algorithms, which is vital to ensure connectivity interoperability.

The Group's RA family products (RA6M4, RA6M5, RA4M2, and RA4M3 product groups) with built-in SCE9 all received CAVP certification for a comprehensive suite of cryptographic algorithms, including multiple common key system modes:

Advanced Encryption Standard (AES), public key system: Rivest Shamir Adleman (RSA), hashing, and algorithms for key generation and authentication, as well as key agreement schemes.



With CAVP certification, in conjunction with similar certification systems, SESIP Level 1 and PSA Certified Level 2, the Group can provide the industry's comprehensive IoT security solutions and consequently the Group can support securing data by customers in a broad range of connected device areas.

● Capital Investments of the Group

The total amount of capital investment made by the Group (on an investment decision basis) during this Business Period was 216.4 billion yen. The main breakdown is investment in the Kofu Factory, which is scheduled to be restarted as a 300mm production line dedicated to power semiconductor devices, investment in increased production at front-end process lines (Naka, Saijo, Kawashiri), and renewal of production facilities at production lines.

● Financing Activities of the Group

In order to procure sufficient working capital, in April 2022, the Company executed short-term borrowings totaling 50.0 billion yen from MUFG Bank, Ltd., Mizuho Bank, Ltd., and Sumitomo Mitsui Trust Bank, Limited under commitment line agreements, and repaid in full in July of the same year. In June 2022, in order to meet the demand for funds for future business development and to procure flexible means of financing, we entered into a term loan agreement (total borrowing of USD 200 million) with Bank of America NA Tokyo Branch, and with MUFG Bank, Ltd. (total borrowings of 20.0 billion yen), respectively, and executed the borrowing.

As of the end of this Business Period, the Group's interest-bearing debt decreased by 61.3 billion yen from the end of the previous Business Period to 770.0 billion yen.

● **Changes in the Results of Financial Position and Profit and Loss (Consolidated)**

<IFRS>

Indices		18th Business Period (From Jan. 1, 2019 to Dec. 31, 2019)	19th Business Period (From Jan. 1, 2020 to Dec. 31, 2020)	20th Business Period (From Jan. 1, 2021 to Dec. 31, 2021)	21st Business Period (This Business Period) (From Jan.1, 2022 to Dec. 31, 2022)
Revenue	(Billions of yen)	718.2	715.7	993.9	1,500.9
Operating Profit	(Billions of yen)	6.3	65.1	173.8	424.2
Non-GAAP Operating Profit	(Billions of yen)	92.5	137.5	296.6	559.4
Profit (Losses) Before Tax	(Billions of yen)	(0.3)	65.2	142.7	362.3
Profits (Losses) Attributable to Owners of Parent	(Billions of yen)	(6.3)	45.6	119.5	256.6
Basic Earnings (Losses) Per Share	(Yen)	(3.73)	26.54	64.77	137.67
Total Assets	(Billions of yen)	1,668.1	1,609.0	2,426.3	2,812.3
Total Equity	(Billions of yen)	624.4	619.7	1,153.4	1,537.5

- (Notes)
1. Starting from 18th Business Period, the consolidated financial statements are being prepared in accordance with IFRS.
 2. Basic earnings (or losses) per share is calculated based on the average number of shares outstanding during the applicable Business Period.
 3. Non-GAAP operating profit is calculated by deducting or adjusting non-recurring items and other specific adjustment items from operating profit in accordance with IFRS pursuant to certain rules. We determined such information is useful to understand the Group's constant operating results.

<Japanese GAAP>

Indices		17th Business Period (From Jan. 1, 2018 to Dec. 31, 2018)
Net Sales	(Billions of yen)	757.4
Operating Income	(Billions of yen)	66.8
Ordinary Income	(Billions of yen)	65.1
Income Before Tax	(Billions of yen)	55.6
Net Income Attributable to Owners of Parent	(Billions of yen)	54.6
Net Income Per Share	(Yen)	32.74
Total Assets	(Billions of yen)	967.8
Net Assets	(Billions of yen)	531.6

(Note) Net income per share is calculated based on the average number of shares outstanding during the applicable Business Period.

- **Main Business of the Group (as of December 31, 2022)**

As a semiconductor manufacturer, the Group designs, develops, manufactures and sells and provides services in connection with semiconductor products with focus on products for automotive, industrial, infrastructure and IoT-based applications.

● **Principal Subsidiaries (as of December 31, 2022)**

	Company Name	Capital (Millions of yen)	Investment Ratio (%)	Main Business	Location
Japan	Renesas Semiconductor Manufacturing Co., Ltd.	100	100.0	Manufacture of semiconductor products (front-end process)	Hitachinaka-shi, Ibaraki
Overseas	Renesas Electronics America, Inc.	(1,000 USD) 2,952,449	100.0	Design, development, manufacturing and sale of semiconductor products in the US	California, US.
	Renesas Electronics Europe GmbH (Germany)	(1,000 Euro) 14,000	100.0	Design, development and sale of semiconductor products in Europe	Dusseldorf, Germany
	Renesas Electronics Hong Kong Limited	(1,000 HKD) 15,000	100.0	Sale of semiconductor products in Hong Kong	Hong Kong, China
	Renesas Electronics Taiwan Co., Ltd.	(1,000 NTD) 170,800	100.0	Sale of semiconductor products in Taiwan	Taipei, Taiwan
	Renesas Electronics Shanghai Co., Ltd.	(1,000 USD) 7,100	100.0	Sale of semiconductor products in China	Shanghai, China
	Renesas Electronics Singapore Pte. Ltd.	(1,000 USD) 32,287	100.0	Sale of semiconductor products in ASEAN, India, Oceania and Middle East	Singapore
	Dialog Semiconductor Limited	(1,000 USD) 13,526	100.0	Development, manufacturing and sale of analog IC products such as mixed signal	Buckinghamshire, UK

- (Notes)
1. As of December 31, 2022, there is a total of 104 consolidated subsidiaries consisting of 5 domestic companies and 99 overseas companies, including the principal subsidiaries described above.
 2. There is no "Specific wholly owned subsidiary" which comes under Item 4, Article 118 of the Ordinance for Enforcement of the Companies Act.

● **Principal Offices and Plants of the Group (as of December 31, 2022)**

(1) The Company

Type	Location
Head Office	Koto-ku, Tokyo
R&D Base	Musashi Site (Kodaira-shi, Tokyo), Takasaki Site (Takasaki-shi, Gunma), Naka Site (Hitachinaka-shi, Ibaraki)
Manufacturing Base	Yonezawa Factory (Yonezawa-shi, Yamagata), Oita Factory (Nakatsu-shi, Oita), Nishiki Factory (Kuma-gun, Kumamoto)

(2) Subsidiaries

The principal subsidiaries and their locations are described in "Principal Subsidiaries" above.

- **Employees of the Group (as of December 31, 2022)**

Number of Employees	Increase from December 31, 2021
21,017	55

(Note) The above figures are the number of permanent employees (including individuals seconded from outside the Group to the Group, and excluding individuals seconded from the Group to outside the Group), and temporary employees are not included.

- **Major Lenders of the Group (as of December 31, 2022)**

Lenders	Balance of Borrowings (Millions of yen)
MUFG Bank, Ltd.	202,962
Mizuho Bank, Ltd.	168,219
Japan Bank for International Cooperation	105,331
Sumitomo Mitsui Trust Bank, Limited.	48,143

- **Other Important Matters related to the Current Status of the Group**

As a part of our measure to return profits to our shareholders, the Company has resolved at the Meeting of Board of Directors dated February 9, 2023, to authorize an acquisition of its own shares pursuant to the provisions of Article 156, Paragraph 1 of the Companies Act (Act No. 86 of 2005; as amended), as applied by replacing certain terms pursuant to the provisions of Article 165, Paragraph 3 of the Companies Act and the provisions of its Articles of Incorporation and conduct a tender offer to acquire its own shares as the specific acquisition method. In addition, on the same day, the Company entered into a tender agreement with INCJ, Ltd. in which INCJ, Ltd. agreed to tender 40,000,000 shares (ownership ratio: 2.23%) in the tender offer.

(1) Outline of the acquisition of the Company's own shares

(1) Class of Shares	Common stock
(2) Total number of shares	40,453,174 shares (maximum)
(3) Total acquisition price	50,000,123,064 yen (maximum)
(4) Period of acquisition	From February 10, 2023 to April 28, 2023

(2) Outline of the tender offer

(1) Number of shares to be purchased	40,453,074 shares
(2) Price of purchase	1,236 yen per share of common stock
(3) Period of Tender Offer	From February 10, 2023 to March 10, 2023
(4) Commencement date of settlement	April 4, 2023

Guide on How to Login to the Virtual-Only Shareholders' Meeting (Procedure)

Date and time: March 30, 2023 (Thu) at 10:00 A.M. (login available from 9:30 A.M.) (JST)

1. Access the website.



<https://web.lumiagm.com/#/m/705537650>

2. Read the notice and check in the box "I agree to the above" and then press "Agree".



3. Enter the login ID and password and press "JOIN THE MEETING".

For your login ID and password, please refer to the enclosed "Login ID and Password Notice".



4. Please wait until the opening time.

Virtual-Only Shareholders' Meeting Help Desk

0120-245-022 (toll-free only from Japan)

(in Japanese only)

- Opening hours:

➤ March 3 (Fri) – March 30 (Fri)

9:00 A.M. to 5:00 P.M. (JST) (weekdays; excluding Saturdays, Sundays and national holidays)

➤ Date of the General Meeting

9:00 A.M. (JST) to the end of the webcast

In the event of a communication problem, etc., we will promptly make an announcement via our IR website (<https://www.renesas.com/us/en/about/investor-relations>).