

The following is an English translation of the Notice of the 22<sup>nd</sup> Annual General Meeting of Shareholders of Renesas Electronics Corporation to be held on March 26, 2024 (as well as the Business Report, the Consolidated Financial Statements, and the Non-consolidated Financial Statements for the 22<sup>nd</sup> business period, and the report on the result of the audit conducted on such Financial Statements by the Independent Auditors and the Board of Corporate Auditors). The Following English translation is provided for your reference and convenience only. If there is any inconsistency between this translation and the official Japanese Original, the latter shall prevail.

**RENESAS**



<b>Voting Deadline</b>	<b>5:30 P.M.</b> <b>March 25, 2024 (Monday)</b>
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Annual  
**22<sup>nd</sup>** General  
Meeting of shareholders

## **Convocation Notice**

January 1<sup>st</sup>, 2023 ▶ December 31<sup>st</sup>, 2023

**Date and Time** **March 26, 2024 (Tuesday) at 9:00 A.M.**  
(Japan Standard Time)  
- You will be able to login from 8:30 A.M.

**Method** **Shareholders Meeting without a Designated Location (Virtual-Only Shareholders' Meeting)**  
- This shareholders' meeting will be held entirely online. Please note that there is no physical venue where you can visit.

### **Matters to be voted.**

**Proposal 1:**  
Distribution of Dividends from Surplus

**Proposal 2:**  
Partial Amendments to the Articles of Incorporation  
(No.1: Related to Distribution of Dividends from Surplus, etc.)

**Proposal 3:**  
Partial Amendments to the Articles of Incorporation  
(No.2: Transition to a Company with a Nomination Committee, etc.)

**Proposal 4:**  
Election of Six (6) Directors

**Renesas Electronics Corporation**  
Securities Code: 6723

## To Our Shareholders

### Initiatives and achievements of this Fiscal Year

During the fiscal year ended December 31, 2023 (“2023”), the global economy continued to stagnate as in the previous year reflecting the protracted situation in Ukraine, the deteriorating conditions in the Middle East, the global inflation, and the elevated interest rates. In line with these trends, the semiconductor market also remained sluggish. To address these situations, we have proactively implemented various measures to respond swiftly to changes and to ensure steady results even in the face of headwinds. As a result, we secured a certain level of profit in 2023 and managed to sustain our revenue to a slight decline compared to the previous year.

In 2023, to accelerate future business growth, we welcomed Pantronics, a company with expertise in near-field communication or NFC technology, into the group. We also signed a long-term supply agreement with Wolfspeed for silicon carbide (“SiC”) wafers, to ensure a stable supply of SiC wafers for power semiconductors. Furthermore, we have launched a wide array of new products and services, including: the “RA8 Series”, the industry’s first microcontrollers (“MCU”)s equipped with the high-performance Arm® Cortex-M85® core; the “R-Car Generation 5 Product Family”, with a roadmap consisting future offerings of R-Car system-on-chips or SoCs with advanced in-package chiplet integration technology and next-generation automotive MCUs; and “Quick-Connect Studio”, a cloud-based design platform that supports customer product development. These initiatives have resulted in securing a number of design-ins which will be a source of future revenue.

The year 2023 was a period in which our presence in the stock market continued to grow, following on from the previous year. Our stock was selected as a constituent of the “Nikkei 225”, the index which makes up the Nikkei Stock Average, and our market capitalization has nearly doubled in the year since the beginning of 2023. In addition, with respect to ESG, we were selected for the first time as a constituent of the “MSCI Japan ESG Select Leaders Index” by the internationally renowned MSCI Inc. Furthermore, INCJ Corporation, which contributed to building the foundation of our growth, sold all of its shares in our company in light of our growth.

In terms of shareholder return, we acquired a total of approximately 50 billion yen of our own shares in April 2023. Considering the strengthened our financial base, we have decided to resume the dividend payments and proposed, at this Shareholders Meeting, a year-end dividend of 28 yen per share. We aim to continue to return profits to shareholders on a continuous and stable basis as far as possible. We intend to do this by taking into account changes in the business environment and the balance with retained earnings for long-term growth investment.

### Initiatives for the future

We will continue to make various efforts to realize our “2030 Aspirations” (“Become a Top 3 embedded semiconductor solution supplier,” “Achieve revenues of more than \$20 billion,” and “Bring up the equity value by up to six times the market capitalization compared to January 2022” by 2030).

In January 2024, we implemented organizational changes to further accelerate our growth. The new organizational structure has reorganized an application-oriented organization to a technology-based business structure. This structure strengthens our capability to provide a broader range of solutions tailored to our customers’ needs. In addition, to maximize our scale merit, we have established new groups of foundations. These organizations will serve as centralized foundations across all lines of business.

Furthermore, we are pursuing a digitalization strategy that makes it easier for customers to build solutions by providing a cloud-based platforms. To achieve this, we have established a new organization dedicated to software and digitalization. In February 2024, as a significant step in accelerating our digitalization strategy, we agreed to acquire Altium, a leading printed circuit board or PCB design software company.

We also agreed to acquire Transphorm, which has strengths in gallium nitride or GaN technology, in January 2024. This enables us to build on our SiC capability and enhance our portfolio of power semiconductors, which is one of the key pillars of our growth.

To strengthen our corporate governance, we have proposed at this Shareholders Meeting the transition of our company’s governance structure to a Company with a Nominating Committee, etc.

To materialize the “2030 Aspirations” and our purpose of “To Make Our Lives Easier,” we will continue to provide products and solutions that make people’s lives easier. 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.



**Hidetoshi Shibata**  
Representative Director, President & CEO

(Translation)

**Renesas Electronics Corporation**

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

Hidetoshi Shibata  
Representative Director, President and CEO

March 7, 2024  
(Commencement Date of Electronic Provision: March 1, 2024)

**To Our Shareholders:**

**NOTICE OF THE 22ND ANNUAL GENERAL MEETING OF SHAREHOLDERS**

The Twenty-Second 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 22<sup>nd</sup> 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 25, 2024 (Monday) (Japan Standard Time), after reviewing the Reference Documents for the General Meeting below and in accordance with the guidance on page 7 of this notice.**

1. **DATE AND TIME:** March 26, 2024 (Tuesday) at 9:00 A.M. (Japan Standard Time)
  - \* Please note that the opening time has changed since last year's meeting.
  - \* You will be able to login from 8:30 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 reasons, the meeting will be postponed to March 28, 2024 (Thursday) at 9:00 A.M. (JST). In such a 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.sharely.app/login/renesas22>). For more information, please refer to "Guide to the Virtual-Only Shareholders' Meeting" on page 4 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 22<sup>nd</sup> Business Period from January 1, 2023 to December 31, 2023.

**MATTERS TO BE VOTED ON:**

**Proposal 1:** Distribution of Dividends from Surplus

**Proposal 2:** Partial Amendments to the Articles of Incorporation (No.1: Related to Distribution of Dividends from Surplus, etc.)

**Proposal 3:** Partial Amendments to the Articles of Incorporation (No.2: Transition to a Company with a Nomination Committee, etc.)

**Proposal 4:** Election of Six (6) Directors

- 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 28, 2024 (Thu) at 9:00 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 "Handout" tab at the bottom of the screen of the dedicated website for the General Meeting.

## 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 communication only.

- There is no venue (including a viewing room) for shareholders to visit.
- Attendance at a Virtual-Only Shareholders' Meeting is treated as "attendance" at a general shareholders' meeting under the Companies Act.
- At the Virtual-Only Shareholders' Meeting, you can ask questions and exercise voting rights in respect of each proposal presented at the General Meeting, while viewing the proceedings of the General Meeting live on the Internet.

- Access the following URL or QR code to join the General Meeting.

<https://web.sharely.app/login/renesas22>



- Reasons for Adoption of Virtual-Only Shareholders' Meeting

The Company's Board of Directors has considered the method of holding the General Meeting by considering, 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 a Virtual-Only Shareholders' Meeting for the following reasons:

- Providing participation opportunities:** This method is expected to promote the exercise of shareholders' voting rights and dialogue with shareholders at the General Meeting by minimizing any impact of location and time constraints as far as possible and providing all shareholders with equal opportunities to participate in the General Meeting. Also, as oral questions will be introduced at the General Meeting, shareholders may ask their questions both orally and by text, whichever is convenient for them.
- Avoiding physical constraints:** This method can provide shareholders with opportunities to participate in the General Meeting without physical constraints, such as venue capacity, even under the Company's recent circumstances where the number of its shareholders exceeds 100,000.
- Reducing the burden on shareholders:** Attendance by shareholders with fewer physical or time constraints will contribute to revitalization, efficiency and facilitation of the General Meeting, and in turn, to the interests and convenience of our shareholders.
- Equality among attendees:** By selecting a Virtual-Only Shareholders' Meeting instead of a hybrid one, which tends to create a sense of inequality in terms of participation awareness between shareholders who attend the General Meeting in person and those who attend online, it is possible to operate the General Meeting in a more equal manner.
- Promoting dialogue with overseas officers:** As the Company has many overseas directors and executive officers, 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 provide answers to shareholders' questions, from the perspective of promoting dialogue with shareholders.
- Shareholder endorsement:** A proposal to amend the Articles of Incorporation which enables the holding of Virtual-Only Shareholders' Meetings was approved by approximately 87.7% of the votes cast in favor at our annual general meeting of shareholders held 2 years ago, and many shareholders continued to give favorable opinions in the questionnaire for shareholders at our general meeting of shareholders last year.
- Other circumstances:** There are no special circumstances, such as shareholder proposals, that would render it more desirable to hold the General Meeting at a physical venue.

## Prior to the General Meeting



### Access the Virtual Shareholders' Meeting System (Sharely).

- Check whether you can log in to the system in advance.
- Update your browser to the latest version. (The browser list is on page 6)

◎ Login screen: <https://web.sharely.app/login/renesas22>

The page will appear in Japanese. Please click below to switch to English.



### Look at materials.

- Confirm from our website.  
<https://www.renesas.com/us/en/about/investor-relations/event/meeting>
- Confirm from the virtual shareholder meeting system (Sharely).  
<https://web.sharely.app/login/renesas22>



### Ask a question in advance.

- You can ask a question in advance from the Virtual Shareholders' Meeting system (Sharely).
- We will provide a response at the General Meeting regarding matters of common interest to many shareholders.



### Acceptance period

**9:00 A.M., March 7, 2024 (Thu), to 5:00 P.M., March 21, 2024 (Thu) (JST)**

\* Up to three questions per person

(up to a maximum of 250 characters per question)

\* Japanese or English only



### Exercise voting rights.

Voting rights can be exercised in advance in two ways.

Shareholders who plan to attend the General Meeting are also kindly requested to exercise the voting rights in advance for unexpected communication problems, etc. (Instructions are on page 7.)

#### Exercising voting rights via the Internet



**Deadline** 5:30 P.M., on March 25, 2024 (Mon) (JST)



#### Exercise of voting rights in writing

**Deadline** 5:30 P.M., on March 25, 2024 (Mon) (JST) (Time of receipt)



## The Meeting Day

March 26, 2024 (Tue)  
Starts 9:00 A.M.

## After the Meeting



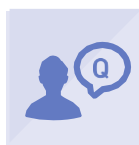
### Attend the virtual shareholders' meeting.

Accessible from 8:30 A.M.  
<https://web.sharely.app/login/renesas22>



We will post the following information on our website as they become available.

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



### Ask a question.

You can ask questions by text and voice.  
(For details, please follow the guidance at the meeting.)

#### [Text]

- Up to three questions per person (up to a maximum of 250 characters per question).
- Japanese or English only.

#### [Voice]

- Up to three questions per person. Please speak briefly.
- Japanese or English only.
- A microphone is required. Please follow the instructions of the chairperson to unmute and speak.
- If you are unable to respond in a timely manner or if the noise is severe, we may cancel the voice authorization.



### Propose a motion.

- It is possible to propose a motion by text and voice. (For details, please follow the guidance at the meeting.)
- Both are available in Japanese or English only.
- For text, please use 250 characters once as a guide.



### Exercise voting rights.

- Exercise your voting rights in accordance with the direction of the chairperson.
- Voting rights can be exercised again within a predetermined time.



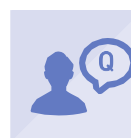
### View on-demand distribution

We will make a recording of the General Meeting available on demand after the event.



### Confirm the results of exercising voting rights.

We will post the "Extraordinary Report" that we will submit to the Financial Services Agency.



### Confirm answers to questions at the meeting.

In addition to questions we responded at the meeting, we also plan to respond to all, in principle, with the exception of those that are inappropriate to answer.



### Contact the call center

+ 81-3-6416-5286 \*In Japanese only

10:00 A.M.- 5:00 P.M. on weekdays after March 7 (Thu) (JST)

From 8:00 A.M. on the day (March 26, JST) until the closing of shareholder roundtable session

### Recommended environment for using the Virtual Shareholders' Meeting System (Sharely)

- ◇ Google Chrome latest version
- ◇ Microsoft Edge latest version
- ◇ Firefox latest version
- ◇ Safari latest version

We have not confirmed operation in usage environments other than those listed above.

Note that even in the above usage environment, you may not be able to use it depending on your computer, network environment, etc.


# 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.
- ✓ Shareholders who plan to attend the General Meeting are also kindly requested to exercise the voting rights in advance for unexpected communication problems, etc.

## 1. Exercise in advance (For those who will exercise voting rights in advance)

**Exercise of voting rights in writing**




Please indicate your vote for or against 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.

**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.**


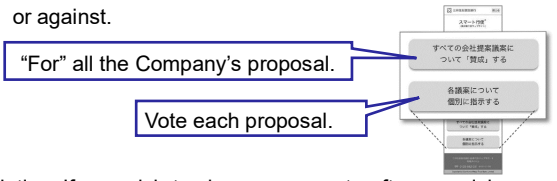
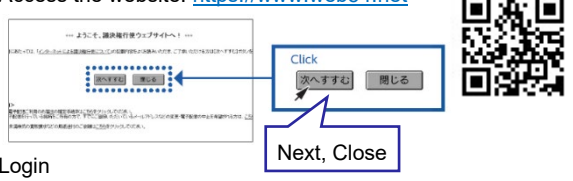
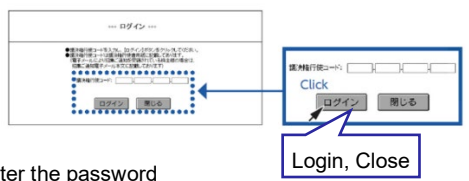
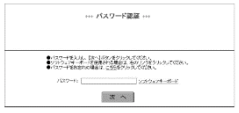
**Voting deadline: 5:30 P.M., March 25, 2024 (Mon) (JST) (Time of receipt)**

**Exercise of voting rights via the Internet**



Please input your vote for or against 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.

**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 using Smartphones	By Accessing the Website to Exercise Voting Rights
<p>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.</p>  <p>2. Follow the guidance on the screen and enter your vote for or against.</p>  <p>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.</p>	<p>1. Access the website: <a href="https://www.web54.net">https://www.web54.net</a></p>  <p>2. Login</p> <p>Enter the “voting right exercise code” printed on the enclosed voting right exercise form.</p>  <p>3. Enter the password</p> <p>Enter the “password” printed on the enclosed voting right exercise form.</p>  <p>Follow the guidance on the screen and enter your approval or disapproval.</p>

**Voting deadline: 5:30 P.M., March 25, 2024 (Mon) (JST)**



<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. Exercise of voting rights at the General Meeting**

Please log in to the virtual shareholders' meeting system below (Sharely) and exercise the voting rights as directed by the chairman.

<https://web.sharely.app/login/renesas22>

You can check the image of the screen from the following.

<https://www.renesas.com/jp/en/document/oth/manual-22nd-annual-general-meeting-hareholders>



**Contact Information**

**1. Exercise voting rights in advance (How to operate your PC or smartphone to exercise voting rights via the Internet)**

Sumitomo Mitsui Trust Bank, Limited Agency Web Support

Phone: 0120-652-031 (toll-free only from Japan) \* In Japanese only

9:00 A.M. - 9:00 P.M. on weekdays until March 25 (Mon) (JST)

**2. Exercise of voting rights at the General Meeting**

System operating company

Phone: + 81-3-6416-5286 \* In Japanese only

10:00 A.M.- 5:00 P.M. on weekdays after March 7 (Thu) (JST)

From 8:00 A.M. on the day (March 26, JST) until the closing of shareholder roundtable session

**3. For inquiries in English, please email us at the address below.**

Administration Office of the General Meeting, Renesas Electronic Corporation

[agm@lm.renesas.com](mailto:agm@lm.renesas.com)

**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.
- 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 shareholders will be treated as absent.

**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 28, 2023 (Thu) at 9:00 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>).

**Outline of the policy of considering 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.

**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 “Handout” tab at the bottom of the screen of the dedicated website for the General Meeting.

**[Required Documents]**

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

**[Address for submission]**

E-mail: [agm@lm.renesas.com](mailto:agm@lm.renesas.com)

Mail: 3-2-24, Toyosu, Koto-ku, Tokyo 135-0061, Japan  
To the Administration Office of the General Meeting, Legal Division, Renesas Electronic Corporation

**[Submission deadline]**

March 19, 2024 (Tue) at 5:00 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.

**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/us/en/about/investor-relations>).

## **Reference Documents for the General Meeting**

### **Proposal 1: Distribution of Dividends from Surplus**

From the perspective of maximizing enterprise value, in order to respond to rapid changes in the business environment and thrive in the global marketplace, the Company aims to achieve a durable financial structure by appropriating retained earnings for strategic investments such as research and development of new products and technologies as well as capital expenditures, and to distribute part of its earnings to shareholders.

Since the implementation of the year-end dividend for the 3rd Business Period (Fiscal year ended March 31, 2005), when the Company was the former NEC Electronics Corporation, the Company has continued to pay no dividends as a result of declining business performance due to the deterioration of the business environment surrounding the Company's group, which has caused great concern to its shareholders.

However, through investments to the Company made by INCJ, Ltd. (former, Innovation Network Corporation of Japan) and others, the completion of various structural reforms by the Company, and growth investments by the Company, such as M&A, the Company has significantly improved its performance, established a durable financial position, and transformed itself into a world-leading global semiconductor company.

In light of these circumstances, as a return to shareholders, the Company has conducted 2 rounds of buybacks of its own shares totaling 250 billion yen in June 2022 and April 2023, and as an additional measure for further return of profits to shareholders, the Company has decided to resume dividend payments. We appreciate the support of our shareholders and other stakeholders in the resumption of this dividend payment.

The amount of year-end dividend in this Proposal is proposed to be as follows, with consideration of the state of consolidated and non-consolidated retained earnings, the state of consolidated profits, the profit outlook for the next business period and beyond, cash flow status and other factors.

With regard to the timing of the future distribution of dividends from surplus, the Company's current Articles of Association provide for the payment of dividends twice a year, i.e. year-end and interim year-end, but if Proposal 2 "Partial Amendments to the Articles of Incorporation (No.1: Related to Distribution of Dividends from Surplus, etc.) is approved as proposed, the Company plans to consider and implement it in a flexible manner, including distribution of dividends on a quarterly basis.

The Company will continue to focus on achieving its group's medium to long-term management goal of "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 "Raise the corporate value by 6 times the market capitalization" by 2030, in order to realize continuous and stable shareholder returns.

We would like to thank you for your continued understanding and support.

#### **1. Items relating to Allotment of Dividend Property and its Total Amount**

28 yen per share of our common stock / a total of 49,758,355,948 yen

#### **2. Effective Date of Dividend from Surplus**

March 29, 2024 (Friday) (JST)

**Proposal 2: Partial Amendments to the Articles of Incorporation (No.1: Related to Distribution of Dividends from Surplus, etc.)**

**1. Reason for this Proposal**

Currently, the provisions of the Company's Articles of Incorporation related to distribution of dividends from surplus are stipulated assuming that the Company may make dividends twice in a fiscal year, i.e. year-end dividends and interim dividends, and interim dividends are only dividends that may be paid by a resolution of the Board of Directors.

However, as we develop our businesses as a global semiconductor company, we would like to amend the Articles of Incorporation so that the Company may by a resolution of the Board of Directors make not only interim dividends but also dividends made at any appropriate time, in addition to the conventional year-end dividends made by a resolution of the shareholders' meeting. This is based on the aim to realize flexible dividend and capital policies, with a view to adopting the "Quarterly Dividend System" that many global companies have adopted. It will enable us to return management results to shareholders more quickly than in the past.

Accordingly, as proposed amendments below, the Company proposes to newly establish the new Article 34 (Organization to Determine Distributions of Dividends from Surplus, Etc.), amend the current Article 35 (Year-end Dividends) and Article 37 (Limitation of Payment Period), and delete the current Article 7 (Acquisition of Own Shares) and Article 36 (Interim Dividends) which overlap in content, as well as other necessary amendments including an adjustment of the numbers of articles related to these amendments.

**2. Proposed Amendments**

The details of the amendments are as follows.

The "Current Articles of Incorporation" and "Proposed Amendments" in this Proposal do not include the contents of the amendments to the Articles of Incorporation in Proposal 3 "Partial Amendments to the Articles of Incorporation (No.2: Transition to a Company with a Nomination Committee, etc.)." If Proposal 3 is approved, the numbers of chapters and articles included in the below "Proposed Amendments" in this Proposal shall be read as those with the necessary adjustments to reflect the contents of the amendments to the Articles of Incorporation in Proposal 3.

(Underlined are the amended parts)

Current Articles of Incorporation	Proposed Amendments
<u>Article 7. (Acquisition of Own Shares)</u> <u>The Company may acquire its own shares by a resolution of the Board of Directors in accordance with the provision of Paragraph 2, Article 165 of the Companies Act.</u>	(Deleted)
Article <u>8</u> to Article <u>33</u> (Omitted)	Article <u>7</u> to Article <u>32</u> (Unchanged)
CHAPTER VI ACCOUNTS	CHAPTER VI ACCOUNTS
Article <u>34</u> (Omitted)	Article <u>33</u> (Unchanged)

Current Articles of Incorporation	Proposed Amendments
<p>(Newly established)</p>	<p><u>Article 34. (Organization to Determine Distributions of Dividends from Surplus, Etc.)</u></p> <p><u>The Company may determine distributions of dividends from surplus and other matters provided for in each Item of Paragraph 1, Article 459 of the Companies Act by a resolution of the Board of Directors, unless otherwise provided for in the applicable laws or regulations.</u></p>
<p>Article 35. (<u>Year-end Dividends</u>)</p> <p>The record date for distribution of <u>year-end</u> dividends from surplus is December 31st of each year.</p> <p style="text-align: center;">(Paragraph 2 newly established)</p>	<p>Article 35. (<u>Record Date for Distributions of Dividends from Surplus</u>)</p> <p>1. The record date for distribution of dividends <u>from surplus</u> is <u>March 31st, June 30th, September 30th and December 31st</u> of each year.</p> <p>2. <u>In addition to the preceding paragraph, the Company may distribute dividends from surplus by designating a record date.</u></p>
<p>Article 36. (<u>Interim Dividends</u>)</p> <p><u>The Company may by a resolution of the Board of Directors make interim dividends provided for in Paragraph 5, Article 454 of the Companies Act of which the record date is June 30th of each year.</u></p>	<p>(Deleted)</p>
<p>Article <u>37</u>. (Limitation of Payment Period)</p> <p>In cases where <u>year-end dividends or interim</u> dividends shall remain unclaimed after the lapse of three years from the day on which payment thereof was commenced, the Company shall be exonerated from the responsibility of payment thereof. Accrued <u>year-end dividends or interim</u> dividends shall not bear any interest.</p>	<p>Article <u>36</u>. (Limitation of Payment Period)</p> <p>1. In cases where dividends shall remain unclaimed after the lapse of three years from the day on which payment thereof was commenced, the Company shall be exonerated from the responsibility of payment thereof.</p> <p>2. <u>Accrued dividends shall not bear any interest.</u></p>

**Proposal 3: Partial Amendments to the Articles of Incorporation (No.2: Transition to a Company with a Nomination Committee, etc.)**

**1. Reason for this Proposal**

Under our purpose of "To Make Our Lives Easier," which expresses the Company's desire to build a sustainable future with technologies that make people's lives easier, the Company is developing its businesses on a global basis to achieve sustainable growth and enhance our corporate value over the medium to long term in the rapidly changing and highly competitive semiconductor industry.

Under these circumstances, while adopting the structure of a Company with a Board of Corporate Auditors, the Company has been working on various measures to enhance and strengthen its corporate governance system with the aim of realizing a monitoring model-type corporate governance system, which has become mainstream overseas. These measures include accelerating management of the Company by considering the main responsibilities of the Board of Directors as the supervision of the Company management's business execution and delegating appropriate authority, and promoting transparency of management of the Company by establishing a voluntary Nomination Committee and Compensation Committee.

However, in order for the Company to further develop as a global company in the semiconductor industry, which is expected to undergo increasingly rapid change and competition in the future, the Company needs to take these initiatives one step further and establish a corporate governance system that contributes to enhancing the speed and efficiency of management and strengthening the transparency and objectivity of management.

Therefore, in order to strengthen the corporate governance system, the Company has determined to transition its structure from a Company with a Board of Corporate Auditors to a Company with a Nomination Committee, etc.

This structure of a Company with a Nomination Committee, etc., is designed as a monitoring model-type corporate governance system, which achieves both speedy and efficient management and also strengthens transparency and objectivity of management through clearly separating the Company's supervisory function from its executive function.

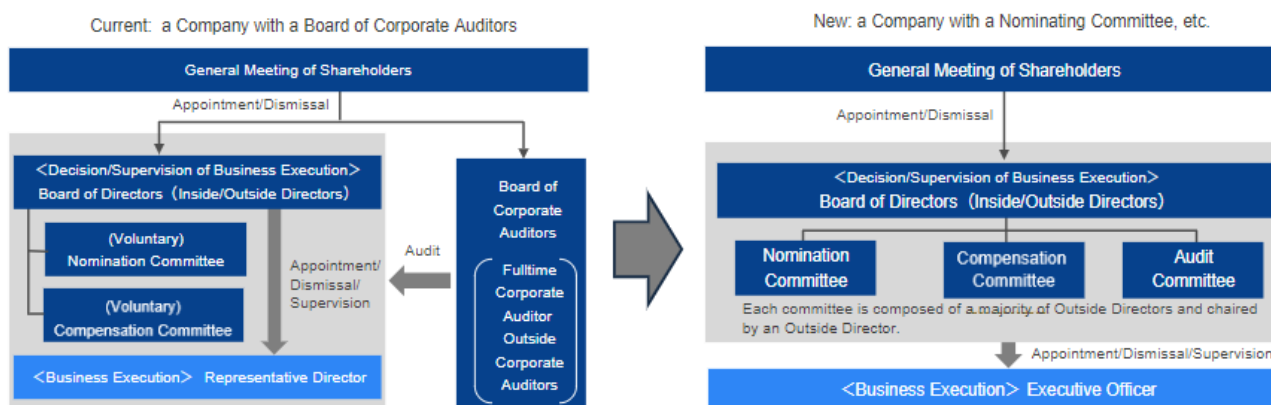
Specifically, the Board of Directors will specialize in supervising the execution of business by Executive Officers as well as deliberating and deciding on the Company's basic management policies, while promoting transparency and objectivity of management through the activities of three committees established under the umbrella of the Board of Directors (Nomination Committee, Compensation Committee and Audit Committee), the majority of whose members are Outside Directors. Delegating substantial authority over business execution to Executive Officers will enable acceleration and efficiency in management.

Accordingly, we propose making necessary amendments to the Company's Articles of Incorporation for the transition of structure to a Company with a Nominating Committee, etc, including the establishment of new provisions related to the Nomination Committee, Compensation Committee, Audit Committee and Executive Officers, and the deletion of current provisions related to Corporate Auditors and Board of Corporate Auditors, as well as an adjustment of the number of articles related to these amendments.



Of the proposed amendments to the Articles of Incorporation, the Company has already obtained the consent of each Corporate Auditor with respect to the establishment of Article 29 (Release of Executive Officers' Liability).

The amendments to the Articles of Incorporation in this Proposal will take effect upon the closing of the General Meeting.



## 2. Proposed Amendments

The details of the amendments are as follows.

The "Current Articles of Incorporation" in this Proposal do not include the contents of the amendments to the Articles of Incorporation in Proposal 2 "Partial Amendments to the Articles of Incorporation (No. 1: Related to Distribution of Dividends from Surplus, etc." In addition, the article numbers of the below "Proposed Amendments" in this Proposal are based on the assumption that Proposal 2 "Partial Amendments to the Articles of Incorporation (No. 1: Related to Distribution of Dividends from Surplus, etc.)" is approved, Article 7 of the current Articles of Incorporation will be deleted and the subsequent article numbers are moved forward. Therefore, if said Proposal 2 is not approved, the article numbers of the below "Proposed Amendments" in this Proposal shall be read as those with the necessary adjustments based on the assumption that Article 7 of the current Articles of Incorporation will not be deleted.

(Underlined are the amended parts)

Current Articles of Incorporation	Proposed Amendments
Article 1 to Article 3 (Omitted)	Article 1 to Article 3 (Unchanged)
Article 4. (Corporate Organization) In addition to general meetings of shareholders and Directors, the Company shall have the following organizations: (1) The Board of Directors; (2) <u>Corporate Auditors</u> ;  (3) <u>The Board of Corporate Auditors</u> ; and (4) <u>Accounting Auditors</u> .	Article 4. (Corporate Organization) In addition to general meetings of shareholders and Directors, the Company shall have the following organizations: (1) The Board of Directors; (2) <u>Nomination Committee, Audit Committee and Compensation Committee</u> ; (3) <u>Executive Officers</u> ; and (4) Accounting Auditors.
Article 5 to Article 6 (Omitted)	Article 5 to Article 6 (Unchanged)

Current Articles of Incorporation	Proposed Amendments
Article 7 to Article <u>10</u> (Omitted)	Article 7 to Article <u>9</u> (Unchanged, excluding the contents of the amendments to the Articles of Incorporation made by Proposal 2)
Article <u>11</u> . (Handling Regulations of Shares) Handling relating to shares as well as fees thereof, shall be governed by the Share Handling Regulations established by the Board of Directors, as well as the applicable laws and regulations or these Articles of Incorporation.	Article <u>10</u> . (Handling Regulations of Shares) Handling relating to shares as well as fees thereof, shall be governed by the Share Handling Regulations established by the Board of Directors <u>or Executive Officer(s) delegated by a resolution of the Board of Directors</u> , as well as the applicable laws and regulations or these Articles of Incorporation.
Article <u>12</u> . (Transfer Agent) 1. (Omitted) 2. The Transfer Agent and its office shall be designated by a resolution of the Board of Directors. 3. (Omitted)	Article <u>11</u> . (Transfer Agent) 1. (Unchanged) 2. The Transfer Agent and its office shall be designated by the Board of Directors <u>or Executive Officer(s) delegated by a resolution of the Board of Directors</u> . 3. (Unchanged)
Article <u>13</u> to Article <u>14</u> (Omitted)	Article <u>12</u> to Article <u>13</u> (Unchanged)
Article <u>15</u> . (Convener and Chairman) 1. The <u>Representative Director</u> previously determined by the Board of Directors shall convene a general meeting of shareholders and act as chairman thereat. 2. In case where the <u>Representative Director</u> stipulated in the preceding paragraph is unable to act as convener and chairman, other Director(s), in accordance with an order previously determined by the Board of Directors, shall convene such meeting <u>and</u> act as chairman thereat.	Article <u>14</u> . (Convener and Chairman) 1. The <u>Director</u> previously determined by the Board of Directors shall convene a general meeting of shareholders and act as chairman thereat. 2. In case where the <u>Director</u> stipulated in the preceding paragraph is unable to act as convener and chairman, other Director(s), in accordance with an order previously determined by the Board of Directors, shall convene such meeting <u>and/or</u> act as chairman thereat.
Article <u>16</u> to Article <u>21</u> (Omitted)	Article <u>15</u> to Article <u>20</u> (Unchanged)
<u>Article 22. (Representative Director)</u> <u>The Board of Directors shall elect Representative Director(s) by its resolution.</u>	(Deleted)

Current Articles of Incorporation	Proposed Amendments
<p>Article <u>23</u>. (Board of Directors)</p> <p>1. (Omitted)</p> <p>2. In convening a meeting of the Board of Directors, notice shall be issued to each Director <u>and each Corporate Auditor</u> at least three days before the meeting date. Provided, however, in case of an urgency, this period may be shortened.</p>	<p>Article <u>21</u>. (Board of Directors)</p> <p>1. (Unchanged)</p> <p>2. In convening a meeting of the Board of Directors, notice shall be issued to each Director at least three days before the meeting date. Provided, however, in case of an urgency, this period may be shortened.</p>
<p>Article <u>24</u>. (Deemed Resolution of Board of Directors)</p> <p>If all Directors unanimously express their consent in writing or digitally <u>to a matter to be resolved by the Board of Directors</u>, it shall be deemed that such matter is adopted by a resolution of the Board of Directors <u>unless the Corporate Auditors express objections thereto</u>.</p>	<p>Article <u>22</u>. (Deemed Resolution of Board of Directors)</p> <p><u>In cases where a Director proposes a matter to be resolved by the Board of Directors</u>, if all Directors <u>who are entitled to participate in votes with regards to such matter</u> unanimously express their consent to such matter in writing or digitally, it shall be deemed that such matter is adopted by a resolution of the Board of Directors.</p>
<p><u>Article 25. (Remuneration, Etc.)</u></p> <p><u>Remuneration, bonuses and other financial benefits given by the Company in consideration of the performance of duties (hereinafter referred to as the "Remuneration, Etc.") to Directors shall be fixed by a resolution of a general meeting of shareholders.</u></p>	<p>(Deleted)</p>
<p>Article <u>26</u> (Omitted)</p>	<p>Article <u>23</u> (Unchanged)</p>
<p><u>CHAPTER V</u> <u>CORPORATE AUDITORS AND</u> <u>THE BOARD OF CORPORATE AUDITORS</u></p>	<p>(Deleted)</p>
<p><u>Article 27. (Number)</u></p> <p><u>The Company shall have Corporate Auditors not exceeding six in number.</u></p>	<p>(Deleted)</p>
<p><u>Article 28. (Election)</u></p> <p>1. <u>A resolution electing Corporate Auditors shall be adopted by a majority of votes of the shareholders present at a general meeting of shareholders at which shareholders representing not less than one-third of the voting rights of shareholders entitled to exercise their voting rights are present.</u></p> <p>2. <u>A resolution electing Corporate Auditors to be elected to fill vacancy shall be effective until the opening of the ordinary general meeting of shareholders held with respect to the last business year ending within four years following such resolution.</u></p>	<p>(Deleted)</p>

Current Articles of Incorporation	Proposed Amendments
<p><u>Article 29. (Term of Office)</u>  <u>The term of office of a Corporate Auditor shall expire at the conclusion of the ordinary general meeting of shareholders held with respect to the last business year ending within four years following his/her election.</u></p>	(Deleted)
<p><u>Article 30. (Full-time Corporate Auditor)</u>  <u>The Board of Corporate Auditors shall appoint one or more full-time Corporate Auditors by its resolution.</u></p>	(Deleted)
<p><u>Article 31. (Board of Corporate Auditors)</u>  1. <u>In addition to the provisions of applicable law or ordinance and of these Articles of Incorporation, the Rules of the Board of Corporate Auditors established by the Board of Corporate Auditors shall apply to matters relating to the Board of Corporate Auditors.</u>  2. <u>In convening a meeting of the Board of Corporate Auditors, notice shall be issued to each Corporate Auditor at least three days before the meeting date. Provided, however, in case of an urgency, this period may be shortened.</u></p>	(Deleted)
<p><u>Article 32. (Remuneration, Etc.)</u>  <u>Remuneration, Etc. for Corporate Auditors shall be fixed by a resolution of a general meeting of shareholders.</u></p>	(Deleted)
<p><u>Article 33. (Release of Corporate Auditors' Liability)</u>  1. <u>The Company may, pursuant to the provision of Paragraph 1, Article 426 of the Companies Act, release its Corporate Auditors (including those who had been Corporate Auditors) of their liability to the Company for damages arising from negligence of their duties by a resolution of the Board of Directors, to the extent permitted by applicable laws and regulations.</u>  2. <u>The Company may, pursuant to the provision in Paragraph 1, Article 427 of the Companies Act, enter into a contract with its Corporate Auditors to limit their liability to the Company for damages arising from negligence of their duties; provided, however, that the liability amount of the outside Corporate Auditor under such contract shall be limited to the minimum liability amount stipulated in the applicable laws and regulations.</u></p>	(Deleted)

Current Articles of Incorporation	Proposed Amendments
(Newly established)	<u>CHAPTER V</u> <u>THREE COMMITTEES</u>
(Newly established)	<u>Article 24. (Method of Selection of Committee Members)</u> <u>The members of the Nomination Committee, the Audit Committee and the Compensation Committee shall be selected from among Directors by a resolution of the Board of Directors.</u>
(Newly established)	<u>Article 25. (Rules of Committees)</u> <u>In addition to the provisions of law or ordinance and of these Articles of Incorporation, the rules of each Committee established by the Board of Directors shall apply to matters relating to the Nomination Committee, the Audit Committee and the Compensation Committee.</u>
(Newly established)	<u>CHAPTER VI</u> <u>EXECUTIVE OFFICERS</u>
(Newly established)	<u>Article 26. (Election of Executive Officers)</u> <u>Executive Officers shall be elected by a resolution of the Board of Directors.</u>
(Newly established)	<u>Article 27. (Term of Office)</u> <u>1. The term of office of an Executive Officer shall expire at the conclusion of the first meeting of the Board of Directors held after the conclusion of the ordinary general meeting of shareholders held with respect to the last business year ending within one year following his/her election.</u> <u>2. The term of office of an Executive Officer elected to fill a vacancy shall expire at the expiration of the remaining term of office of the retired Executive Officer and the term of office of an Executive Officer elected to increase the number of Executive Officers shall expire at the expiration of the remaining term of office of the other current Executive Officers.</u>
(Newly established)	<u>Article 28. (Representative Executive Officer)</u> <u>The Board of Directors shall elect Representative Executive Officer(s) by its resolution.</u>

Current Articles of Incorporation	Proposed Amendments
(Newly established)	<p><u>Article 29. (Release of Executive Officers' Liability)</u></p> <p><u>The Company may, pursuant to the provision of Paragraph 1, Article 426 of the Companies Act, release the Executive Officers (including those who had been Executive Officers) of their liability for damages arising from negligence of their duties by a resolution of the Board of Directors, to the extent permitted by the applicable laws and regulations.</u></p>
CHAPTER VI ACCOUNTS	CHAPTER VII ACCOUNTS
Article 34 to Article 37 (Omitted)	<p>Article 30 to Article 33</p> <p>(Unchanged, excluding the contents of the amendments to the Articles of Incorporation made by Proposal 2)</p>
(Newly established)	<p><u>(Supplementary Provision)</u></p> <p><u>Article 1.</u></p> <p><u>Regarding (i) exemptions from Corporate Auditors' liability provided for in Paragraph 1, Article 423 of the Companies Act, concerning actions of Corporate Auditors (including those who had been Corporate Auditors) conducted before the conclusion of the ordinary general meeting of shareholders held with respect to the business year ended December 31st, 2023 and (ii) contracts already entered into with Corporate Auditors to limit such liability, Paragraphs 1 and 2, Article 33 of these Articles of Incorporation prior to the amendments made by the resolution of the said ordinary general meeting of shareholders shall remain applicable.</u></p>



**Proposal 4: Election of Six (6) Directors**

As the terms of office of all five (5) Directors will expire at the conclusion of the General Meeting, the Company requests that six (6) Directors be elected at the General Meeting.

The candidates for Directors 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 recommendation from the voluntary Nomination Committee, all members of which are Independent Outside Directors.


Among these candidates for Director, Ms. Tomoko Mizuno is currently an Independent Outside Corporate Auditor of the Company. If Proposal 3 “Partial Amendments to the Articles of Incorporation (No.2: Transition to a Company with a Nominating Committee, etc.),” is approved as proposed, the Company will transition its structure from a Company with the Board of Corporate Auditors to a Company with a Nomination Committee, etc. at the conclusion of the General Meeting, and with this transition the terms of office of all four (4) Corporate Auditors will automatically expire. Accordingly, the Company proposes the appointment of Ms. Tomoko Mizuno as Director on the condition that Proposal 3 is approved at the General Meeting.


No.	Name (Age)		Current Position at the Company	Years Served as Director	Attendance at Meetings of the Board of Directors
1	Hidetoshi Shibata (51)	<u>Reappointment</u>	Representative Director, President and CEO	8 years and 8 months	100% (5 out of 5)
2	Jiro Iwasaki (78)	<u>Reappointment</u> <u>Outside</u> <u>Independent Officer</u>	Outside Director	7 years and 9 months	100% (5 out of 5)
3	Selena Loh Lacroix (59)	<u>Reappointment</u> <u>Outside</u> <u>Independent Officer</u>	Outside Director	4 years	100% (5 out of 5)
4	Noboru Yamamoto (61)	<u>Reappointment</u> <u>Outside</u> <u>Independent Officer</u>	Outside Director	3 years	100% (5 out of 5)
5	Takuya Hirano (53)	<u>Reappointment</u> <u>Outside</u> <u>Independent Officer</u>	Outside Director	1 year	100% (4 out of 4)
6	Tomoko Mizuno (53)	<u>New</u> <u>Outside</u> <u>Independent Officer</u>	Outside Corporate Auditor	—	—


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.  
 3. Mr. Takuya Hirano’s attendance at the meetings of the Board of Directors is for the Board of Directors meetings held after the assumption of office as Director on March 30, 2023.  
 4. Ms. Tomoko Mizuno is a female Director candidate. She is currently an Outside Corporate Auditor. Her term of office as Corporate Auditor is 3 years, and her attendance at meetings of the Board of Directors and the Board of Corporate Auditors was 5 out of 5 (100%) and 9 out of 9 (100%), respectively.

No.1	Hidetoshi Shibata		<u>Reappointment</u> Date of Birth: November 16, 1972 (Age 51)	
 <p>Years Served as Director: 8 years and 8 months</p> <p>Number of the Company's Shares Held: 552,500</p> <p>Attendance at Meetings of the Board of Directors: 5 out of 5 (100%)</p>	<u>Brief Biography, Position, Responsibilities and Important Concurrent Positions</u>			
	April 1995 August 2001 August 2004 October 2007  September 2009	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	June 2012  October 2013 November 2013  June 2016 March 2018  July 2019	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><b>【Reasons for selection as a candidate for Director】</b></p> <p>The Company selected Mr. Hidetoshi Shibata as candidate for Director with the expectation that he would enhance corporate value by demonstrating leadership skills to expedite the Company's decision-making process and strengthen the Company's ability to propose semiconductor solutions, based on his abundant knowledge, experience and achievements cultivated through varied and global 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.</p>				

No.2	Jiro Iwasaki		<u>Reappointment</u> <u>Outside</u> <u>Independent Officer</u> Date of Birth: December 6, 1945 (Age 78)	
 <p>Years Served as Director: 7 years and 9 months</p> <p>Number of the Company's Shares Held: 0</p> <p>Attendance at Meetings of the Board of Directors: 5 out of 5 (100%)</p>	<u>Brief Biography, Position, Responsibilities and Important Concurrent Positions</u>			
	April 1974 June 1996 June 1998  June 2006  March 2008	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)	June 2009  March 2011 April 2011 March 2015 March 2016  June 2016	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 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)
<p><b>【Reasons for selection as a candidate for Outside Director】</b></p> <p>The Company selected Mr. Jiro Iwasaki as candidate for Outside Director with the expectation that the Board of Directors will be strengthened by him demonstrating capabilities of supervising and monitoring the overall management of the Company, based on his abundant knowledge, experience and deep insights cultivated through his experience as a director at multiple companies in electrical and electronic component companies. He has led the activities of the voluntary Nomination Committee, including deliberation on selection of candidates of Directors, as the chairperson of that Committee.</p>				

No.3	Selena Loh Lacroix		<span style="border: 1px solid black; padding: 2px;">Reappointment</span> <span style="border: 1px solid black; padding: 2px;">Outside</span> <span style="border: 1px solid black; padding: 2px;">Independent Officer</span> Date of Birth: November 18, 1964 (Age 59)	
 <p>Years Served as Director: 4 years</p> <p>Number of the Company's Shares Held: 58,244</p> <p>Attendance at Meetings of the Board of Directors: 5 out of 5 (100%)</p>	Brief Biography, Position, Responsibilities and Important Concurrent Positions			
	1988  August 1992  June 1995  December 2004  May 2010	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	December 2016  June 2017  November 2017  December 2019  March 2020	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)
	<b>Important Concurrent Position</b> Vice Chair, Technology Practice, Korn Ferry Board Member, National Association of Corporate Directors - North Texas Chapter			
<b>【Reasons for selection as a candidate for Outside Director】</b> The Company selected Ms. Selena Loh Lacroix as candidate for Outside Director with the expectation that the Board of Directors will be strengthened by her demonstrating capabilities of supervising and monitoring 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 experience 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 on the compensation policy for Directors and Executive Officers, as the chairperson of that Committee, and served as a member of the voluntary Nomination Committee.				

No.4	Noboru Yamamoto		<span style="border: 1px solid black; padding: 2px;">Reappointment</span> <span style="border: 1px solid black; padding: 2px;">Outside</span> <span style="border: 1px solid black; padding: 2px;">Independent Officer</span> Date of Birth: November 21, 1962 (Age 61)	
 <p>Years Served as Director: 3 years</p> <p>Number of the Company's Shares Held: 0</p> <p>Attendance at Meetings of the Board of Directors: 5 out of 5 (100%)</p>	Brief Biography, Position, Responsibilities and Important Concurrent Positions			
	April 1986  May 1989  February 2002  April 2003  October 2006  October 2011  June 2016	Joined Mazda Motor Corporation  Joined Daiwa Securities Co. Ltd.  Joined Pricewaterhouse Coopers 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.)	September 2016  March 2018  March 2018  March 2021  January 2023  April 2023  July 2023	Representative Director, Representative Partner & CEO, XIB Capital Partners Inc. (currently, XIB Inc.) (present)  Outside Director, Tsubaki Nakashima Co., Ltd.  Outside Corporate Auditor, the Company  Outside Director, the Company (present)  Senior Advisor, Bain & Company Japan, Inc. (present)  Outside Director, Chairperson of the Board of Directors (part-time), Tsubaki Nakashima Co., Ltd. (present)  Outside Director, Chairperson of Audit & risk committee, Koki Holdings Co., Ltd. (present)
	<b>Important Concurrent Position)</b> Representative Director, Representative Partner & CEO, XIB Inc. Outside Director, Chairperson of the Board of Directors (part-time), Tsubaki Nakashima Co., Ltd. Outside Director, Chairperson of Audit & risk committee, Koki Holdings Co., Ltd. Senior Advisor, Bain & Company Japan, Inc.			
<b>【Reasons for selection as a candidate for Director】</b> The Company selected Mr. Noboru Yamamoto as candidate for Outside Director with the expectation that the Board of Directors will be strengthened by him demonstrating capabilities of supervising and monitoring the overall management of the Company, based on his abundant knowledge, experience and achievements cultivated through years of management experience in the global finance and securities industries and as representative for M&A advisory companies. He has led the Board of Director's supervisory and monitoring activities regarding the enhancement of the Company's ESG activities as ESG Sponsor of the Board of Directors, and served as a member of the voluntary Nomination Committee and the voluntary Compensation Committee.				

No.5	Takuya Hirano		<input type="checkbox"/> Reappointment <input type="checkbox"/> Outside <input type="checkbox"/> Independent Officer Date of Birth: August 11, 1970 (Age 53)	
 <p>Years Served as Director: 1 year</p> <p>Number of the Company's Shares Held: 0</p> <p>Attendance at Meetings of the Board of Directors: 5 out of 5 (100%)</p>	Brief Biography, Position, Responsibilities and Important Concurrent Positions			
	December 1995 February 1998 February 2001 August 2005 February 2006 July 2007 March 2008 September 2011	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	July 2014 March 2015 July 2015 September 2019 March 2022 June 2022 October 2022 March 2023 April 2023	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) (scheduled to retire in March 2024) Outside Director, Yokogawa Electric Corporation (present) Outside Director, Yayoi Co., Ltd. Outside Director, the Company (present) Chairman (part-time), Yayoi Co., Ltd. (present)
	Important Concurrent Position) Outside Director, Yokogawa Electric Corporation Chairman (part-time), Yayoi Co., Ltd. Director (part-time), Japan Professional Football League (J. LEAGUE) (scheduled to retire in March 2024)			
	【Reasons for selection as a candidate for Outside Director】 The Company selected Mr. Takuya Hirano as candidate for Outside Director with the expectation that the Board of Directors will be strengthened by him demonstrating capabilities of supervising and monitoring 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 experience comprised 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. He has also actively shared his opinions as a member of the voluntary Nomination Committee.			
No.6	Tomoko Mizuno		<input type="checkbox"/> New <input type="checkbox"/> Outside <input type="checkbox"/> Independent Officer Date of Birth: September 1, 1970 (Age 53)	
 <p>Years Served as Director: —</p> <p>Number of the Company's Shares Held: 0</p> <p>Attendance at Meetings of the Board of Directors: —</p>	Brief Biography, Position, Responsibilities and Important Concurrent Positions			
	July 1994 September 2001 January 2003 June 2005	Joined Bain & Company Japan, Inc. Joined Eli Lilly & Company as Marketing Associate Joined Eli Lilly Japan K.K. as Senior MR Joined Novartis Pharma K.K. as Brand Manager, New Product Planning	January 2009 April 2011 April 2013 March 2021	Group Manager, Equa Marketing Group, Novartis Pharma K.K. Joined MSD K.K. as Brand Leader, Gardasil Marketing Group Joined Japan Automatic Machine Co., Ltd. as Director (present) Outside Corporate Auditor, the Company (present)
	Important Concurrent Position) Director, Japan Automatic Machine Co., Ltd.			
	【Reasons for selection as a candidate for Outside Director】 Ms. Tomoko Mizuno has abundant knowledge, experience and achievements in the fields of corporate planning, human resources, and others, cultivated through years of business management at a machinery and electronic component company and working in a global consulting firm and pharmaceutical companies. She has audited the overall management of the Company appropriately as Outside Corporate Auditor since March 2021. She has also actively shared her opinions as a member of the voluntary Compensation Committee. For the above reasons, the Company selected her for a candidate of Outside Director with the expectation that the Board of Directors will be strengthened by her demonstrating her capabilities of supervising and monitoring the overall management of the Company.			

- (Note) 1. None of the candidates have any special interest in the Company.
2. Mr. Jiro Iwasaki, Ms. Selena Loh Lacroix, Mr. Noboru Yamamoto, Mr. Takuya Hirano and Ms. Tomoko Mizuno are candidates for Outside Directors.
3. Mr. Jiro Iwasaki, Ms. Selena Loh Lacroix, Mr. Noboru Yamamoto, Mr. Takuya Hirano and Ms. Tomoko Mizuno 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, Mr. Noboru Yamamoto Mr. Takuya Hirano and Ms. Tomoko Mizuno as Independent Officers. If their reappointments or appointment are approved, the Company will continue this notification.
4. If Proposal 3 and this Proposal are approved, the composition of the Nomination Committee, Compensation Committee and Audit Committee will be as follows.

◎: Chairperson, ○: Member

No.	Name	Nomination Committee	Compensation Committee	Audit Committee	Note
1	Hidetoshi Shibata		○		Director Representative Executive Officer, President and CEO
2	Jiro Iwasaki	◎		○	Leading Independent Outside Director
3	Selena Loh Lacroix	○	◎		Independent Outside Director
4	Noboru Yamamoto		○	○	Independent Outside Director ESG Sponsor of the Board of Directors
5	Takuya Hirano	○			Independent Outside Director
6	Tomoko Mizuno		○	◎	Independent Outside Director

(\*) The Company currently has a voluntary Nominating Committee and Compensation Committee as a Company with a Board of Corporate Auditors. The composition is as follows. Mr. Noboru Yamamoto also serves as ESG Sponsor of the Board of Directors.

- Nomination Committee: Jiro Iwasaki (Chairperson), Selena Loh Lacroix, Noboru Yamamoto, Takuya Hirano
- Compensation Committee: Selena Loh Lacroix (Chairperson), Hidetoshi Shibata, Noboru Yamamoto, Tomoko Mizuno

5. Each candidate for Director to be a member of Audit Committee has considerable knowledge of finance and accounting as follows.
- (1) Ms. Tomoko Mizuno has worked for a global consulting firm and pharmaceutical companies in fields of corporate planning and others, and is currently engaged in business management as executive director at a machinery and electronic component company. She has also served as an Outside Corporate Auditor of the Company since March 2021.
- (2) Mr. Jiro Iwasaki has been engaged in business management as executive director at several major electronic component and electrical appliance companies, and then has also served as outside director (including full-time audit committee member) and outside corporate auditor for several listed companies.
- (3) Mr. Noboru Yamamoto has worked for global financial and securities firms, and currently serves as the representative of an M&A advisory firm. He has served as outside director (including chairperson of the Audit & risk committee) of listed companies. He has also experience in auditing as Outside Corporate Auditor of the Company in the past.
6. The Company has entered into liability limitation agreements with Mr. Jiro Iwasaki, Ms. Selena Loh Lacroix, Mr. Noboru Yamamoto, Mr. Takuya Hirano and Ms. Tomoko Mizuno, 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 or appointment are approved, the Company will continue such liability limitation agreements with them.
7. 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	●	●					●	●
Tomoko Mizuno	●	●	●				●	

### 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 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.

End

## **Business Report**

(For the period from January 1, 2023 to December 31, 2023 (this “Business Period”))

### **Overview of Group Operations**

#### **● Business Progress and Results**

##### **(1) Overview**

During this Business Period, the global economy remained slow, as in the previous business period, due to the protracted war between Russia and Ukraine, high global inflation and rising interest rates, the slow recovery of the Chinese economy following the lifting of the zero-Covid policy in December 2022, and the deteriorating situation in the Middle East.

In the semiconductor market in which Renesas group companies (the “Group”) operate, demand for semiconductors for products such as personal computers and mobile phones, which had been declining since the second half of the previous business period due to inventory adjustments, bottomed out in the first half of this Business Period, but recovery has been slow. Demand for semiconductors for industrial equipment, which had been robust since the previous business period due to the progress of automation and digitization of industrial equipment, also softened from the second half of this Business Period due to the significant economic slowdown, especially in China. On the other hand, demand for semiconductors for the automotive market remained strong due to a recovery in automobile production and an increase in the number of semiconductors installed in each automobile due to the electrification and automation of automobiles. Regarding demand for semiconductors for data centers and other infrastructure applications, the data center market experienced positive growth due to increased demand for DDR5 memory module and the exhaustion of DDR4 memory module in customer inventories, while demand for base stations and general-purpose products remained soft.

In such an environment, the Group has been working on various measures to realize our purpose, “To Make Our Lives Easier” (building a sustainable future through technologies that make people’s lives easier) and to achieve our “2030 Aspiration” ((1) becoming one of the top three suppliers of embedded semiconductor solutions, (2) achieving sales revenue of USD 20 billion or more, and (3) increasing market capitalization six-fold compared to January 2022). As a result, in this Business Period, despite a decline in market demand, the Group’s revenue declined only slightly from the previous business period, and our gross profit margin ratio and operating income ratio were at 57.0% and 34.1% (Non-GAAP basis) of net sales, respectively.

Regarding specific initiatives in terms of products during this Business Period, the Group has been focusing on over 80 Winning Combinations (comprehensive solutions provided by combining the product portfolios of the Group and companies that we have acquired in the past). In addition, the Group has announced and launched attractive products such as “RA8 Series” (RA8M1 and RA8D1) with the Arm® Cortex®-M85 processor, “R-Car Generation 5 Family” with advanced chiplet technology, “RL78 family” (G15 and G24) with a high standard of low power consumption, as well as various development environments that support customers’ product development in the cloud (Quick Connect Studio, AI Workbench, etc.). The Group thereby expanded our competitive product portfolios that meet customer needs and enhanced scalability, winning a number of Design-ins that will be sources of future sales revenue.

Additionally, in order to strengthen our solution capabilities by acquiring products and technologies that the Group does not possess at an early stage in the highly competitive global semiconductor

industry, the Group has actively pursued M&A (mergers and acquisitions) activities in this Business Period. We acquired Pantronics, an Austrian company with competitive NFC (Near-Field Communication) technology, which is expected to grow in demand in the future as the digitalized society progresses. We also reached an agreement with Sequans, a French company with cellular IoT Technology such as 4G/5G, to acquire the company.

In terms of production and supply chain, in order to meet the demand for semiconductor devices, which is expected to expand in the future, we have strengthened production capacity for the Group's products. In particular, as part of activities at the Group's production plants, we made capital investments at the Naka and Kawashiri Factories for microcontrollers. For power semiconductors such as SiC (silicon carbide), we restarted operations at the Kofu Factory and promoted capital investment at the Takasaki Factory. In addition, in order to ensure a stable supply of SiC wafers, we executed a 10-year SiC wafer supply agreement with Wolfspeed, a US company with strengths in SiC technology. Moreover, to respond to rapid fluctuations in demand and to become more resilient, we continued to work on die banking.

In terms of the management foundation, in order to provide semiconductor solutions that meet as wide a range of customer needs as possible, we have reviewed our organizational structure and reorganized it into four product groups based on products and technologies, instead of two application-oriented groups (Automotive and Industrial/Infrastructure/IoT). In addition, following a decision to establish an organization specializing in software and digitalization and a company-wide cross-functional organization for each business domain, we prepared for the start of the new organizational structure on January 1, 2024. From the perspective of improving operational efficiency, we continued to work on the integration of Enterprise Resource Planning (ERP), which is the Group's core IT system.

In terms of raising the awareness of our Group employees, we conducted a survey of employees to promote further penetration of 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 a variety of initiatives, including the promotion of project activities to enhance cooperation and communication among engineers within the Group regardless of their field of expertise, the introduction of a remote working abroad system to increase the flexibility of employees' work styles, and the implementation of various measures to realize the well-being of employees (such as introduction of a work-life consulting service system).

In terms of ESG (Environment/Social/Governance), we have promoted various initiatives to strengthen each area, such as social contribution activities, greenhouse gas reduction activities, etc. In addition, in order to further enhance information disclosure, we prepared and published a "Sustainability Report," which summarizes the Group's sustainability initiatives. In recognition of these efforts, the Group received an "AA" rating from MSCI, an international ESG research organization, and was also selected for the first time as a constituent of the MSCI Japan ESG Select Leaders Index in this Business Period. With this, we are selected for inclusion in all ESG indices used by the Government Pension Investment Fund, one of the world's largest public pension funds. In addition, for the second year in a row, we received the highest rating of Gold in the "PRIDE Index 2023," an index for evaluating corporate LGBTQ+ initiatives developed by "work with Pride".

Moreover, for the first time since April 2010, when the Group started as Renesas Electronics, our stock has been included as one of the 225 stocks that make up the Nikkei 225 (Nikkei Stock Average).

## **(2) Summary of Consolidated Financial Results**

The Group discloses consolidated business results in terms of both internal indicators which the management relies upon in making decisions (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 numbers derived by subtracting or reconciling non-recurring items and other reconciliation items from IFRS revenue, gross profit, and operating profit, respectively, 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 decreased by 2.2% year-on-year to 1,469.7 billion yen. This was mainly attributable to the decrease in revenue from industrial, infrastructure, and IoT businesses due to the softening of the PC/mobile phone and consumer markets, etc., although revenue from automotive business increased due to the effect of yen depreciation.

#### **(Non-GAAP Gross Profit)**

Gross profit for this Business Period decreased by 25.7 billion yen (3.0%) year-on-year to 837.4 billion yen (gross margin of 57.0%). This was due to the decrease in sales revenue from the industrial, infrastructure, and IoT businesses as mentioned above and the resulting deterioration in the product mix.

#### **(Non-GAAP Operating Profit)**

Operating profit for this Business Period decreased by 57.7 billion yen (10.3%) year-on-year to 501.6 billion yen (operating margin of 34.1%). This was mainly due to the above-mentioned decrease in gross profit and increase in R&D expenses.

#### **(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 were 0.3 billion yen, amortization of purchased intangible assets and depreciation of property, plant and equipment was 1.0 billion yen, and stock compensation was 1.5 billion yen. Further, one-time and limited-in-scope losses are included in other reconciliation items in non-recurring expenses and adjustment of 0.3 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 were 0.3 billion yen, amortization of purchased intangible assets and depreciation of property, plant and equipment was 105.8 billion yen, and stock compensation was 23.3 billion yen. Further, one-time and limited-in-scope gains are included in other reconciliation items in non-recurring expenses and adjustments of 18.5 billion yen.

(Translation)

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

Net revenues for this Business Period decreased by 2.1% year-on-year to 1,469.4 billion yen, and gross profit decreased by 2.3% year-on-year to 834.3 billion yen (gross margin 56.8%), operating profit decreased by 7.9% year-on-year to 390.8 billion yen (operating margin of 26.6%). In addition, profit attributable to owners of the parent for this Business Period was 337.1 billion yen, resulting in an increase of 80.5 billion yen year-on-year.

(Billion yen)

Classification	21st Business Period (From Jan. 1, 2022 to Dec. 31, 2022)	22nd Business Period (This Business Period) (From Jan.1, 2023 to Dec. 31, 2023)
Non-GAAP Gross Profit	863.2	837.4
Reconciliations in Revenue Level (Note 1)	(1.8)	(0.3)
Amortization of Purchased Intangible Assets and Depreciation of Property, Plant and Equipment	(1.0)	(1.0)
Market Valuation of Inventories	(1.5)	—
Stock compensation	(1.5)	(1.5)
Other Reconciliation Items in Non-Recurring Expenses and Adjustments (Note 2)	(3.2)	(0.3)
IFRS Gross Profit	854.0	834.3
Non-GAAP Operating Profit	559.4	501.6
Reconciliations in Revenue Level (Note 1)	(1.8)	(0.3)
Amortization of Purchased Intangible Assets and Depreciation of Property, Plant and Equipment	(106.2)	(105.8)
Market Valuation of Inventories	(1.5)	—
Stock compensation	(18.1)	(23.3)
Other Reconciliation Items in Non-Recurring Expenses and Adjustments (Note 2)	(7.5)	18.5
IFRS Operating Profit	424.2	390.8
IFRS Profit Attributable to Owners of Parent	256.6	337.1

(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" include 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) for 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 sensing 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 7.8% year-on-year to 695.0 billion yen. As mentioned above, this was mainly due to the effect of yen depreciation as well as increased revenue from sales of products for Advanced Driver-Assistance Systems (ADAS) and xEVs.

Moreover, gross profit increased by 38.8 billion yen (12.0%) year-on-year to 363.2 billion yen (gross margin of 52.3%). This was due to an increase in revenues.

Operating profit increased by 19.5 billion yen (8.9%) year-on-year to 238.7 billion yen (operating margin of 34.3%) due to 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 decreased by 9.6% year-on-year to 764.7 billion yen. This was due to the decrease in revenue resulting from the softening of the PC/mobile phone and consumer markets, as mentioned above, despite the positive effect of yen depreciation.

Moreover, gross profit decreased by 64.6 billion yen (12.1%) year-on-year to 470.8 billion yen (gross margin of 61.6%). This was due to the decrease in revenues.

Operating profit decreased by 72.7 billion yen (21.9%) year-on-year to 259.0 billion yen (operating margin of 33.9%) due to the decrease in gross margin.

**(Other)**

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

Revenues of the Other segment for this Business Period decreased by 15.4% year-on-year to 10.0 billion yen.

Operating profit increased by 2.6% year-on-year to 3.5 billion yen.

**●Issues to be Addressed by the Group****(1) Sales growth, appropriate cost control and optimization of production structure**

First, the Group’s sales in this Business Period slightly decreased compared to the previous business period. Demand softened for semiconductors for industrial, infrastructure, and IoT applications due to sluggish demand for PCs and mobile phones and demand for industrial equipment slowing down in the second half of this Business Period, while demand for semiconductors for automotive applications had remained strong since the previous business period. On the other hand, Design-in, which will be a



source of future revenue for the Group, exceeded the target for this Business Period by 14% and increased by 38% year-on-year.

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

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, power semiconductors for xEV such as IGBT (Insulated Gate Bipolar Transistor) and SiC, 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, regarding past acquisitions of the companies formerly known as Intersil and IDT, as well as Dialog, the Group has actively pursued to maximize synergies, including Winning Combinations. During this Business Period, we increased the percentage of Winning Combinations to about 50% of the total Design-in. Going forward, we will continue and strengthen these efforts. Following the acquisitions of Celeno, Reality AI, and Steradian in the previous business period, we acquired Pantronics, which has strengths in semiconductors for NFC, and announced the acquisition of Sequans, which provides semiconductors for cellular IoT such as 4G/5G, in this Business Period.

Going forward, in order to respond quickly to the rapidly changing semiconductor market, the Group will continue to add to and update the list of acquisition candidates to acquire products, technologies, and solutions that the Group does not currently own.

In terms of costs, we implemented various cost reduction measures to realize cost synergies from the acquisition of Dialog and achieved the targets of those measures. However, transportation costs have remained high due to soaring raw material and energy prices, including crude oil prices, resulting from rising geopolitical risks, as well as rising labor costs, despite the alleviation of the elevated transportation costs previously experienced due to logistics disruptions triggered by the spread of Covid-19. The Group will continue to reduce costs by streamlining logistics flows, including the implementation of consolidated transportation. In addition, the Group will continue our efforts to stabilize the supply chain by promoting multi-sourcing of raw materials and long-term supply contracts and will continue to contain costs through changes in parts and materials and by switching to less expensive suppliers. Also, under the new organizational structure established in January 2024, we will push forward with a review of cost items, including R&D expenses, with the aim of improving investment and cost efficiency. Furthermore, to improve the efficiency of operations and IT systems, the Group has made strategic investments toward the integration of our core ERP IT systems. The integrated system is scheduled to be fully operational by around October 2024, and we believe it will make a significant contribution to the Group's business over 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 43% for the 150mm wafer production line, 71% for the 200mm wafer production line, and 50% for the 300mm wafer production line, an average of 62% for all factories.

The Group will keep striving to enhance the production facilities at our factories in order to ensure a stable supply. In this Business Period, we made capital investments in the Kofu and Takasaki Factories to meet the demand for power semiconductors, which is expected to grow going forward, and in the Naka and Kawashiri Factories to increase the supply capacity of microcontrollers. We will continue to

make capital investments to ensure a stable supply of the Group's products. In addition to these capital investments, we will continue to build die banks to be able to respond to sudden demand fluctuations and to enhance our resilience.

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

As a result of these proactive investments, the Group's capital investment for this Business Period was about 6% of revenue. We aim to restrict the ratio to approximately 5% of revenue in the medium- to long-term.

## **(2) Responding to geopolitical issues**

With the prolonged US-China trade friction and the worsening situation in the Middle East, global geopolitical risks are increasing. The supply chain disruptions triggered by these risks will continue to develop and are difficult to resolve in the near future. The disruption has been causing accelerations in export restrictions on certain companies and products as well as the trend of local production for local consumption in China, particularly for mature node products (semiconductor products manufactured using processes of 40 nanometers or more), which is beginning to have a significant impact on the Group's business segment, the semiconductor market, and business opportunities in the market. In order to respond to the disruption of each supply chain, particularly those in the United States and China, the Group is promoting the decentralization of design and manufacturing sites and the optimization of resources.

Going forward, the Group 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 make our customers' product and service development activities easier. To realize this, the Group has implemented various initiatives to enable customers to proceed with product and service development as simply and speedily as possible.

For example, during this Business Period, we announced "Quick Connect Studio", which helps customers of the Group's products graphically build hardware and software on a cloud-based design platform without having to physically obtain an evaluation board. This allows customers to quickly design and verify prototype models that combine microcontrollers with various sensors and connectivity functions, and easily start development. In addition, we launched "AI Workbench," which enables performance evaluation and operation verification of in-vehicle AI software in a cloud environment using Microsoft's cloud service Microsoft Azure, contributing to the realization of "Shift Left," which allows customers to verify the specifications and performance from the early stages of vehicle development without hardware.

In February 2024, we entered into an agreement to acquire Altium Limited, a U.S.-headquartered company with an established reputation for printed circuit board (PCB) design platforms. Customers designing PCBs sometimes need to dedicate huge resources in selecting hundreds of components and managing their bills of materials. With this in mind, in June 2023 we announced our decision to consolidate the design library of the Group's products into a platform provided by our existing business partner Altium, as an initiative to both enable customers to select components more easily and to bolster the Group's digitalization strategy. Our decision to acquire Altium promotes this initiative even further. The acquisition enables Renesas and Altium to join forces and combine the Group's embedded

semiconductor solutions with Altium's superior technologies, building an electronics system design and lifecycle management platform that centrally executes and manages designs across devices and systems in a cloud environment. The platform will enable our customers to design complex and sophisticated electronic devices and systems in a centralized system, significantly reducing development resources required, increasing efficiency, and accelerating innovation.

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 faces challenges 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). We have achieved a certain level of success with respect to products manufactured within the Group; we have gradually begun to expand our die bank for products for which we outsource production, and we expect to secure sufficient volume by the end of the first half of FY2024. We will continue to aim for appropriate die bank development while carefully monitoring market trends.

#### **(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, 10% in North America, 12% 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 enhance 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' cybersecurity management systems for automotive microcontrollers and SoCs acquired "ISO/SAE 21434: 2021" certification.**

The Group obtained certification that we are compliant with an international standard for CSMS (Cyber Security Management System) for automobiles, "ISO/SAE 21434:2021," from TÜV Rheinland, a major European certification institution.

In recent years, there has been growing concern about cyberattacks as automotive systems have become more sophisticated. When an automaker obtains a type approval for a vehicle manufactured and sold by the automaker, the vehicle must be compliant with UNR 155, the cybersecurity regulations established by the United Nations Economic



Commission for Europe (UNECE), and compliance with CSMS is necessary for this review. Therefore, by using the Group's products that have obtained CSMS certification, automakers and manufacturers of their parts will be able to reduce their development burden and respond more quickly to cybersecurity needs when obtaining automobile type approval in various countries.

The CSMS In the development process for automotive microcontrollers (RL78 and RH850) and SoCs (R-Car) developed by the Group on or after January 1, 2022, is compliant with the international standard for which we obtained certification.

The Group is engaged in the design and development of products with the priority of safety and security, and has established a system to support automakers in complying with the automotive functional safety standard ISO 26262 in the field of safety, in addition to the field of security, for which we have been certified this time. By using our products in next-generation automotive systems, customers can achieve early compliance with international standards in cybersecurity and functional safety.

By providing state-of-the-art performance, functionality, and security, and a variety of AI implementation solutions, the Group will contribute to methods such as "Shift Left," where customers can verify the specifications, functions, and performance of products from the early stages of development without the need for hardware, and "Software First," where software dictates the value of automobiles.

**(2) Renesas launched "Quick Connect Studio," which can speed up the design cycle of prototypes by deploying software developed on the cloud to hardware.**

The Group has launched Quick Connect Studio, a platform for IoT devices that allows customers to deploy software developed on the cloud to hardware.

This platform is a development environment that allows customers to automatically generate software and verify its operation in hardware by simply selecting the microcontroller platform they want to use on the cloud and graphically mounting the necessary functional blocks such as sensors and communication boards. When a customer develops a product, the process of bringing the product to market is extremely complex and requires significant time and effort. However, with this platform, customers will be able to quickly realize and validate their product ideas without having knowledge



of the Group's semiconductors, tools, and development workflows, and will be able to develop hardware and software at the same time, thereby shortening the time required for product development and increasing efficiency. In addition, the platform can be easily operated with the latest GUI (Note), eliminating the need for time required to learn how to operate it.

As the first step in this platform, the Group has started providing RA family and various sensors and connectivity functions and is increasing the number of compatible products, including the RX and RL78 families.

The Group will continue to promote the improvement of the user experience in order to make it easier for customers to develop products and services.

(Note) GUI is an abbreviation for "Graphical User Interface," which is an interface that can be operated by a pointing device such as a mouse, using graphics such as icons and buttons displayed on a computer screen.

**●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 75.5 billion yen. The main breakdown is investment in power semiconductor devices for future growth and investment in renewal and rationalization of production facilities at production lines.

**●Financing Activities of the Group**

We did not take out new loans, increase capital, or issue bonds during this Business Period. As of the end of this Business Period, the Group's interest-bearing debt decreased by 102.3 billion yen from the end of the previous Business Period to 667.7 billion yen.

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

Indices		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 (From Jan. 1, 2022 to Dec. 31, 2022)	22nd Business Period (This Business Period) (From Jan.1, 2023 to Dec. 31, 2023)
Revenue	(Billions of yen)	715.7	993.9	1,500.9	1,469.4
Operating Profit	(Billions of yen)	65.1	173.8	424.2	390.8
Non-GAAP Operating Profit	(Billions of yen)	137.5	296.6	559.4	501.6
Profit Before Tax	(Billions of yen)	65.2	142.7	362.3	422.2
Profits Attributable to Owners of Parent	(Billions of yen)	45.6	119.5	256.6	337.1
Basic Earnings Per Share	(Yen)	26.54	64.77	137.66	189.77
Total Assets	(Billions of yen)	1,609.0	2,426.3	2,812.5	3,167.0
Total Equity	(Billions of yen)	619.7	1,153.4	1,537.5	2,005.6

- (Notes)
1. The Company prepares its consolidated financial statements in accordance with IFRS.
  2. Basic earnings per share are 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 certain adjustment items from operating profit based on IFRS pursuant to certain rules. We believe such information is useful to understand the Group's constant operating results.

### ●Main Business of the Group (as of December 31, 2023)

As a semiconductor manufacturer, the Group designs, develops, manufactures and sells and provides services in connection with various semiconductor products.



### ●Principal Subsidiaries (as of December 31, 2023)

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) 2,952,870	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, 2023, there are a total of 95 consolidated subsidiaries consisting of 5 domestic companies and 90 overseas companies, including the principal subsidiaries described above.
2. There is no “Specified wholly owned subsidiary company” which comes under Item 4, Article 118 of the Regulations for Enforcement of the Companies Act.

### ●Principal Offices and Plants of the Group (as of December 31, 2023)

#### (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, 2023)

Number of Employees	Increase from December 31, 2021
21,204	187

(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, 2023)**

Lenders	Balance of Borrowings (Millions of yen)
MUFG Bank, Ltd.	168,049
Mizuho Bank, Ltd.	135,647
Japan Bank for International Cooperation	66,662
Sumitomo Mitsui Trust Bank, Limited.	42,266

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

- (1) On January 11, 2024, we entered into an agreement with Transphorm, a U.S. company whose strength is in the development and production of GaN (gallium nitride) power semiconductors, to acquire all shares of the company (total acquisition price: approximately US\$339 million).
- (2) On February 15, 2024, we entered into an agreement with Altium Limited, a leading PCB design software company headquartered in the U.S., to acquire all shares of the company (total acquisition price: approximately A\$9.1 billion) by way of a Scheme of Arrangement under the Australian Corporations Act.
- (3) On February 8, 2024, we entered into a merger agreement to absorb Renesas Engineering Services Co., Ltd., a wholly-owned subsidiary of the Company, into the Company.
- (4) At the meeting of the Board of Directors held on February 8, 2024, the Company resolved to cancel its treasury stock in accordance with Article 178 of the Companies Act as follows:
  - (a) Total number of treasury stock to be cancelled  
Common stock 87,839,138 shares (Approximately 4.5% of total number of shares outstanding)
  - (b) Scheduled date of cancellation: February 29, 2024

## Notes for our Shareholders

● Business Period	January 1st to December 31st each year	
● Annual General Meeting of Shareholders	Within 3 months from the next day of the last date of each business period	
● Record date (each year)	Annual General Meeting of Shareholders	December 31
	Year-End Dividend	December 31
	Mid-Year Dividend	June 30
	* In case Proposal 2 is passed at the General Meeting, record date for dividend will be 4 times per year after FY2024 (i.e. March 31, June 30, September 30m December 31 of each year)	
● Number of shares constituting one unit of shares	100 shares	
● Share Transfer Agent and Administrator of Special Account	1-4-1 Marunouchi, Chiyoda-ku, Tokyo Sumitomo Mitsui Trust Bank, Limited	
	Share Handling office: 1-4-1 Marunouchi, Chiyoda-ku, Tokyo Sumitomo Mitsui Trust Bank, Limited Stock Transfer Agency Business Planning Department	
	(Postal Address) 2-8-4, Izumi, Suginami-ku, Tokyo 168-00063, Japan Sumitomo Mitsui Trust Bank, Limited Stock Transfer Agency Business Planning Department	
	(Phone number) 0120-782-031 * Toll free dial only available in Japan	
	(Website) <a href="https://www.smtb.jp/personal/procedure/agency/">https://www.smtb.jp/personal/procedure/agency/</a>	
	* Only Japanese page is available	
● Listed Stock Exchange	Tokyo Stock Exchange	



### **[Matters regarding Special Account]**

For shareholders who have not used Japan Securities Depository Center (JASDEC or so-called “Hofuri” in Japan, we opened your accounts at Sumitomo Mitsui Trust Bank, Limited., our transfer agency above (Special Account”). If you have any questions regarding the Special Account or any procedures regarding Special Account including change of your address, please contact above contact (only Japanese is available)