



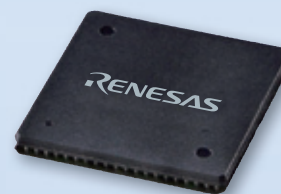
## CSR and Environmental Report 2011

RENESAS ELECTRONICS CORPORATION

## RENESAS ELECTRONICS CSR and Environmental Report 2011

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# Renesas Electronics Group CSR Charter

Formulated April 1, 2010

The Renesas Electronics Group will contribute to the sustainable advancement of society. As an enterprise, we will conduct business that helps build a better future for people around the world by supplying superior semiconductor products powered with advanced technologies and by providing customer service that is honest and sincere.

We pledge to conduct our business with integrity and in compliance with legal requirements. We will work with and for the benefit of our stakeholders based on the following guiding principles:

## **Customer focus**

We will quickly provide optimized, high-quality solutions in response to our customers' needs to maximize customer satisfaction and to earn our customers' trust.

## **Sound business practices**

We will carry out fair, ethical and transparent business practices and convey these practices to all our stakeholders. In addition, we will maximize our corporate value through business practices that allow us to continue to grow.

## **Healthy work environment**

We will respect the individual personalities of our employees. We will promote a rewarding, safe, and flexible working environment where each person is able to demonstrate his/her best talents and capabilities.

## **Global perspective**

As a member of the global community, we will respect the history, culture, customs and human rights of each country and region, and we will not practice or permit any forced or child labor. In addition, we will promote activities that contribute to the betterment of the global society.

## **Environmentally friendly**

We pledge to develop, manufacture and sell semiconductor products that respect the environment, and we will strive to minimize the environmental impact of our products throughout the entire product life cycle. We will also participate in activities intended to harmonize human pursuits and the environment, promoting increased awareness of issues such as climate change and biodiversity.



Yasushi Akao  
Representative Director,  
President

## Top Message: To Our Stakeholders

The Great East Japan Earthquake in March 2011 caused damage of an unprecedented scale to Japan's Tohoku and other regions. On behalf of all Renesas Electronics Group members, I would like to express the sincerest sympathy to everyone affected by the disaster. We are hoping for the quickest possible recovery and restoration in the disaster regions and the reestablishment of safe and healthy living environments for those experiencing difficulties in the aftermath of the disaster.

Renesas Electronics formed a Companywide emergency response taskforce immediately after the earthquake occurred. Prioritizing the safety of the Company's employees, the taskforce swiftly moved to collect information on the status of human resource and facility damage. At the same time, it implemented a series of response measures aimed at achieving the quickest recovery and restoration of the Company's facilities damaged by the disaster. Some of our factories situated in the disaster region were significantly damaged and were forced to suspend production. Thanks

to the invaluable support offered by many of our customers, shareholders and business partners, the Naka Factory, which suffered the greatest damage, achieved earlier-than-expected recovery and resumed production in June, only three months after the earthquake. By mid-September, by supplementing product shipments with products procured elsewhere, the Naka Factory recovered to pre-disaster shipment levels. I would like to take this opportunity to offer heartfelt thanks again to those who provided assistance.

Experiencing this disaster dramatically reaffirmed our social responsibility. No matter the circumstances, we must maintain a stable supply of our semiconductors and other products. Based on this reaffirmation, we will enhance our business continuity plan (BCP), incorporating the lessons learned.

### **Social Responsibility of the Renesas Electronics Group**

The Corporate Philosophy of Renesas Electronics states, "Harnessing our collective expertise in new technologies,

Renesas Electronics contributes to a world where people and the planet prosper in harmony by realizing our vision and building our future.” In line with this philosophy, Renesas Electronics is working to contribute to the realization of an affluent global society through its semiconductor business.

To this end, the Company must gain the trust of its customers worldwide and keep strengthening such trust. The greater trust we gain, the greater business growth we will achieve. And sustaining the growth of our business is definitely a part of the social responsibility we must fulfill.

After the disaster and accidents at the Fukushima Daiichi Nuclear Power Station, calls are heightening for a comprehensive review of Japan’s energy policy. Accordingly, power generation using photovoltaic (PV), wind, geothermal and other types of renewable energy is drawing increased attention from industry and the public alike as alternative to nuclear power generation. In step with this trend, we have recognized the increased necessity of realizing a “smart” society, where greater energy savings and more sophisticated power consumption management than those performed in today’s society are viewed and promoted as de facto standards.

For example, the replacement of ordinary electric meters with “smart meters” will enable a power company to more closely monitor power consumption in the area under its jurisdiction. After the disaster, rolling blackouts caused confusion and disorder in many communities. If smart grid power distribution systems—incorporating smart meters—are established, more comprehensive, effective power distribution can be realized. With smart grid systems, even in the event of a wide-area blackout, power distribution could remain uninterrupted for hospitals, railway networks and other public facilities and systems. Smart meters will also give consumers real time data. Consumers will instantly know which appliances to turn off to save electricity, and this should encourage energy savings.

Renesas Electronics commands a high share in the market of microcontrollers for currently prevalent electric meters. In addition, the Company boasts an industry-leading track record in supplying microcontrollers for telecommunication and security applications. Leveraging these advantages, the Company has already commenced preparations for providing solutions based on its products, including analog devices and microcontrollers for measurement and communication devices to be used in smart meters. In addition to markets in Japan, we plan to offer our “smart” solutions in overseas markets, including those in emerging nations.

The use of “smart” systems is expected to spread rapidly out of the power sector, penetrating such fields as housing and automobiles. To provide solutions for these smart society needs, Renesas Electronics maintains a powerful portfolio of products and technologies, including microcontrollers, analog and power devices, and other offerings boasting significant potential. By providing smart solutions for inverter-equipped home appliances and automobiles, we will contribute to the realization of a smart society.

In addition to its social contributions through business, Renesas Electronics is continuing various other activities to contribute to society. As a good corporate citizen, Renesas

Electronics will continue to promote exchanges with local communities toward achieving growth in sync with society.

Indeed, the disaster provided us with a number of lessons. We thought we had a BCP, but the disaster made us realize it was not sufficient in many aspects. With the benefit of these lessons, we will enhance our BCP to further solidify our capabilities to maintain stable product supply. We will implement such initiatives as facility reinforcement for greater earthquake resistance, establishment of effective alternate production frameworks and promotion of risk information sharing with customers.

### Accelerating Environmental Efforts

The semiconductor industry exerts a significant environmental impact due to substantial consumption of electricity, water and chemical substances in the fabrication processes. As a player in the industry, the Renesas Electronics Group is continuing to step up energy- and resource-saving and waste reduction activities to minimize its environmental impact. In particular, Japan is expected to experience even tighter electricity supply in the aftermath of the disaster. In response, we will advance our energy-saving initiatives further.

Meanwhile, regulations regarding chemical substance management are becoming increasingly stringent in Europe, China and other countries and regions. Accordingly, the need for appropriate management of chemical content in products is ever increasing. In anticipation of such trends, Renesas Electronics has consistently developed and manufactured eco-friendly products to better accommodate requirements presented by its customers and society at large. In fiscal 2012, year ending March 31, 2012, we are expanding the scope of our products subject to such chemical content management, thereby accelerating the provision of products that effectively satisfy requirements of our customers and society.

Today, global concerns are ballooning for the protection of the environment, such as global warming prevention and biodiversity preservation. Balancing business activities with environmental considerations, the Renesas Electronics Group will strengthen environmental preservation activities in the local communities where it operates and thereby contribute to worldwide efforts to maintain a sound environment for future generations.

### Gaining Greater Stakeholder Trust

The Renesas Electronics Group understands that its approach to CSR must adjust to requirements that keep changing with the times. By keeping abreast of societal changes and anticipating the volatile demands of the times, the Renesas Electronics Group will further its business and CSR activities. We ask you for your unwavering support as we stride toward becoming a company trusted by all stakeholders.

Renesas Electronics Corporation  
September 2011



Yasushi Akao  
Representative Director, President

# Our Response to the Great East Japan Earthquake

## —Aiming for the Quickest Complete Recovery in Product Supply

We would like to extend our deepest sympathy to everybody affected by the disaster. We are hoping for the quickest possible recovery and restoration of the disaster struck region.

### ● Chaotic Conditions Immediately after the Earthquake

The Great East Japan Earthquake on March 11, 2011 caused significant damage to the eight factories Renesas Electronics operates in the Kanto and Tohoku regions (see the map below). The Company was forced to suspend operations at these factories, effectively halving its production (pre-processing) capacity. The Naka Factory—our flagship factory located in Hitachinaka City, Ibaraki Prefecture—could not even make contact with the Company's headquarters in Tokyo for a period following the earthquake.

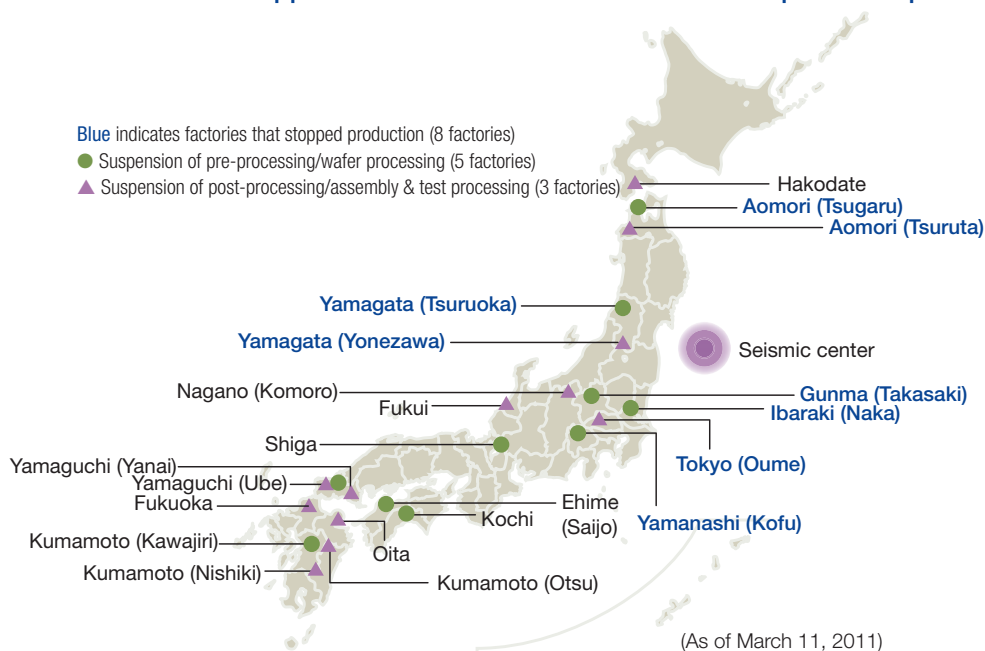
The day following the quake, managerial staff, volunteer fire fighters and employees responsible for utilities gathered at the Naka Factory to conduct an inspection of facility damage. However, due to the scarcity of electricity and water, simply confirming the current status presented significant difficulty. Transformer breakage

and fallen high-voltage power cables within the premise added to the difficulty, increasing the risk of shorts and electrocution.

The earthquake had, it was obvious, shattered the inside of the Naka Factory. Walls inside cleanrooms fell, and steel beams were exposed. Metal brackets used to firmly fix manufacturing systems were deformed. Semiconductor exposure systems were so damaged that they had to be shipped to the manufacturer for repair.

Still, the inspection revealed the degree of damage varied depending on the floor of the factory. So, the decision was made to resume the manufacture of certain products. To compensate, Renesas Electronics started preparation on March 17 to undertake alternate production using facilities at other locations.

### Factories That Stopped Production due to the Great East Japan Earthquake



### Activities of the Emergency Response Taskforce

Immediately after the earthquake, an emergency response taskforce was established, led by the president. This taskforce consisted of 10 teams, each led by the general manager of a division or office responsible for each risk category. Once established, all recovery and restoration efforts were controlled by this taskforce. At taskforce meetings, consecutive reports flew in regarding damage status, recovery measures and external communication. Specific response measures were formulated and implemented efficiently by each team through the involvement of related divisions, offices and working groups.

### Recovery, Health and Safety Activities Promoted through Cooperation

Mitsuo Imamoto Assistant Manager, Human Resources Section, Naka General Affairs Department, Human Resources & General Affairs Division, Renesas Electronics

At the time of the earthquake, the Naka Factory was operating at full capacity. After the primary jolt subsided, all employees were ordered to evacuate the building. Once outside, safety confirmation was conducted. Only two employees suffered injuries. With this good fortune, we realized the importance of the evacuation training that we had performed regularly.

We prioritized safety over anything else while working to launch recovery activities. At the Naka Factory, we all shared the same understanding: "We will not allow any accident to occur. If something does happen, our recovery activities will have to stop immediately." Based on this understanding, we established a temporary 24-hour medical office through support provided by the factory safety council, industrial physicians and nurses to ensure that everybody could engage in recovery activities with a sense of security.

We identified certain problems in the aftermath of the disaster. It took about 15 days for Naka Factory employees to confirm the status of their own houses and the safety of their family members. Also, we could not access the list of our employees, which was saved on the Company's common server, due to interrupted intranet connection. We have learned lessons from these problems. We will rework our general safety measures based on these lessons, including the safe management of employee lists and other information.

### Prioritizing the Safety of Employees and Their Families

Nobuo Okamoto Section Manager, Welfare Section, Employee Relations Department, Human Resources & General Affairs Division, Renesas Electronics

Isao Takagi Manager, Safety and Health Section, General Affairs Department, Human Resources & General Affairs Division, Renesas Electronics

The Human Resources & General Affairs Division at the Company's headquarters confirmed the safety of all employees, including new recruits scheduled to join the Company on April 1, 2011, as well as their family members. The confirmation results, along with working conditions at each business site and the schedule for rolling blackouts, were reported at emergency response taskforce meetings held every day after the disaster. However, due to blackouts and communication network failures, it was really difficult to communicate with the business sites affected by the disaster. Ultimately, it took us until March 24 to confirm the safety of all employees and until April 5 for their family members.

We received assistance from local community members in finding accommodation for those who were dispatched to support our recovery activities at the Naka Factory. We also received a significant amount of relief supplies from the Japan Automobile Manufacturers Association, Inc., major shareholders of Renesas Electronics, the Renesas Electronics Labor Union, local governments and customers. In addition, domestic and overseas Group companies, as well as former Renesas Electronics employees, sent substantial monetary donations. We cannot begin to express our appreciation for such invaluable assistance.

Based on the lessons we learned from this disaster, we will secure several ways to maintain communication with our business sites. Also, as we experienced difficulties in confirming safety due to differences in the systems used by our business sites. Going forward, we plan to standardize our safety confirmation system and expand the implementation of this system.

## ● 24-Hour Recovery Efforts Made Possible by Support from Many Sectors



Ten days after the earthquake, on March 21, Renesas Electronics launched a recovery plan aimed at resuming production on September 1. At the time of the plan's launch, we had not completely grasped the status of damage to our production facilities. Still, we prioritized the recovery of power and water supply facilities, drainage facilities, exhaust facilities, cleanrooms and other facilities that underpin our production infrastructure. A total of 9,500 people were involved in restoring the infrastructure at the Naka Factory. United through the goal of achieving the quickest possible infrastructure recovery, a maximum of 250 people a day—including employees at other Renesas Electronics factories and Group companies—worked in shifts. To promote recovery activities round the clock, we paid extra attention to the health management of everybody involved. Industrial physicians, occupational health staff and nurses from other Renesas Electronics factories and external organization also worked in rotation, providing round-the-clock support.

Overall, we managed to achieve earlier-than-expected recovery of our facilities. This was thanks not only to all-out efforts made by our employees, but also to contributions made by personnel dispatched from construction and facilities companies and automobile makers who are our customers. In addition, the Japan Automobile Manufacturers Association, Inc. and many electric and electronic manufacturers provided support by sending engineers. At the peak of our recovery activities around the beginning of April, a support team consisting of more than 2,500 of these engineers was formed. With such an extensive workforce, recovery activities took place at an incredible pace, and the recovery of our infrastructure, which was expected to take two months, was completed in just 12 days.

Similarly, in recovery activities for our manufacturing facilities, a total of roughly 700 engineers—sent from 70 facility manufacturers in Japan and overseas—were there to support us. These engineers worked in shifts to promote recovery activities 24 hours a day. Also, the Ministry of Economy, Trade and Industry, which concluded that



quick recovery of the Naka Factory was a key to the resurgence of the Japanese economy, provided assistance. Thanks to the Ministry's assistance, we were able to start test runs for 200-mm manufacturing lines on April 23 and for 300-mm manufacturing lines on April 25. As explained above, we managed to complete recovery activities two months ahead of the original plan. This was made possible by the support provided by many stakeholders. We are truly grateful for their support.

Meanwhile, throughout our recovery activities, we continued to implement accident prevention measures on the assumption that magnitude five aftershocks would persist. These measures included the adoption of suspended cable connections to prevent cable from falling. Also, we implemented measures to prevent walls from falling and to firmly fix manufacturing systems. Simultaneously, as part of local contribution activities, we donated 300 bottles of water to a local community association while running a water supply program for local residents.

To facilitate information sharing among different recovery activity teams, we promoted "conference room activities." Through these activities, leaders of these teams gathered daily in a large room to confirm recovery plan status and issues identified; these were tabulated and posted all over the walls. When they found out that a certain recovery activity was behind schedule, they would allocate more resources to the activity to quicken the progress. We learned that this method—known as "visualization" in the automobile industry where it is often utilized—is really effective in the semiconductor industry. We plan to spread similar visualization methods to other Renesas Electronics factories.

In the end, a total of approximately 80,000 people participated in the Company's recovery activities. Owing significantly to their support, Renesas Electronics completed test runs and quality assessment much earlier than it expected and resumed the operation of its 200-mm lines on June 1 and 300-mm lines on June 6.

### Strong Ties beyond Divisions and Companies

**Kazuo Oe** Senior Manager, Strategic Production Planning Department, Strategic Production Planning Division, Production and Technology Unit, Renesas Electronics

The Production Planning Department formed three teams to promote recovery activities. The information collection team was tasked with accurately assessing and disseminating the status of damage and recovery at each factory. The support team was responsible for formulating recovery support plans and promoting the implementation of these plans. And the production team was in charge of establishing and implementing plans for alternate production and priority product production launches in cooperation with related divisions.

In promoting recovery activities, our top priority was to resume the supply of our products to customers as quickly as possible. Accordingly, we adhered to the policy of maintaining the stable operation of factories not

affected by the disaster and starting recovery activities for the processes that are closely linked with our customers' operations.

I was stationed at the Naka Factory for about a month from April 6. I witnessed the strong will of Renesas Electronics employees as they set about achieving the quickest possible recovery and restoration, as well as the passion of third parties who were providing assistance to our recovery efforts. Thanks to their commitment, our recovery activities advanced well ahead of schedule, and we were able to resume manufacturing operations earlier than expected.

I realize this has all been possible only because everybody involved was united with the same goal and by strong ties transcending the boundaries of divisions and companies.

### Recovery Activities Promoted in Cooperation with Many Supporters

**Kazunori Horita** Supervisor, Manufacturing, 1st Naka Manufacturing Department, Naka Factory, Production and Technology Unit, Renesas Electronics

From March 24, I was involved with clearing rubble and debris from the cleanrooms. It was a mess everywhere. After identifying breakage and water leakage, we created a hazard map by constantly conducting safety confirmation. From March 28, we started collecting reticles, also known as photomasks, quartz plates used in steppers. Due to the earthquake, reticles fell from storage racks and were buried in rubble and debris. So, we picked them up after finding them in the rubble and debris and conducted visual inspections of approximately 1,400 reticles in cooperation with engineers. In April, we all worked together to clean the inside of cleanrooms. Thanks to the support provided by Japan Automobile Manufacturers Association, Inc. and many manufacturers in various fields, we launched test runs for the first lot after the disaster, which was named "Kizuna" (literally translated as "bonds among people") on April 23. Soon after, we began trial production and, on June 1, we were able to start mass production.

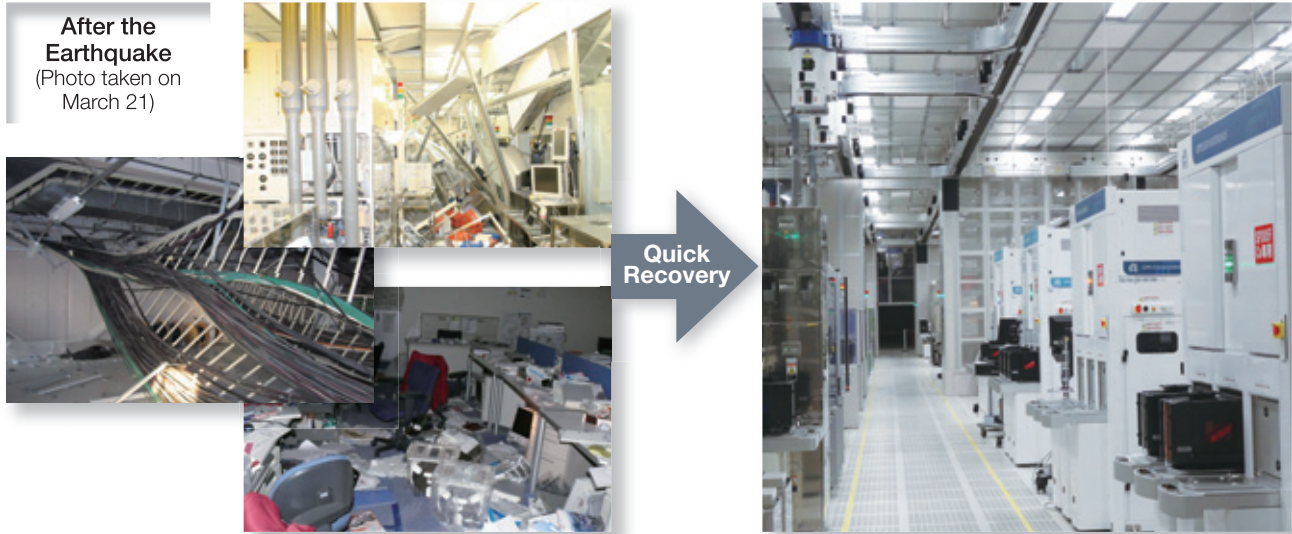
### Applying Lessons Learned for Future Initiatives

**Hideki Shoji** Senior Engineer, Facility Engineering Section, 2nd Naka Wafer Process Manufacturing Technology Department, Naka Factory, Production and Technology Unit, Renesas Electronics

I was involved with the repair of buildings and cleanrooms, as well as activities to restore the infrastructure required to operate manufacturing facilities. Electricity, water, phones, computers, and so on—nothing was available. In such an environment, we entered damaged buildings and started status checking from the morning after the earthquake, using flashlights, oxygen meters and other tools. The status of damage was beyond imagination. We did not know where to begin. However, by forming teams consisting of people from different divisions as well as from other companies and industries, we set about recovery and restoration activities. This provided us with invaluable experience while enabling quicker-than-expected recovery and restoration. Immediately after the earthquake, we could not secure the generators and heavy machinery required for recovery activities. We will use this experience to promote our operations and establish more robust emergency measures for the future.

## Recovery from Disaster: Completion of Naka Factory Recovery

Thanks to the substantial support provided by many parties, Renesas Electronics has been able to resume production three months ahead of its original schedule.



### ● Toward Establishing More Effective Business Continuity Plans

Long before the Great East Japan Earthquake, Renesas Electronics has worked proactively to establish business continuity plans (BCPs) and enhance the effectiveness of these BCPs. More specifically, on the assumption that a large-scale earthquake would occur in Japan, the Company has encouraged individual business units to formulate BCPs, which are centered on measures for general safety, emergency responses, damage minimization, business continuity and quick recovery. The focus of these BCPs was placed on: (1) securing the safety of employees; (2) fulfilling its responsibility of continuously supplying products and services; and (3) safeguarding its management resources. Based on these BCPs, we have prepared related manuals.

However, this disaster, which struck such a vast region, revealed our BCPs were not thorough enough. In other words, due to the significant scale of the disaster, the assumptions that we used to establish our BCPs failed to include ancillary factors that might prevent stable production, such as the possible impact of disasters on our suppliers, the widening of nuclear evacuation zones, and the possibility of rolling blackouts and electricity shortage. And owing to the shortcomings of our BCPs, we caused significant impact on the production plans of our customers. We take this matter very seriously.

One of the most important lessons we learned through the disaster was that we must establish a flexible structure to enable efficient information sharing and alternate procurement and production, not only for the Renesas Electronics Group, but also for the entire supply chain. And such a structure must

be realized through the synchronization of BCPs of all parties involved in the Renesas Electronics Group's supply chain. In preparation for large-scale disasters like the Great East Japan Earthquake, we will promote the comprehensive review and revision of our BCPs. And through enhanced BCPs, we aim to establish a structure and frameworks to minimize the Group's and related parties' exposure to a variety of risks and enable stable production or quickest possible production resumption.

One promising direction the Group can take to establish such a structure and framework is the building of a formidable "alternate production network." Since the merger of Renesas Technology Corp. and NEC Electronics Corporation, the Renesas Electronics Group has promoted the establishment of such an alternate production network. By further strengthening its fab network and accelerating the development of products based on this network, the Group will bolster its capabilities to adjust to changes in the external environment, such as demand fluctuations and unexpected events. At the same time, by continuing to value the sound relationships we have nurtured with our business partners, we will do our utmost to formulate measures to avoid risks and minimize the impact of risks.

The value of the Renesas Electronics Group is underpinned by its capabilities to steadily provide high-quality semiconductors to the market, supporting the advance of Japanese industry. These are the missions that the Renesas Electronics Group must continue to fulfill, and through the fulfillment of these missions we will contribute to nationwide efforts to realize recovery and restoration from the disaster.

### Further Enhancing Our BCPs

Hisayuki Kato Manager, CSR & Risk Management Section, CSR & Compliance Department, Legal & Compliance Division, Renesas Electronics

Immediately after the earthquake, an emergency response taskforce was formed, led by President Yasushi Akao. The CSR & Risk Management Section served as the secretariat of this taskforce, and its members, totaling about 50 staff, gathered everyday to hold emergency response taskforce meetings. (Later, these meetings were reestablished as the meetings of a recovery and restoration taskforce.) At these taskforce meetings, attendants reported on the status of damage, recovery activities and external communication. Each team under the taskforce communicated results and instructions of these meetings to related divisions, offices and working groups

to facilitate efficient and effective cross-divisional response activities.

Certain aspects of our BCPs proved effective in promoting response measures. However, we must admit that many shortcomings in our BCPs were revealed through the aftermath of the disaster, largely attributable to the onset of various unexpected events and factors. Due to these shortcomings, we had difficulties in responding appropriately in certain situations. Based on our experience through the disaster, we are currently conducting a comprehensive review of our BCPs and related manuals. We will support individual business units in enhancing their BCPs and related manuals. Through the dissemination of enhanced BCPs and manuals, we aim to make Groupwide BCPs more effective and reliable.



# CSR Management

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## CSR Promotion Structure

The Renesas Electronics Group CSR Charter forms the basis of the Group's CSR policies and activities, both internally and externally. The Company has also established a CSR Promotion Committee, which is chaired by its president and is in charge of making decisions regarding its CSR activities. In addition, the Company has set up a CSR & Compliance Division, which is exclusively tasked with promoting CSR activities. More specifically, the CSR & Compliance Division organizes Groupwide CSR activities while providing support and implementing educational programs to facilitate effective CSR activities.

### ■ Renesas Electronics Group CSR Charter

Renesas Electronics formulated the Renesas Electronics Group CSR Charter on April 1, 2010 in line with its establishment. This charter clarifies the principles and standards of behavior that we must adhere to in our business activities with customers and other stakeholders. In addition to ensuring legal compliance, the charter consists of such guiding principles as swiftly providing optimal, high-quality solutions to meet customer needs; carrying out ethical and transparent business practices; respecting the personalities of individuals; and contributing to harmonious coexistence with the environment. Pursuant to this charter, the entire Renesas Electronics Group is working as one to advance CSR activities.

### ■ CSR Promotion Committee

Renesas Electronics has established the CSR Promotion Committee to facilitate activities in line with the Renesas Electronics Group CSR Charter. The CSR Promotion Committee determines policies for Groupwide CSR activities, CSR objectives and targets, and priority CSR projects. Based on the decisions made by this committee, CSR activities are promoted on a Groupwide scale.

### ■ Specific CSR Activities

#### ● In Step with the Latest CSR-Related Movements

A new international standard, coined ISO26000, was officially published in November 2010 and introduces best practice guidance for social responsibility. To fulfill its social responsibility and gain the trust of society, Renesas Electronics will closely adhere to the seven principles of social responsibility under ISO26000, namely: (1) accountability; (2) transparency; (3) ethical behavior; (4) respect for stakeholder interest; (5) respect for rule of law; (6) respect for international norms of behavior; and (7) respect for human rights. Through such adherence, the Renesas Electronics Group will work to enhance its CSR activities.

The 10th meeting of the Conference of the Parties to the Convention on Biological Diversity (COP10) was held in Nagoya City, Aichi Prefecture, Japan during October 2010. The assembly adopted a Strategic Plan for Biodiversity and the Aichi Targets, which call for "effective and urgent action to halt the loss of biodiversity in order to ensure that by 2020 ecosystems are resilient and continue to provide essential services." The Strategic Plan includes a vision to achieve the ultimate goal of "living in harmony with nature" by 2050. Protecting biodiversity is a challenging issue, as it

involves the preservation of individual organisms, species and ecosystems. But it is, without doubt, a critical issue that the entire human race must address. The Renesas Electronics Group is committed to playing its part in protecting biodiversity through business and social contribution activities. As these activities testify, we are accurately responding to the latest CSR-related movements while bolstering related initiatives.

#### ● Social Contribution Activities

Today, many regions across the world are suffering water shortage attributable to deterioration in the global environment. Some experts believe that by 2025 approximately two-thirds of the world population will be affected by water shortages. Water resource depletion can have an unimaginable impact on ecosystems and, ultimately, lead to the extinction of all living organisms on the Earth. Fortunately, Japan has not experienced a serious water shortage, but we must still take effective measures to ensure a sound water environment for the future.

The semiconductor industry requires a substantial amount of water. As we are part of this industry, we have begun implementing initiatives specific to each of the Japanese regions where we operate. For example, Renesas Electronics has nurtured the "Semiconductor Forest" in Kanagawa Prefecture and the "Forest of Renesas" in Kumamoto and Kochi prefectures as part of efforts to protect watershed forests. At these locations, we are also working to preserve biodiversity. Overseas, the Group is promoting afforestation and other biodiversity protection activities in China, Malaysia and Singapore.

The semiconductor industry also needs new generations of human resources for the future. The Company continues to hold electrical engineering workshops featuring Renesas semiconductors and to support such events as the "Micom Car Rally Competition," a nationwide contest of self-propelled model cars using Renesas microcontrollers. (For more details, please refer to page 25 of this report.) Activities such as these are designed to help foster younger generations by providing knowledge about manufacturing, developing their creativity and encouraging them to grow into tomorrow's engineers.

#### ● Extending CSR through Supply Chain Management

Corporations are increasingly required to conduct CSR activities not just within the scope of their business, but also throughout their entire supply chains. In response to this trend, the Renesas Electronics Group is proactively involving all of its domestic and overseas suppliers in its framework of

CSR activities. Together with our suppliers, we are committed to promoting our CSR activities.

**Promotion of CSR-Oriented Procurement (Website)**  
[www.renesas.com/comp/procurement/csr.html](http://www.renesas.com/comp/procurement/csr.html)

## ■ Participation in the United Nations Global Compact

Renesas Electronics participates in the United Nations Global Compact. The Global Compact was announced at the World Economic Forum in January 1999 by Kofi Annan, the Secretary-General of the United Nations at that time. This list of ten principles covers the four categories of “human rights,” “labour standards,” “environmental protection” and “anti-corruption.” Participating corporations pledge to observe these principles. Since the Global Compact was officially launched at the UN Headquarters in New York in July 2000, approximately 8,000 corporations and organizations\* worldwide have declared their agreement with these principles and, consequently, participated in this compact. More than 100 Japanese corporations and organizations\* also participate in this effort. At the Renesas Electronics Group, we regularly provide our executives and employees with e-learning seminars aimed at instilling a way of thinking consistent with the ten principles. These seminars enable our executives and employees to further raise awareness of these principles in daily operations.



### <The Ten Principles of the United Nations Global Compact>

Human rights	
Principle 1:	Businesses should support and respect the protection of internationally proclaimed human rights; and
Principle 2:	make sure that they are not complicit in human rights abuse.
Labour	
Principle 3:	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
Principle 4:	the elimination of all forms of forced and compulsory labour;
Principle 5:	the effective abolition of child labour; and
Principle 6:	the elimination of discrimination in respect of employment and occupation.
Environment	
Principle 7:	Businesses should support a precautionary approach to environmental challenges;
Principle 8:	undertake initiatives to promote greater environmental responsibility; and
Principle 9:	encourage the development and diffusion of environmentally friendly technologies.
Anti-corruption	
Principle 10:	Businesses should work against corruption in all its forms, including extortion and bribery.

## Corporate Governance

Renesas Electronics is working constantly to reinforce its corporate governance, based on the understanding that efficient, sound and transparent corporate management is the key to making continuous improvements in its corporate value. To this end, the Company establishes necessary management frameworks and implements various initiatives.

### ■ Basic Approach

Renesas Electronics has adopted a corporate auditor system, as defined under the Japanese Companies Act. Corporate auditors audit the execution of duties by members of the Board of Directors, underpinning the Company's corporate governance structure. More specifically, full-time corporate auditors—including those appointed internally and having extensive knowledge of and experience in the Company's business—collaborate with accounting auditors, the Internal Audit Office, and other related divisions and offices to efficiently collect timely, accurate information. At the same time, the Board of Corporate Auditors—which includes externally appointed corporate auditors who are independent from the Company—analyzes the collected information from a multifaceted and objective perspective. In this way, Renesas Electronics is maintaining an effective corporate governance structure, and we believe that this structure is suitable for the Company.

**Corporate Governance Report (Website)**  
[http://japan.renesas.com/comp/csr/management/cg\\_report.html](http://japan.renesas.com/comp/csr/management/cg_report.html) (Japanese language only)

### ■ Externally Appointed Executives

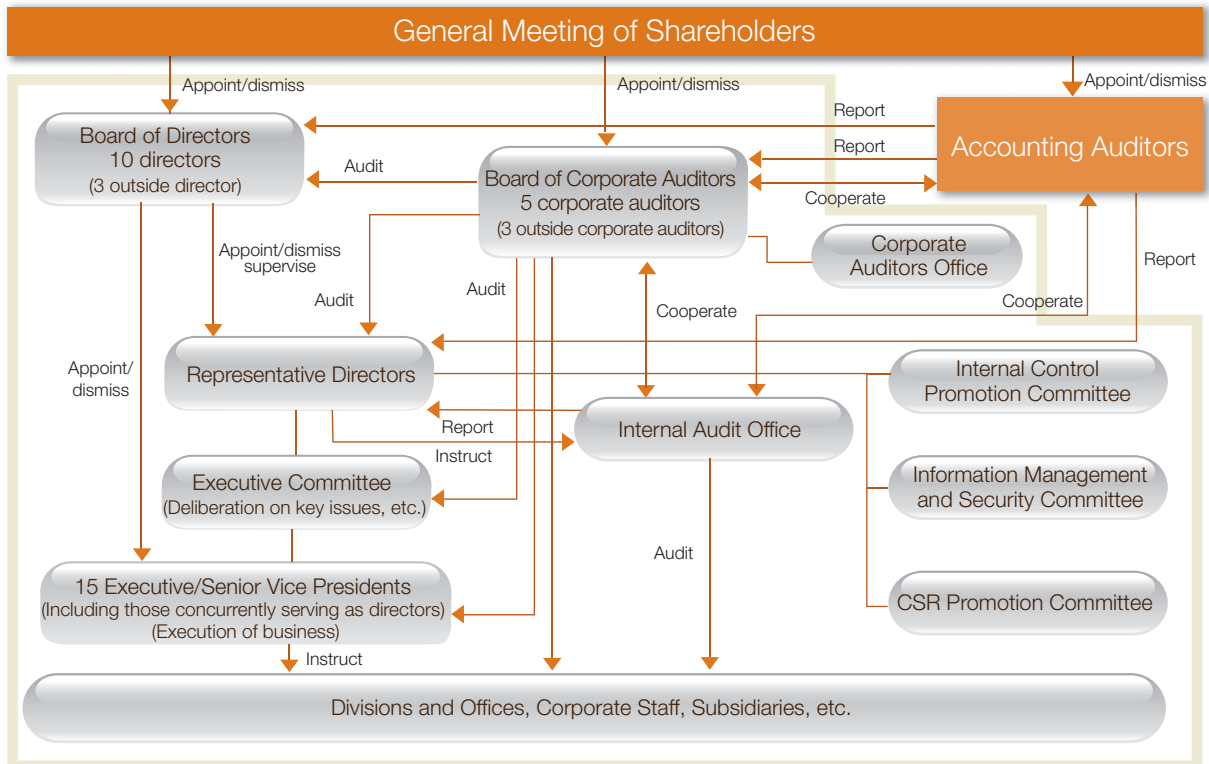
With the aim of bringing an external perspective to corporate management and thereby tackling management issues from various angles, Renesas Electronics has proactively selected members of its executive team from outside of the Company. These externally appointed executives have varied backgrounds and boast specialized knowledge in their respective field of expertise. Furthermore, to enhance its corporate governance and, consequently, business performance, the Company has selected independent directors and corporate auditors, who are competent in providing accurate and objective advice and judgment, pursuant to the Securities Listing Regulations of the Tokyo Stock Exchange on which the Company's shares are listed. None of them have any vested interest in the Company.

## Internal Control System

The Board of Directors of Renesas Electronics has formulated and implemented the basic policy for developing corporate systems—including those to ensure appropriate operations of the Company—defined under Article 362, Paragraph 4, Item 6 of the Companies Act and Article 100, Paragraphs 1 and 3, of the Enforcement Regulations of the Companies Act. Moreover, the Company's Internal Control Promotion Committee periodically holds meetings to delib-

erate and make decisions on issues, policies and other matters regarding internal control, as stipulated under the Companies Act and the Financial Instruments and Exchange Act.

Basic Policies of Internal control  
[japan.renesas.com/internal\\_control/](http://japan.renesas.com/internal_control/)



(As of June 28, 2011)

## Compliance

Ensuring thorough compliance is a never ending pursuit and one of the most significant tasks for Renesas Electronics. Accordingly, the Company disseminates compliance-related policy information to all employees, while ensuring that they closely observe these policies.

### Renesas Electronics Group Code of Conduct

With the aim of promoting compliance throughout the entire Group, Renesas Electronics formulated the Renesas Electronics Group Code of Conduct in April 2010. The Renesas Electronics Group Code of Conduct stipulates specific matters to be observed by all Group executives and employees in their daily business operations.

In each provision of this Code of Conduct, the subject “we” is used purposely in order to make all Group members understand that compliance issues apply to each and every individual. We must all strictly observe the Code of Conduct.



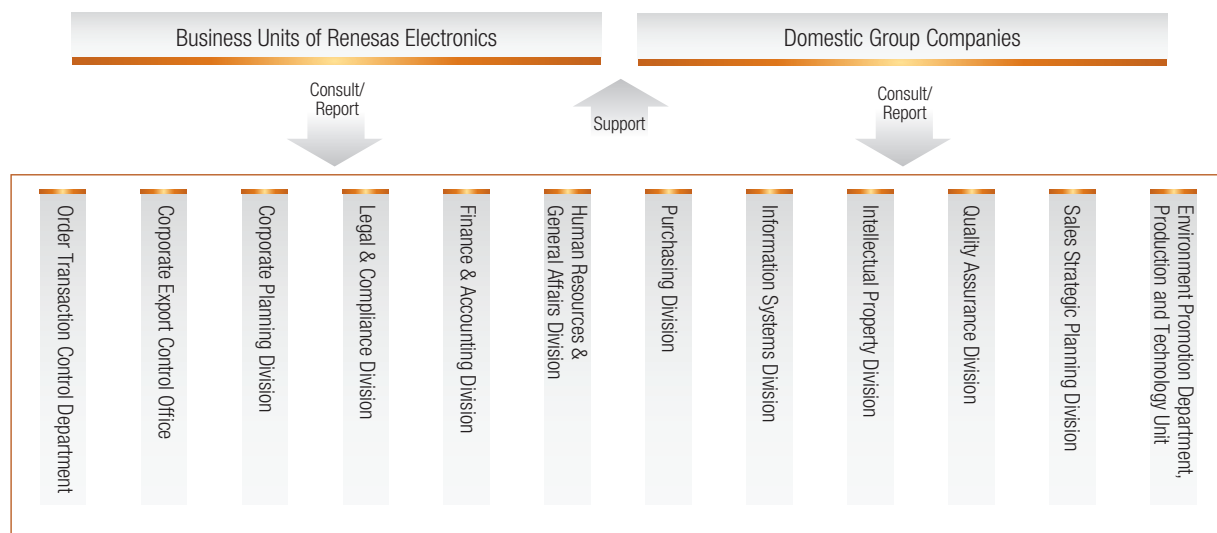
Renesas Electronics Group Code of Conduct (Website)  
[www.renesas.com/comp/csr/management/action.html](http://www.renesas.com/comp/csr/management/action.html)

## Compliance Promotion Structure

At Renesas Electronics, the Legal & Compliance Division is in charge of promoting compliance throughout the Group. More specifically, this division is tasked with: (1) the establishment of compliance systems; (2) the provision of support in the administration of compliance systems; and (3) the implementation of educational and awareness-raising pro-

grams relating to overall compliance-related subjects. Meanwhile, the Company has appointed compliance officers at individual business units and Group companies. These compliance officers support general managers of business units and presidents of Group companies in promoting compliance at each organization.

### Compliance Promotion Structure



## Compliance Promotion Activities

In order to effectively prevent compliance violations, Renesas Electronics classifies compliance-related risks into certain categories and designates a division or office responsible for each risk category. In their respective areas of responsibility, these divisions and offices are then tasked with developing guidelines and manuals, raising the compliance awareness of executives and employees through edu-

cational programs and information dissemination, and monitoring compliance status. In more specific terms, these divisions and offices are working to train executives and employees so that they will know which division or office to consult with or which internal guidelines to refer to should they confront compliance-related problems.

### Compliance Risks

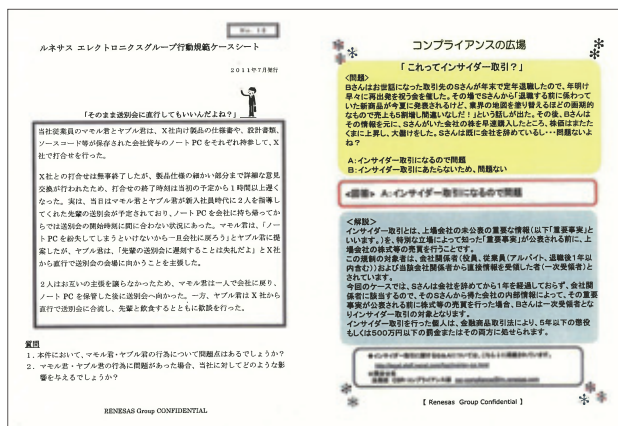
Responsible Division/Office	Major Compliance Risks
Order Transaction Control	Fraudulent order/fictitious revenue
Corporate Export Control	Illegal export
Corporate Communications, Corporate Planning	Deceptive advertising
Legal & Compliance	Antimonopoly Law violations (cartel, etc.), transactions with antisocial forces, insider trading, confidential/personal information leaks, internal illegal activities
Finance & Accounting	Accounting fraud
Human Resources & General Affairs	Human-rights abuse (sexual harassment, etc.), occupational accidents, corporate entertainment/gift-giving scandals, illegal political donations
Purchasing	Subcontract Law violations, camouflage contracting, illegal importing, interest-conflicting transactions
Information Systems	Computer viruses, illegal software copying, unauthorized access
Intellectual Property	Infringement of other parties' intellectual property
Quality Assurance	Defective products, product data falsification
Sales Strategic Planning	Inappropriate relationships with sales partners, illegal conduct against sales partners
Environment Promotion, Production and Technology	Environmental damage, use of specified hazardous substances

## Compliance Education/Communication

The Renesas Electronics Group provides position-specific compliance education programs for new employees, new section chiefs and new managers. At the same time, the Group offers compliance education programs common to all executives and employees every year.

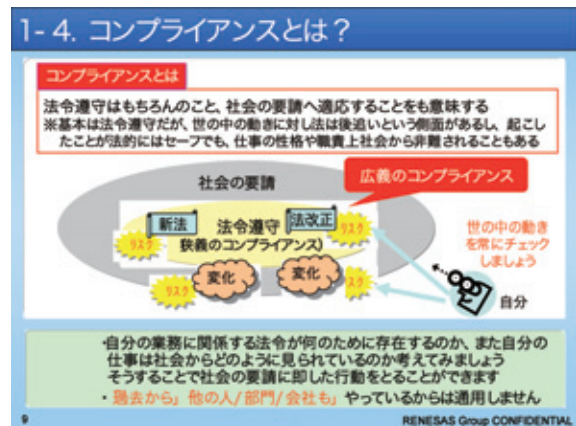
Also, the Company conducts compliance education tailored for divisions and offices responsible for individual risk categories—such as fair trade, information security, environmental protection and export control—through e-learning sessions and group seminars.

### Internal e-mail Newsletters



In addition, Renesas Electronics is constantly strengthening the internal dissemination of compliance-related information. More specifically, the Company distributes a variety of compliance-related information through its Intranet and monthly e-mail newsletters to all executives and employees. In particular, these e-mail newsletters include “Renesas Electronics Group Code of Conduct Case Studies,” which provide possible compliance issues and compliance quizzes. These tools are helping executives and employees to familiarize themselves with compliance issues.

### e-Learning Material



## Secure Export Control Initiatives

The Renesas Electronics Group’s semiconductors and technologies are widely used in various industries. To ensure its products and technologies are not diverted to uses that could prevent the maintenance of international peace and security, the Group must manage these assets appropriately. Accordingly, and in addition to strict observance of applicable laws and regulations, Renesas Electronics has incorporated voluntary controls into its export control compliance programs, thereby promoting security export control in a manner more stringent than that mandated by related laws and regulations.

To ensure employees are able to take adequate action in line with the latest developments in the area of security export controls, the Company is providing Groupwide educational programs to raise employee awareness. Furthermore, through periodic internal audits, we are working to maintain, and improve as necessary, our systems to ensure sound export controls.

The Company strictly adheres to internal procedures for export control based on its compliance programs even when exporting materials, parts and components to over-

seas counterparts for assembly or fabrication. In the wake of the Great East Japan Earthquake, Renesas Electronics decided to undertake alternate overseas fabrication, and exports to such overseas counterparts have been subject to the same exacting controls.

Moreover, in step with information system integration promoted as part of its “100-day project,” the Company is working to standardize its internal export control procedures.

Thanks to these and other efforts, Renesas Electronics has been certified as an “Authorized Exporter,” or Authorized Economic Operator (AEO) Exporter, by the Tokyo Customs office of the Ministry of Finance of Japan, which is one of Japan’s AEO programs. In February and March 2011, Tokyo Customs conducted post authorization audits on the Company’s status on compliance with related regulations to which the Company is subject to as an Authorized Exporter. Through audit processes, Tokyo Customs confirmed that Renesas Electronics has ensured its compliance with applicable requirements.

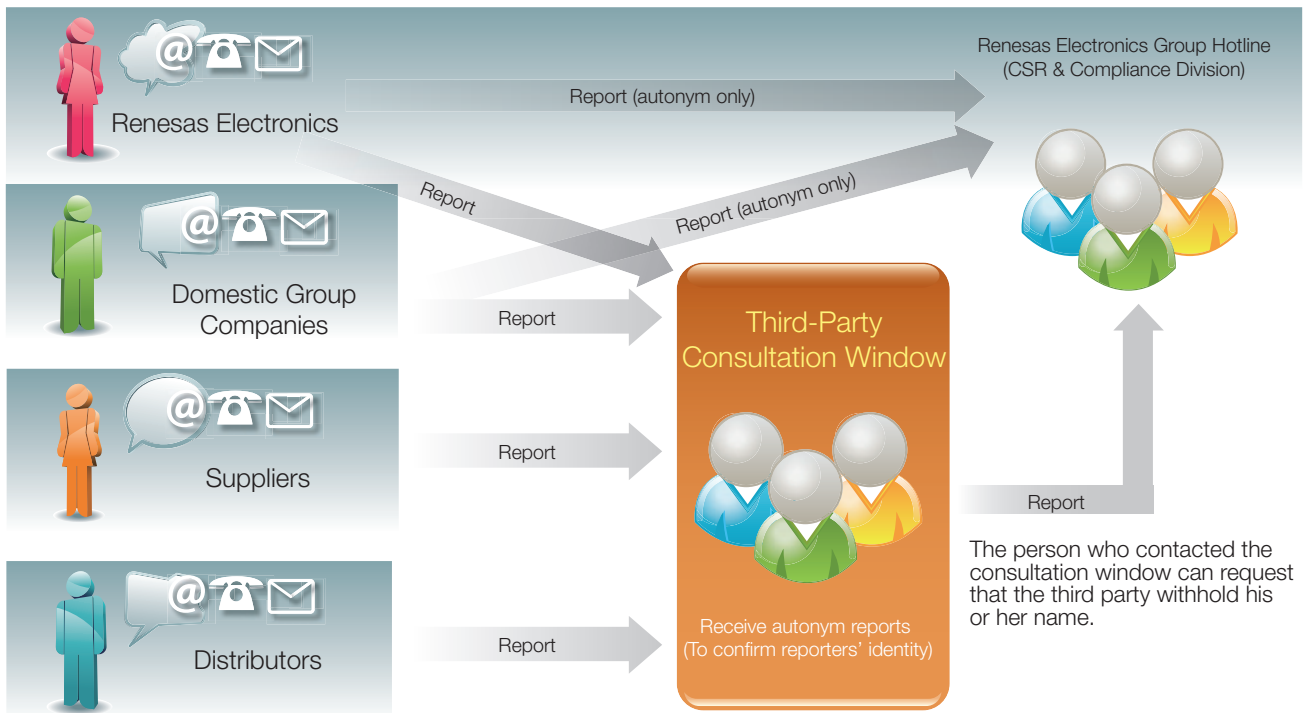
## Compliance Hotline

Group executives and employees may encounter a situation where they are not able to consult with or report to their supervisors or divisions and offices responsible due to certain reasons and circumstances even when they have identified compliance-related problems. To deal effectively with such a situation, the Company has established the Renesas Electronics Group Hotline ("Group Hotline") as a whistleblower's contact for consultation by executives and employees of domestic Group companies and the reporting of such problems. In addition, by employing a third party that serves as an external contact point, we have established a system under which the anonymity of the person reporting is protected upon their request. This external contact point

can be accessed not only by the Group's executives, employees or temporary staff, but also by members of the Group's suppliers and authorized distributors. The Company's internal rules clearly prohibit the disadvantageous treatment of those who consult with or report to the Group Hotline. The Company has posted such rules on its Intranet and Internet websites so that persons can use the Group Hotline without anxiety.

The content of such consultation and reports is reported at meetings of the Internal Control Promotion Committee chaired by the Company's president, which enables the sharing of information about potential risks among top management.

### Renesas Electronics Group Hotline



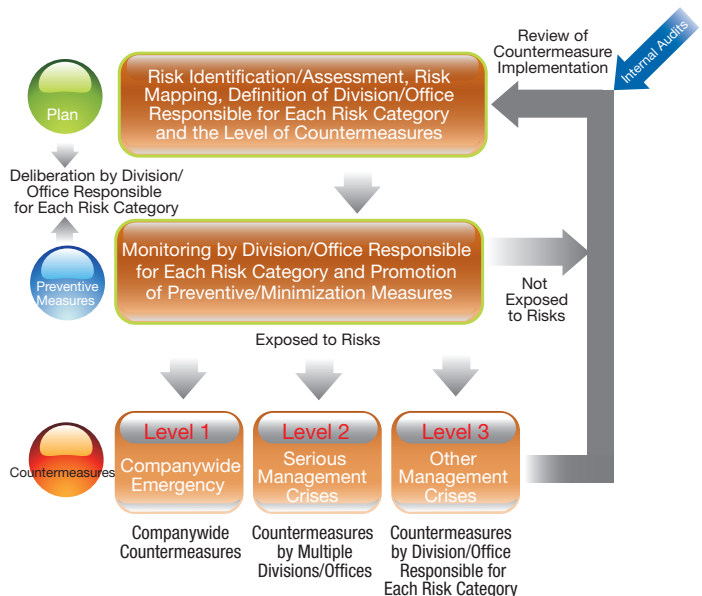
## Risk Management

### Formulation of the Basic Rules for Risk Management and Policies for Countering Management Crises

Renesas Electronics has formulated the Basic Rules for Risk Management and, based on these rules, the Company has established a Groupwide risk-management structure.

Risks in overall corporate management are categorized according to the level of possible exposure and the degree of potential impact on the Company. The Company designates a division or office responsible for each risk category. To effectively manage risks in their respective fields of responsibility, these divisions and offices collaborate on a regular basis. When a management crisis occurs, Renesas Electronics sets up a risk-specific taskforce in line with planned countermeasures. These risk-specific taskforces do their utmost to minimize the negative impact resulting from a management crisis.

### Risk-Management Structure



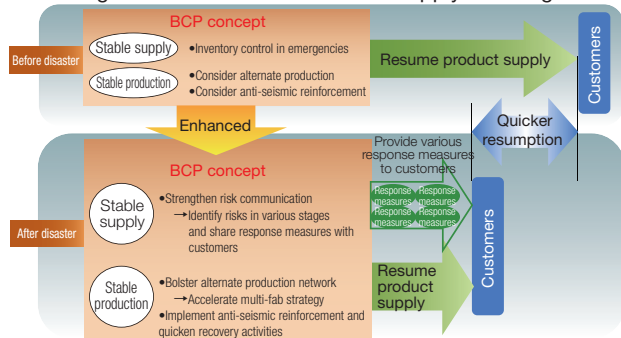
## ● Business Continuity Plan

Through efforts to reinforce its risk-management structure, Renesas Electronics and its Group companies have unanimously recognized a business continuity plan (BCP) as the central means to prevent disasters and manage risks. In line with this recognition, the Company has worked proactively to establish and strengthen its BCPs with the aim of protecting the safety of its employees, continuously fulfilling its responsibility as a supplier of products and services, and safeguarding its management resources.

For example, in preparation for large-scale earthquakes, all related divisions and offices have formulated their own BCPs, which include general safety measures, emergency response frameworks, damage minimization measures, business continuity measures and quick recovery measures.

The Great East Japan Earthquake on March 11, 2011

### Enhancing Our BCPs to Achieve Stable Supply in Emergencies



exposed the limits of the Company's existing BCPs. The scale of damage caused by the disaster went beyond the assumptions used for the formulation of these BCPs. Underestimation led to difficulties in implementing responses for certain matters. Therefore, based on the experience we gained through the disaster, we conducted a comprehensive review of the BCPs at individual business units. Each business unit identified problems in its BCP and examined possible countermeasures, thereby revising its BCP for greater effectiveness. Major revisions made to BCPs included: (1) anti-seismic reinforcement measures; (2)

## ■ Confidential Information Management/Personal Information Protection

In April 2010, Renesas Electronics established the Information Management and Security Committee. Chaired by the Company's president, the Information Management and Security Committee is tasked with the deliberation, formulation and promotion of important Group policies and measures relating to overall information management, which includes the management of confidential information and the protection of personal information.

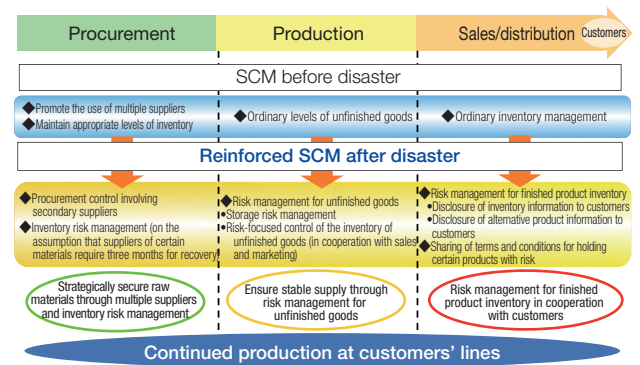
In accordance with the policies formulated by this committee, the Legal & Compliance Division formulates specific plans for confidential information management and personal information protection through collaboration with related divisions and offices. In addition, the Legal & Compliance Division is working to make sure that all business units and Group companies are thoroughly implementing activities in line with the plans it formulated.

Renesas Electronics and its domestic subsidiaries have appointed information management managers and information management promoters who assist information man-

strengthening alternate production networks; and (3) enhancing risk communication with customers. Looking ahead, the Renesas Electronics Group will continue to bolster its supply chain management (SCM) through more effective inventory control in all stages, encompassing raw material procurement, unfinished goods and finished products. Such SCM will enable the Group to help its customers continue their production even in emergency situations.

Also, the Group will work to more strategically procure the raw materials it requires through, for example, the use of multiple channels and the effective management of risk information covering secondary suppliers. Based on what

### Risk Identification and SCM Reinforcement



we learned from the disaster, we will promote appropriate risk management in such areas as the storage and volume of unfinished goods. Through such risk management, we aim to build a structure that allows us to ship products even as we promote recovery activities after disasters. (See chart below.) We will continue to improve the effectiveness of our revised BCPs through continuous verification while enhancing the response capabilities of our employees through the provision of training programs.

In addition to its BCPs relating to natural disasters, Renesas Electronics is currently working to enhance its BCPs associated with possible pandemics. More specifically, based on our experience with the outbreak of a new strain of less-virulent influenza in April 2009, we are now reinforcing our BCPs in preparation for a possible outbreak of a new strain of highly-virulent influenza.

Information management managers. Information management promoters are in charge of promoting information management activities at their respective business units and subsidiaries.

Specific procedures for confidential information management and personal information protection have been stipulated in the Basic Rules for Confidential Information Management and the Basic Rules for Personal Information Protection, respectively. Pursuant to these internal rules, the Company is striving to manage these types of information in an appropriate manner.

Also, Renesas Electronics formulated in April 2010 a "Privacy Policy" that explains its stance toward personal information protection, and in November 2010 an "Information Security Policy" that explains its stance toward information security. These policies are disclosed on the Company's website.

**Privacy Policy (Website)**  
[www.renesas.com/privacy/](http://www.renesas.com/privacy/)

**Information Security Policy (Website)**  
[www.renesas.com/comp/csr/management/security\\_policy.html](http://www.renesas.com/comp/csr/management/security_policy.html)



# Social Responsibility

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# Improving Customer Satisfaction

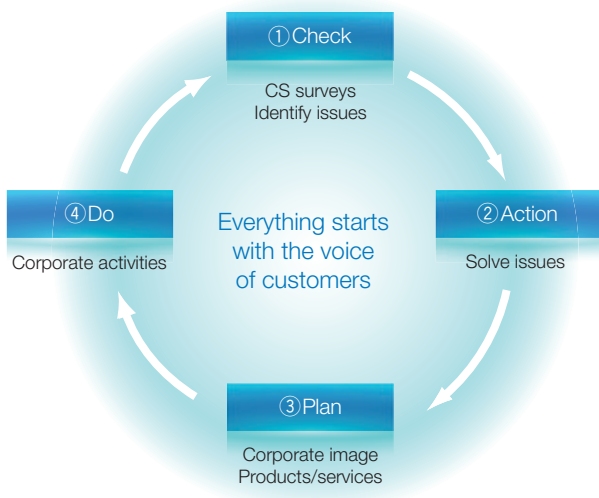
The Renesas Electronics Group listens carefully to its customers. Based on their feedback, the Company is implementing various measures so that it can continue to offer products and services that achieve true customer satisfaction. By promoting business that embodies a strong awareness of responsibility for the quality of our products and services, as well as promoting strict adherence to a market-oriented approach rather than a technology-oriented approach, we are continuing to strengthen our customer service and support capabilities.

## Basic Policies for Promoting Customer Satisfaction

### Enhancing the Customer Satisfaction and Confidence in Renesas Electronics and Contributing to the Creation of a Society That Provides Improved Quality of Life

In promoting customer satisfaction, the Renesas Electronics Group follows the basic policies of: (1) providing high-quality, high-performance semiconductors in a timely manner; and (2) offering semiconductor-based solutions that facilitate the added-value creation of our customers. In line with these policies, all Renesas Electronics employees in development, fabrication, sales and marketing, and administration are promoting their daily operations to better serve the Company's customers.

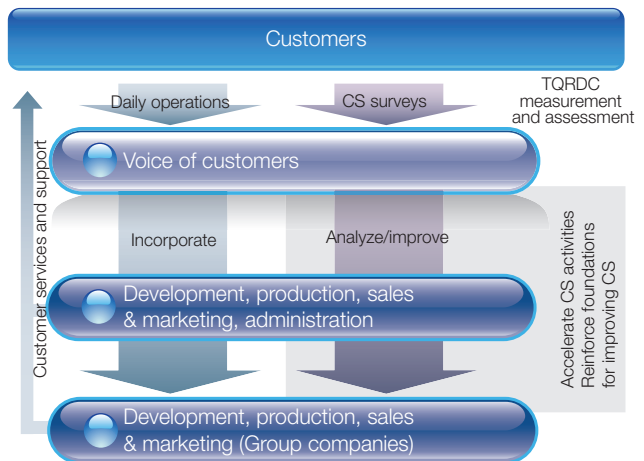
#### Customer Satisfaction Management



## Customer Communication

### Always Aiming to Improve Customer Satisfaction through CS Surveys and Other Means

Renesas Electronics constantly receives information on customer needs from customers and sales partners. In addition, the Company is working to acquire such information through annual CS surveys. Results of these surveys are analyzed from the five CS perspectives of "Technology," "Quality," "Responsiveness," "Delivery" and "Cost" (TQRDC). Findings from analyses are used to improve our products, services and business activities.



## Contact Centers

### Always Providing Customers with Technical Information on Products and Their Use

To help customers use the Company's products safely, appropriately and effectively, Renesas Electronics has established Contact Centers. Through these Contact Centers, the Company provides a variety of technical information on its products and their use.

During fiscal 2011, the number of customer inquiries received by Renesas Electronics totaled approximately 18,000. The Contact Centers are working to respond to these inquiries swiftly and accurately.

Opinions, requests and other inquiries received from customers are fed back to related divisions and offices, and these divisions and offices use them to improve their documentation and the Company's website. In particular, important matters, as well as other matters that are commonly found in inquiries, are compiled as frequently asked questions (FAQs). The FAQs are posted on the Company's website in line with efforts to enhance information disclosure. In addition, the FAQs are updated periodically, and their content is strengthened as needed.

Contact Us (Website)  
[www.renesas.com/contact/](http://www.renesas.com/contact/)

# Enhancing Product Quality and Safety

As a company specializing in semiconductors, Renesas Electronics develops and supplies extremely reliable, high-quality products based on leading-edge technologies. With the aim of constantly improving customer satisfaction, the Company is working to enhance the total quality and safety of its products and services throughout the entire process, from design and manufacturing to support services.

## Policy for Product Quality Improvement

In accordance with its Quality Policy, which elaborates the Top Management Commitment regarding product and service quality, Renesas Electronics sets quality objectives every year. To achieve these objectives, divisions and offices in development, manufacturing, and sales and marketing are implementing activities aimed at constantly improving the total quality of their business processes.

Based on these objectives, individual business divisions and offices set prioritized semiannual projects for quality improvement, and they formulate and implement action plans to accomplish these projects. The progress of these action plans is checked at the end of each six-month period, and these action plans are reviewed, and adjusted as necessary. Through this cycle, we are implementing these action plans strategically.

Meanwhile, the Renesas Electronics Group uses a Companywide quality management system in the entire production process, from development to manufacturing and delivery. This approach has enabled the Company to provide extremely reliable, high-quality products and services that achieve improved customer satisfaction. Also, the Company supplies its products to many companies involved with automobile production. In view of this, we use manufacturing tools that conform to automobile sector standards. Through these activities, we are continuing to improve the quality of our products and services so that we are always able to accommodate the specific requirements of our customers.

At present, the Renesas Electronics Group has acquired the ISO9001 quality management system certification on a Groupwide basis. In the meantime, individual manufacturing sites and related remote locations have acquired ISO/TS16949 automotive quality management system certification.

### Renesas Electronics Group

#### Quality Policy

We aim to deliver customer satisfaction and enhance society by providing highly reliable and high-quality products and services

We abide by the following principles in all stages of our business activities—including sales, design, development and manufacturing—in accordance with our corporate quality management system. We will:

- Comply with all applicable legal and regulatory requirements
- Enhance product safety and trust
- Commit to continuously improving the quality of products and services
- Strive to continually improve our quality management system

ISO9001 Certificate



ISO/TS16949 Certificate



### Quality Policy Implementation Process



## ■ Activities to Improve Product Quality and Safety

Renesas Electronics is working constantly to improve the total quality of its products and services by setting quality indices in each of the development, manufacturing, and sales and marketing processes. The Company also cooperates with industry groups to improve its quality management systems so that the quality of its products can be assured even after application by customers. These activities are complemented by our product safety risk assessment, enabling us to comply with various laws and regulations. In this way, the Renesas Electronics Group is promoting the development of products that are safe and reliable.

### ◆ Development Process .....

The Renesas Electronics Group is working continuously to develop advanced design and testing methods and sophisticated evaluation technologies. These methods and technologies are required to respond to increasingly delicate product design rules attributable to the miniaturization of transistor dimensions and large-scale circuit integration. Meanwhile, the Company utilizes design reviews (DRs), which are conducted at each key stage of the development process, to better focus on design changes and modifications. Moreover, with the aim of improving the quality of our software products, we are advancing efforts to standardize our software design methods while promoting advanced project management.

### ◆ Manufacturing Process .....

To ensure the stable manufacture of semiconductors, Renesas Electronics is tackling constant improvements of “4M” (Man, Machine, Material and Method) management. At the same time, the Company is promoting quality-focused manufacturing activities, which are underpinned by scientific process management and improvement activities at manufacturing frontlines. These activities are implemented at the Company’s business sites throughout the world. In addition, we are managing the quality of our semiconductors comprehensively to ensure that defective products do not leave our manufacturing sites. This capability has been achieved through procedures to detect and correct abnormalities at an early stage in the manufacturing process.

### ◆ Customer Support Process .....

Renesas Electronics supports its customers throughout the entire production process—from system development to distribution and maintenance—by effectively providing product information and solutions. Also, we have established a system to efficiently respond to customer inquiries so that they can use our products with confidence. As such, we are striving to improve the quality of our support services.

### ◆ Product Safety .....

To promote the safe use of its products by customers, Renesas Electronics undertakes various activities, including the preparation of appropriate product specifications and the provision of documents with accurate technical information, as well as information pertaining to compliance with environmental laws and regulations.

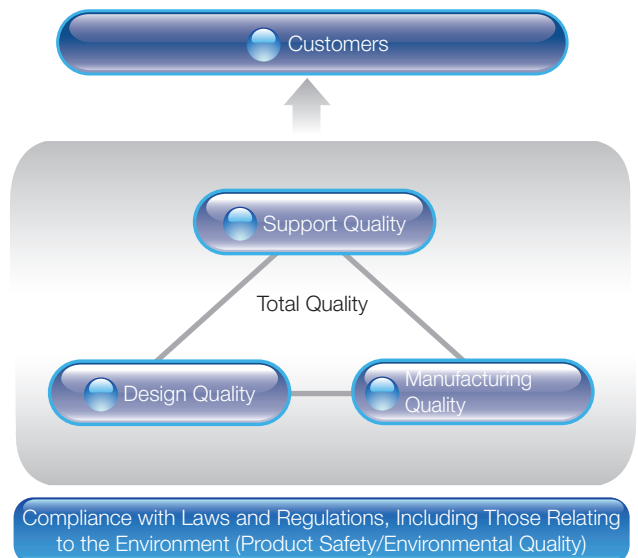
### Commitment to Offering Products and Services That Our Customers Can Rely upon More than Ever.....

In an effort to achieve the quality of products and services required by customers, we are working to generate synergies through the integration of the technologies and expertise that the Renesas Electronics Group has accumulated.

### ◆ Disaster Recovery Activities .....

At our manufacturing sites affected by the Great East Japan Earthquake, we have promoted efforts to achieve recovery and restoration, quickly resume manufacturing operations and transfer certain manufacturing processes to other sites. In promoting these activities, we have closely adhered to the policy of “maintaining product quality even in emergency situations.” In line with this policy, we are conducting stringent checks to ensure product quality and reliability in order to prevent quality-related troubles for customers.

### Total Quality Improvement



# Approach to Transparent Management

As a corporate entity that values openness, the Renesas Electronics Group is working to improve the transparency of its management through timely and fair information disclosure and the promotion of proactive corporate communication.

## Investor Relations (IR)

### Objectives of Our IR Activities

Renesas Electronics practices the timely, fair and appropriate disclosure of important corporate information—such as management strategies and financial results—that may affect the investment decisions of its shareholders and other investors. In this way, the Company aims to build strong, trusting relationships with these stakeholders and, at the same time, improve management transparency.

In addition to creating a favorable financing environment and raising its future corporate value, Renesas Electronics believes that IR activities have another important objective: contributing to the enhancement of management quality. To accomplish this objective, we regularly report opinions on and assessments of capital markets—gathered through IR activities—to related divisions and offices so that they may make further improvements in management quality.

### Overview of Our IR Activities

Renesas Electronics continues to reinforce its IR Website to facilitate fair disclosure of information to all of its individual and institutional investors and to other investors inside and outside Japan. Through its Website, the Company provides a variety of IR-related materials, including quarterly earnings reports and annual reports, as well as stock quotes and information on its IR events. In particular, materials used in the Company's financial results meetings for institutional investors and financial analysts are promptly posted on our IR Website in both English and Japanese. Also, in order to allow all stakeholders to better understand its activities, sections of the Website are exclusively dedicated to introducing the technologies and CSR activities of Renesas Electronics. By effectively organizing this online content, we are strengthening our corporate communication.

In recognition of the proactive promotion of these activities, in September 2010, Renesas Electronics was included as one of 150 companies in the Morningstar Socially Responsible Investment Index (MS-SRI) operated by Morningstar Japan K.K.



Financial results meeting

**IR Website**  
[www.renesas.com/ir/](http://www.renesas.com/ir/)

## Shareholders' Meetings

### Activities Related to Shareholders' Meetings

Renesas Electronics distributes business reports to its individual shareholders in Japan with the aim of enabling them to better understand its business activities. Printed in color, these reports are prepared using reader-friendly charts and images while providing explanations on various activities promoted by the Company. Also, at its shareholders' meetings, Renesas Electronics uses attendant-friendly presentations based on the content disclosed in the business reports. Through these initiatives, we strive to ensure that our shareholders understand us and our activities accurately.



Business Report

**Business Report for Fiscal 2011, the Year Ended March 31, 2011 (Website)**  
[japan.renesas.com/media/ir/library/pdf/9th\\_report.pdf](http://japan.renesas.com/media/ir/library/pdf/9th_report.pdf) (Japanese language only)



## Working Together with Suppliers and Sales Partners

Renesas Electronics procures high-quality materials and services from global markets at reasonable prices within required delivery timelines. In this way, the Company not only strives to enhance its own corporate value, but also helps customers and suppliers enhance their corporate value.

### ■ Procurement Policies

Renesas Electronics provides suppliers with equal opportunities for competition, while engaging in fair, impartial and open business transactions. Also, Renesas Electronics has always given priority to “Green Procurement,” which essentially means purchasing materials, equipment and services having minimum impact on the environment from suppliers who give extra consideration to environmental issues. In addition, the Company undertakes extensive CSR activities throughout the entire supply chain by incorporating compliance, risk-management and human-rights-protection perspectives into its environmental approach. We understand that cooperation of all the partners involved in our supply chain as well as close collaboration with these partners is the key to successfully conducting these activities.

#### Renesas Electronics Group Procurement Policies

1. Provision of opportunities for fair competition  
We provide information on procurement in an appropriate and timely manner so as to offer opportunities for fair competition to all domestic and overseas companies who express an interest in working with us.
2. Fair evaluation and selection of suppliers  
We employ a comprehensive supplier evaluation and selection process that considers: the reliability of the potential supplier's management; the prices, quality, delivery timelines and advanced technical features of the products and services to be procured; and the supplier's CSR policies.
3. Development of mutual trust  
We value communication with our suppliers and always strive to form relationships of mutual trust which will grow stronger in the years to come.
4. Management and protection of information  
We recognize the value of the information that we obtain through our procurement transactions, and we manage it appropriately.

### ■ Formulation of Business Continuity Plan (BCP)

Renesas Electronics requests its suppliers to notify it immediately in the event that they are affected by natural disasters or major accidents. The Company has a system in place to ensure that, in such an event, information from suppliers reaches all the concerned employees both in Japan and overseas, regardless of when the event occurs. Based on this system, the employees in question take appropriate measures in a swift manner.

#### ● Specific Activities after the Disaster

After the Great East Japan Earthquake, Renesas Electronics has been able to achieve quickest-possible recovery and restoration of its business functions thanks to support pro-

vided by its suppliers and other business partners. We would like to take this opportunity to express again our sincere gratitude for their kind support and understanding.

In the event of earthquakes and other disasters in the future, Renesas Electronics will strive to pinpoint problems in its supply chain as quickly as possible. To better prepare itself for possible supply chain disruption, the Company will continue to enhance its framework for collaborating with suppliers.

[Renesas Electronics Website for Suppliers  
www.renesas.com/comp/procurement/policy.html](http://www.renesas.com/comp/procurement/policy.html)

### ■ Involving Suppliers in CSR-Oriented Procurement

The Renesas Electronics Group is promoting CSR-oriented procurement.

#### ● Disclosure of Requirements in CSR-Oriented Procurement

The Renesas Electronics Group believes that it must keep strengthening cooperative relationships with its suppliers across the entire supply chain so that it can continue to provide products desired by customers and society. To this end, the Company has prepared Guidelines for CSR-Oriented Procurement, which lists the requirements that need to be satisfied by suppliers. These guidelines are posted on the Company's website.

\*These guidelines conform to the Supply-Chain CSR Deployment Guidebook, published by the Japan Electronics and Information Technology Industries Association (JEITA).

[Promotion of CSR-Oriented Procurement \(Website\)  
www.renesas.com/comp/procurement/csr.html](http://www.renesas.com/comp/procurement/csr.html)

#### ● Promotion of Green Procurement

Renesas Electronics is promoting green procurement. Specifically, the Company prioritizes the procurement of eco-friendly raw materials and other materials free of hazardous substances, from suppliers who are proactively promoting environmental protection.

Requirements for suppliers have been compiled as Green Procurement Guidelines. These guidelines are disclosed to all suppliers. In addition, Renesas Electronics conducts periodic investigations on the environmental measures implemented by suppliers.

Furthermore, the Company performs examinations of suppliers' products to confirm that these products comply with the European Union's RoHS Directive and other environmental laws and regulations. These examinations are promoted based on the understanding and cooperation of our suppliers.

## ■ Collaborating with Sales Partners

In order to provide more meticulous services in regions throughout Japan and around the globe, Renesas Electronics is promoting sales activities in cooperation with sales partners, in addition to carrying out direct sales of its products through its local sales subsidiaries.

Specifically, in Japan, Renesas Electronics holds meetings with executives of distributors at least once a year. At these meetings, we share the Company's policies and the policies of each business unit, while exchanging opinions and information. Furthermore, the Company holds working-level meetings with staff members of distributors once a month to provide information regarding future product line-ups and technologies. In this way, we continue to strengthen mutual understanding.

Outside Japan, Renesas Electronics holds "Distributor Meetings" at least once a year and management-level quarterly review meetings with distributors in order to confirm local sales policies and solve region-specific problems in an effective manner. The Company also holds regular meetings with sales personnel more frequently than the above-men-

tioned meetings to tackle individual business issues that arise in the course of their operations. In addition, content and outcome of the meetings with distributors held in Japan is shared with their local subsidiaries, and such information is deliberated upon at regular meetings to solve region-specific issues.

Meanwhile, the Company uses opinions and feedback provided by its overseas sales partners through these meetings for promoting deeper understanding of its technologies, products and solutions among customers. More specifically, we hold annual semiconductor seminars in Tokyo, Osaka and other locations in Japan while staging the Renesas Developers' Conference (DevCon) in the United States and the Industrial Open Day (IOD) in Europe once every two years through collaboration with our overseas sales partners.

As explained above, the Renesas Electronics Group is constantly strengthening its sales partnerships to strategically enhance its sales activities.

## Respecting Human Rights and Providing Equal Opportunities

Renesas Electronics is working to create workplaces where all of its employees can fully exert their capabilities through effective communications and trust-based relationships.

### ■ Respecting Human Rights

Both the Renesas Electronics Group CSR Charter and the Renesas Electronics Group Code of Conduct clearly state that the Renesas Electronics Group shall respect human rights in hiring, human resources development, employee treatment and all other aspects of employment, while eliminating any discrimination based on race, belief, gender, age, social position, family origin, nationality, ethnicity, religion, or physical and mental disability, to ensure that all of its employees are treated equally. Also, the charter and the code of conduct clearly prohibit sexual harassment as well as forced labor and child labor. As we promote global operations, we ensure that all of our Group companies are familiar with these principles. In line with the principles, each Renesas Electronics Group company must not only comply with relevant laws and regulations, but also implement educational and awareness-raising programs on human rights and other related subjects.

More specifically, Renesas Electronics has established a Companywide Human Rights Awareness Committee, which is chaired by the director in charge of human resources and includes general managers of individual divisions and offices. This committee holds meetings twice a year, and at these meetings committee members deliberate on and approve related action plans while promoting the implementation of these action plans. In addition, the committee works to raise employee awareness of human rights through new employee and position-specific training pro-

grams, e-training programs for all employees, and various events held during Human Rights Week every year.

Meanwhile, the Company is striving to prevent sexual harassment by raising employee awareness through the presentation of specific examples. Also, we have launched an in-house service for consultations on equal treatment and other issues. Posters are put up on bulletin boards to inform employees of this service. In this way, we are endeavoring to create an environment that facilitates consultation and enables appropriate response to employee concerns.

### ■ Promoting Diversity in Human Resources

Renesas Electronics is strengthening initiatives to promote human resource diversity. It is, without question, important to recruit people so that they can—regardless of nationality, gender or physical constitution—apply their individual capabilities to contribute to society. This is a prerequisite for every company. Furthering this idea, Renesas Electronics continues to create employee-friendly, pleasant workplaces by placing particular focus on human resource diversity. For example, we are promoting the hiring of more female employees and people with disabilities.

Concerning its recruitment of new university graduates for fiscal 2013, Renesas Electronics originally planned to start screening processes in April 2011. However, out of consideration for university students affected by the Great East Japan Earthquake, the Company delayed the screening processes until June 2011 to provide fair application oppor-

tunities for these students.

As of March 31, 2011, the rate of employment of people with physical disabilities by Renesas Electronics stood at 2.09%, compared with the 1.8% threshold set by the government. The entire Renesas Electronics Group is steadily increasing the employment of such employees. To create workplaces friendly to them—in other words, to allow them to use facilities within the Company's offices and other business sites with ease—the Company is considering the development of barrier-free environments through new construction and renewal projects.

## Human Resources Development and Education Programs

In order for Renesas Electronics to achieve sustainable growth and contribute to society, each of the Company's employees must continue to develop his or her skills and capabilities and effectively leverage them. As an organization that promotes human resources development on a Groupwide scale, Renesas Electronics has established a Companywide Human Resource Development Committee, which meets twice a year.

The Companywide Human Resource Development Committee defines requirements to be fulfilled by personnel of the Renesas Electronics Group. At the same time, the committee performs budget allocation while deliberating on human resource development initiatives on a global level to allow Group employees to satisfy these requirements. Through these activities, the committee aims to help the Group accomplish its Corporate Philosophy and Corporate Vision.

In line with the rapid globalization of the Group's business, it is increasingly necessary to establish ever closer communication with overseas customers and subsidiaries. In response, Renesas Electronics has promoted various measures to allow all executives and employees to improve their communication skills in English—still a standard language used in business worldwide. For example, executives and employees are required to take TOEIC exams and the Company encourages them to set target scores. Prior to the exams, the Company also provides seminars on English study methods to help them reach these targets. In addition,

the Company offers a wide variety of self-development education programs aimed at enhancing the English capabilities of its personnel.

Also, each of our sites has established its own Human Resource Development Committee. These committees promote measures specific to their operations and responsibilities in accordance with the policies formulated by the Companywide Human Resource Development Committee.

## Balancing Work and Private Life

With the aim of supporting employees in balancing their work and private lives while realizing their full capabilities at work, Renesas Electronics carries out various family-friendly measures. These measures are implemented in the form of flexible work conditions, leave systems and benefit plans.

For example, our employees are allowed to use their paid holidays for various purposes, such as attending volunteer activities, receiving medical care for injuries and diseases and participating in school events with their children.

## Communicating with Labor Unions

Renesas Electronics holds labor-management meetings twice a year with the Renesas Electronics Labor Union, to which its employees belong, to exchange frank opinions on management policies and business conditions. In addition, committees consisting of employee and management representatives are promoting activities aimed at preventing long working hours, improving working conditions and supporting the development of employees who will play an important role in achieving the future growth of the Company. In this way, Renesas Electronics is helping to build stable labor-management relations.

Similar efforts are being made by the workers' unions and management teams of Group companies in Japan. At overseas Group companies, management teams exchange opinions on working conditions and other matters with workers' union representatives or employee representatives based on laws and regulations in their respective countries.

Immediately after the Great East Japan Earthquake,

## Companywide Training Programs

		New Employees	Project Managers to Project Leaders	Section Chiefs	Managers and above
Position-Specific Training		New employee training First-year review training Training outcome reporting Second-year employee interview	Mentor introduction training New section chief training Trainers' training	New section chief training Leadership training Advanced section chief training MOT training	New manager training Leadership training Advanced manager training Executive manager training
Skills Training	Technology Training	Basic course Patent training	Specialized courses (approx. 100 courses) Skills check trials, system/embedded software training, digital circuitry training, analog circuitry training, system LSI design/comprehensive fabrication training		
	Sales Training	Sales case-study training, practical sales training, sales skills training, technical knowledge training (approx. 60 courses), negotiation skills training, customer support skills training			
	Technical Training	New core staff training	Fabrication leader training, maintenance engineer training, in-house skills test		
International Training		Studying-abroad program, OJT, overseas expatriate program			
Business Skills Training		Advanced English education, in-house English test			
General Training		Schooling support (universities, business schools, etc.), logical-thinking/presentation training			
Self-Development Support		RISM training, library of books recommended by executives, CSR education			
Career Development Support		Online study (languages, skills, qualifications), language training (English, Chinese)			
		Career training			



Renesas Electronics worked together with the Renesas Electronics Labor Union to collect donations. Group companies in Japan and overseas also collaborated with their own workers' unions to raise donations. The collected donations have been used as relief money for employees affected by the disaster, as well as contributed to the Japanese Red Cross Society and other organizations.

## Occupational Health and Safety/ Mental Health Management

In line with the basic policy, "Renesas Electronics shall protect the safety and health of its employees and work to realize employee-friendly, safe workplace environments," the Company is implementing various measures.

### Occupational Health and Safety

The Renesas Electronics Group recognizes the protection of employees' safety and health and the creation of rewarding, employee-friendly workplace environments as the basis of its corporate activities. Accordingly, the Company is promoting various activities aimed at ensuring occupational health and safety.

More specifically, a Companywide Safety and Health Conference—consisting of occupational health and safety officers at individual business sites and Group companies—has formulated the Renesas Electronics Group Disaster Prevention and Occupational Health and Safety Management Policy. Based on this policy, the occupational health and safety officers organize related activities. Meanwhile, the Company is promoting the sharing of information relating to occupational health and safety within the Group. Such information is utilized to prevent disasters and reinforce the Group's occupational health and safety activities.

Specific activities to ensure occupational safety include risk assessment conducted by employees. Through risk assessment processes, disaster risks are identified, and possible countermeasures are prepared. These processes are helping us prevent disasters and accidents.

In the area of occupational health, we are strengthening activities primarily aimed at fostering mental health, safeguarding against overwork, and maintaining and improving health.

### Mental Health Management

We are living in a high-stress society today. In such a society, it is important to maintain not only physical health, but also mental health. In view of this, the Renesas Electronics Group considers measures to promote mental health as a paramount management issue and is consequently promoting various activities in this regard.

Specifically, Renesas Electronics has established consultation windows available to all employees who seek diagnosis and counseling by industrial physicians, occupational health nurses and contract counselors. Also, in cooperation with occupational health staff, the Company provides those employees who have taken long-term leaves due to mental health problems with support to enable them to come back to work.

The Company periodically offers mental health education programs to managerial employees as part of efforts to establish a mental health management structure based on lines of command. Through these educational pro-

grams, managerial employees strive to raise their own awareness of workplace mental healthcare. At the same time, managerial employees work to promote mental self-care among their subordinates by, for example, encouraging the use of a simplified stress check system. Also, the Company includes subjects relating to mental health in various training programs. Through these initiatives, Renesas Electronics is endeavoring to remain a company where all employees can better maintain their health and work with vigor and enthusiasm.

In addition, the Company has established consultation windows for employees who have been assigned to overseas locations and their family members in the belief that working and living overseas may entail a significant mental burden. When these employees and their family members return to Japan, we provide them with opportunities to receive both physical and mental health checkups.

We will continue to implement measures that enable the early detection and treatment of mental health problems while reinforcing activities aimed at preventing such problems in employees.



## Community Involvement

The Renesas Electronics Group is promoting various social contribution activities in regions where it conducts business. To fulfill its responsibility as a corporate citizen, the Company endeavors to develop systems that enable its employees to engage in such activities in a sustainable manner.

### Basic Policies for Social Contribution Activities

The Renesas Electronics Group's Basic Policies for Social Contribution Activities are as follows.

As a good corporate citizen, the Renesas Electronics Group shall work to preserve the global environment, which is closely related to the sustainability of the semiconductor industry, and make meaningful contributions to society.

As it pursues business on a global scale, the Renesas Electronics Group shall promote social contribution activities that help to improve its corporate image.

The Renesas Electronics Group shall implement social contribution activities through cooperation with its stakeholders in order to enhance its brand value.

### Social Contribution Activities in Japan

#### Support for the Education of Coming Generations (Nippon Building Headquarters)

Renesas Electronics supports the holding of the "Micom Car Rally Competition." This nationwide contest features self-propelled model cars that use microcontrollers donated by the Company. The contest is hosted by the Hokkaido government and the National Association of Principals of Technical Senior High Schools, with the Company providing the microcontroller boards and motors used in the automatic model cars and other equipment used for the event. The contest in fiscal 2011 marked the 16th event and has grown to spawn similar events for self-propelled model car enthusiasts of different generations and in other countries, including China and Vietnam.



Official Micom Car Rally Website: <http://www.mcr.gr.jp/> (Japanese language only)

#### 8th Renesas Cup Youth Soccer Competition (Kochi Factory)

On Saturday, February 5, 2011, the Kochi Factory of Renesas Electronics hosted the 8th Renesas Cup Youth Soccer Competition at the Kagami Athletic Field. This sports event has been hosted by the Kochi Factory's employee soccer club and supported by the Konan City Board of Education. This year's competition marked the

16th event and attracted the participation of 136 children from seven local youth teams.

The competition consisted of two stages: the first involving round-robin matches of three teams and the second involving tournament matches of four teams. Under mild weather, all the teams displayed the results of daily practice as they competed for lead position.

At the closing awards ceremony, winning teams were presented with trophies and medals. The faces of the winning team members beamed with pride, bringing the event to a pleasant conclusion.

#### 5th Renesas Cup U-9 Soccer Competition (Saijo Factory)

On Saturday, November 20, 2010, the Saijo Factory of Renesas Electronics held the 5th Renesas Cup U-9 Soccer Tournament. This soccer tournament is staged for children nine years old and younger, who do not have opportunities to participate in official games. Through the event, we intend to help the children experience the fun of playing soccer while simultaneously invigorating local soccer teams and expanding the population of soccer playing children. Under sunny weather, 13 teams competed for the winning trophies and medals.



## ● Factory Tour for Elementary School Students (Kofu Factory)

In response to a request from a local elementary school, the Kofu Factory of Renesas Electronics has provided annual factory tours for this school's students. This year, 77 students visited the Kofu Factory observing pre-processing fabrication lines and wastewater treatment facilities. These processes and facilities were a useful way to introduce our activities to help protect the environment. The children all seemed to enjoy the tour and came away impressed with the scale of the factory and facilities.



## ● Factory Tour for Elementary School Students (Shiga Factory)

The Shiga Factory of Renesas Kansai Semiconductor Co., Ltd. invited the fifth graders of a local elementary school to a factory tour in October 2010. This year's tour focused on the fabrication processes of Renesas Electronics products. Wearing white lab coats, the children were even able to experience a cleanroom.



## ● Annual Cleaning Activities at Intellectual Disability Vocational Aid Center (Kochi Factory)

On Saturday, June 5, 2010, employees of the Kochi Factory conducted annual cleaning activities at Friendly, an intellectual disability vocational aid center for people with mental disabilities. Hosted by the voluntary training workshop consisting of the factory's managerial staff, this year's cleaning activities marked the seventh time in five years.

It was a blistering summer day, even the morning. Twelve members of the voluntary training workshop and six Renesas-related people, including the general manager of the Kochi Factory, worked together with 30 personnel at the Friendly center to plow weeds and pick up trashes around the premise of the center. The heat kept everyone sweating. The voluntary training workshop members used lawnmowers and sickles to clean the field. Plowed weeds were collected using a pickup truck and wheelbarrows. In the space of just three hours, they filled 20 pickup truck loads of weeds by noon.

After cleaning activities were completed, the manager of the Friendly center thanked everyone for their help, saying, "Thank you very much for helping us out every year. I have to admit that we are shorthanded, and you took care of things that we alone could not. We cannot thank you enough!" The voluntary training workshop will continue to help the Friendly center through various activities as a means of contributing to the local community in which we operate.

## ● Cleaning Activities at a Nursing Home (Musashi Factory)

The Musashi Factory of Renesas Electronics conducts cleaning activities at the Ryoyukai Ogawa nursing home every year, in cooperation with the loosely grouped Musashi-Youbu-Kai and the Renesas Electronics Labor Union's Musashi Branch. This year's cleaning activities were conducted on Saturday, October 30, 2010, and a total of 45 employees volunteered to participate in the activities.

## ● Wheelchair Repair and Cleaning at Nursing Home (Takasaki Factory)

Employees of the Takasaki Factory of Renesas Electronics visit a local nursing home every May to repair and clean the wheelchairs used there. Through this volunteer activity in 2010, a total of 70 wheelchairs were repaired and cleaned.



## ● Donations of Wheelchairs (Yonezawa Factory)

The Yonezawa Factory of Renesas Northern Japan Semiconductor, Inc. has promoted an aluminum can collection program since 2001 to facilitate aluminum can recycling as part of its environmental protection efforts. The collected cans earn wheelchairs for donation. The seventh wheelchair was delivered to a local welfare institution through Yonezawa City in June 2010.



● “ecoCAP Movement” for Polio Vaccine Contributions (Renesas Yamagata Semiconductor Co., Ltd./Renesas Kyushu Semiconductor Corp.)

Renesas Yamagata Semiconductor and Renesas Kyushu Semiconductor have participated in the ecoCAP Movement to collect the caps of plastic bottles. Proceeds from sales of these caps to recycling companies are used to deliver polio vaccines to underprivileged children throughout the world. During fiscal 2011, Renesas Yamagata Semiconductor and Renesas Kyushu Semiconductor each collected approximately 108,000 and 162,000 caps, the equivalent of 135 and 204 polio vaccines, respectively.

● Participation in “Eco Cap Art Contest” (Fukui Factory)

Fukui Prefecture held an “Eco Cap Art Contest” in September 2010 as a project commemorating the 20th anniversary of the launch of its Volunteer Month. To raise the awareness of CSR and environmental protection among its employees, the Fukui Factory of Renesas Kansai Semiconductor cooperated with the Fukui Prefecture Council of Social Welfare in promoting this event.



● Volunteering at the Gunma Prefectural Marathon 2010 (Takasaki Factory)

For the first time, 23 employees at the Takasaki Factory participated in the Gunma Prefectural Marathon 2010 as volunteer staff as part of efforts to contribute to the local community in which the factory operates. Held annually on November 3, this signature autumn event marked 20 years in 2010. The participating employees helped ensure the safety of the runners.

● Community Exchange through Badminton (Renesas Semiconductor Kyushu Yamaguchi Co., Ltd.)

Renesas Electronics sponsors the Renesas SKY Badminton Team as one of its corporate sports teams. To allow elementary and junior high school students to experience the joy of playing badminton, the team conducts seminars. Every winter, the team undergoes a special training regimen in Ibusuki City, Kagoshima Prefecture, and at the training venue the team members offer seminars for students. The 2010 seminar marked the third such event, which attracted a total of 72 students from Ibusuki and neighboring cities. These students ran warm-ups, practiced basic shots and played in practice matches with the team members. They seemed to enjoy this rare opportunity to play with professional players. In addition to these seminars, the team welcomes students of local schools to the sports facilities where it practices every day. The team also holds events at the facilities to promote exchange with local badminton enthusiasts.

● Community Exchange through a Unique Wind Orchestra (Yamaguchi Factory)

The Yamaguchi Factory of Renesas Semiconductor Kyushu Yamaguchi organizes a wind orchestra. Established in 1991 by employee volunteers, this orchestra has promoted community exchanges through music. In the region where the factory is located, the Kusunoki Arts & Literature Festa is held every November. The orchestra has participated in this local festival since the first event. Also, the orchestra plays a Christmas concert every December in the Renaissance Hall within the Kusunoki Sogo Center in Ube City. Many local residents come to the concert to enjoy the music played by the orchestra.



● Lake Biwa Reed Cutting (Shiga Factory)

Every January, the Shiga Factory of Renesas Kansai Semiconductor participates in a reed-bed preservation program, hosted by the Otsu City government. Through this program in fiscal 2011, employee volunteers cut withered reed over a 4,000-square-meter area near the Activa Biwa nursing home on Lake Biwa. This year, the thinned reed was used to make torches for the annual opening of the Lake Biwa in March 2011.

## ● Renesas Forest Land 2010 (Kochi Factory)

On Saturday, October 16, 2010, the Kochi Factory held the Renesas Forest Land 2010. Due to rain, the 2008 and 2009 events could not be held at the “Forest of Renesas.” This year, however, the weather was favorable, and the event was held under a blue sky on location in Kami City, Kochi Prefecture.

Attended by a total of 84 people, including Kochi Factory employees and their families as well as local elementary school students, this year’s event provided a variety of programs relating to forests. Specifically, adult participants engaged in forest thinning. Upper elementary school students experienced underbrush mowing, while younger students listened to a lecture on feeding damage caused by Japanese deer. Elementary school students also enjoyed wood-crafting. Particularly noteworthy and impressive as part of the forest thinning program, the felling of a tree more than a decade old wowed adults on site as it went down. All the programs were received well by the participants, effectively communicating the Kochi Factory’s environmental preservation activities.



## ● Zugaike Park Cherry Tree Nurturing Program (Kita-Itami Factory)

The Kita-Itami Factory of Renesas Electronics has promoted a pest damage prevention program for mountain cheery and someiyoshino cherry trees in the Zugaike Park in front of its main gate. More specifically, the factory has engaged in volunteer activities to spray pesticide, apply fertilizer, clip withered branches and clean the park. These activities have been conducted three times a year since 1986 in cooperation with local residents. Through this program, the Kita-Itami Factory has received the following commendations.

November 1988: “Green medal of honor” from Hyogo Prefecture

- August 1996: “Letter of appreciation” from Itami City
- April 2009: “Cherry blossom merit award” from the Japan Cherry Blossom Association
- June 2011: “Tsutsuji award” from Itami City

## ● Horseshoe Crab Release and Beach Cleaning Activities (Saijo Factory)

Horseshoe crabs in the Kwarazu Beach area of Saijo City were designated by Ehime Prefecture as a protected species in 1949. Today, however, horseshoe crabs are in danger of extinction.

On Sunday, November 21, 2010, Saijo City hosted the Horseshoe Crab Festival. This festival was held with the aim of raising public awareness about the importance of protecting nature to maintain a sound environment for horseshoe crabs. It was also intended to promote the awareness of nature preservation amid ongoing global destruction of nature, such as air and water pollution. As the Saijo Factory has been fostering horseshoe crabs, it participated in the festival as a way of contributing to the local community.

Fourteen Saijo Factory employees joined the festival from early evening. They assisted in cleaning the Kwarazu Beach area and then released horseshoe crabs into the ocean. Witnessing the release of this rare species provided festival participants with an invaluable experience. The released horseshoe crabs were raised at the Saijo Factory for several years. We now hope they will settle down safely and flourish along the Kwarazu Beach area.



## ● Introduction of Environmental Activities (Renesas Kyushu Semiconductor)

Renesas Kyushu Semiconductor has strengthened exchange with local community members. Specifically, the company assists a local volunteer group, which includes elementary school students as members, to collect the caps of plastic bottles. Also, the company's employees collect waste cooking oil for reuse as a fuel for patrol cars used for crime prevention around area elementary schools.

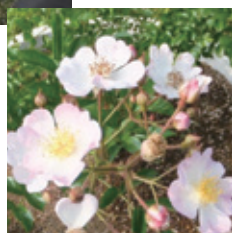
In March 2011, the principal of a local elementary school sent the company a letter of appreciation, expressing thanks for the provision of waste cooking oil as a biodiesel fuel (BDF) to power the patrol cars.

Renesas Kyushu Semiconductor created panels that introduce activities that are promoted jointly with local volunteer groups, such as the BDF project. The panels were exhibited at a gallery adjacent to the Ozu Town Hall for public viewing. We hope that similar corporate-community collaborations will spread from Ozu Town throughout Japan.



## ● Fostering Tsukushi-Ibara (Kumamoto Nishiki Factory)

The Kumamoto Nishiki Factory of Renesas Semiconductor Kyushu Yamaguchi started growing Tsukushi-Ibara, a kind of wild Japanese rose, in February 2011. Being the municipal flower of Nishiki Town, Kumamoto Prefecture, this flower has been included as a Class II Endangered Species. We invited the chief of the Kumagawa Tsukushi-Ibara Association to the planting ceremony.



## ■ Social Contribution Activities Overseas

### ● Food Drive (Renesas Electronics America Inc.)

Renesas Electronics America held an in-house contest to collect monetary and food donations for orphans. Employees were divided into four teams for this contest. Total monetary donations amounted to \$22,000.

### ● Support for Sichuan Junior High School Students (Renesas Electronics (China) Co., Ltd.)

Since the Sichuan Earthquake in 2008, Renesas Electronics (China) has provided support to the Puyang Junior High School located in Dujiangyan, Sichuan Province. In September 2010, the company made charitable contributions to 18 students, each of whom received 1,000 yuan. Also, about 80 employees exchange letters with students at the school as a means of offering educational and psychological support.

### ● Support for Victims of Yushu Earthquake (Renesas Electronics (China) Co., Ltd.)

The Yushu Earthquake occurred in April 2010 in Qinghai Province, China, causing 2,698 deaths, 1,434 serious injuries, 270 missing persons and 12,135 injuries. To support the earthquake victims, Renesas Electronics (China) collected a total of 21,420 yuan and HK\$6,340 and donated the money collected to the Red Cross Society of China.

### ● Mangrove-Planting Program (Renesas Semiconductor (Malaysia) Sdn. Bhd.)

In May 2010, a total of 80 employees and their families undertook a program to plant 500 mangrove trees in a Penang wetland. This program was supported by the Penang Inshore Fishermen Welfare Association and the Penang Forestry Department. Mangrove trees play an important role in purifying seawater and preventing shore erosion. Furthermore, mangrove forests are home to a diversity of living organisms. Renesas Semiconductor (Malaysia) will continue this program to protect the environment in Malaysia.

### ● Other Social Contribution Activities

#### The United States

Renesas Electronics America purchased 105 gifts, including clothing and toys, for underprivileged children. Employees wrapped these gifts themselves and delivered them to a local shelter.

#### Vietnam

Renesas Design Vietnam Co., Ltd. provided financial assistance to elementary school students in a deprived region, to support their tuition payments.

Community Involvement (Website)  
[www.renesas.com/comp/csr/social/](http://www.renesas.com/comp/csr/social/)

The semiconductor integrated circuits that the Renesas Electronics Group offers bring two major benefits. First, our products themselves provide energy-saving performance. Second, our products can generate additional power-savings when adopted for use in the products of our customers. The Group consumes a significant amount of energy and chemical substances to manufacture semiconductor products and, consequently, generates various types of waste. To comprehensively manage the energy, chemical substances and waste it uses or generates, and to fulfill its responsibility to all stakeholders, including customers, local communities, and shareholders, the Renesas Electronics Group is proactively promoting environmental management activities based on four environmental cornerstones, namely the: (1) Eco-Management Initiative; (2) Eco-Factories Initiative; (3) Eco-Products Initiative; and (4) Eco-Communication Initiative.

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## Environmental Policy

We will contribute to the harmonization of society and the environment in the course of our business activities.

### Action Guidelines

1. We will incorporate environmental considerations into all stages of the product life cycle, including research & development, design, procurement, production, sale, logistics, use and disposal.
2. We will strive to prevent pollution as well as to minimize the impact of our products on the environment. When environmental problems arise, we will take appropriate steps to minimize the environmental impact and disclose accurate information.
3. Our environmental management efforts will involve compliance with all environmental laws, regulations and agreements, and we will promote compliance activities.
4. We will disclose environmental information to stakeholders and encourage communication with society for the purpose of promoting mutual understanding.
5. We will educate all employees in environmental conservation to create a company culture that promotes the harmonization of the environment and business activities.

## Four Environmental Cornerstones of Renesas Electronics

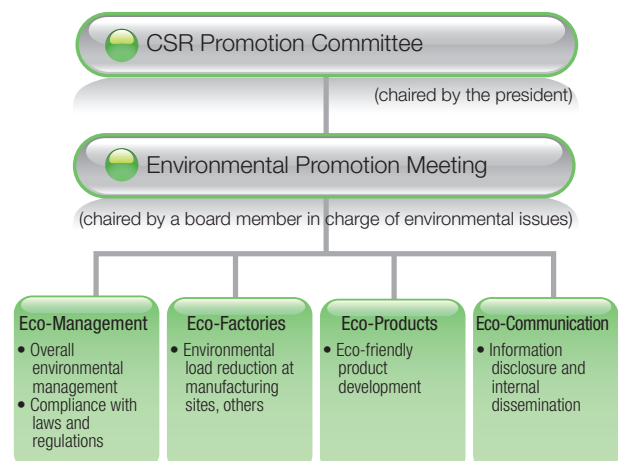
- Eco-Management Initiative, aimed at ensuring compliance with laws and regulations and promoting overall environmental management
- Eco-Factories Initiative, aimed at reducing the environmental impact of manufacturing sites through the reduction of greenhouse gasses (GHG) and the appropriate management of chemical substances in manufacturing processes
- Eco-Products Initiative, aimed at supplying eco-friendly semiconductors to which environmental considerations are given throughout their lifecycles, including the control of chemical substances contained in products and the development of products boasting excellent energy-saving performance
- Eco-Communication Initiative, aimed at strengthening

employee awareness through environmental education and disseminating the Group's environmental information to society

Renesas Electronics is accelerating environmental management—involving all business units, executives and employees—underpinned by the four environmental initiatives just outlined. The CSR Promotion Committee, which is chaired by the president, makes decisions regarding matters relating to these initiatives. Meanwhile, the Environmental Promotion Meeting, which is chaired by a board member in charge of environmental issues, promulgates related activities throughout the Company.



Environmental Promotion Meeting





## Eco-Management Initiative

The Renesas Electronics Group believes that its efforts to preserve the environment have a direct impact on the sustainable development of its business. Based on this belief, the Group is promoting all business activities so that it can contribute to promoting harmony between the human race and the environment.

### Group's Business Activities and Their Environmental Footprint

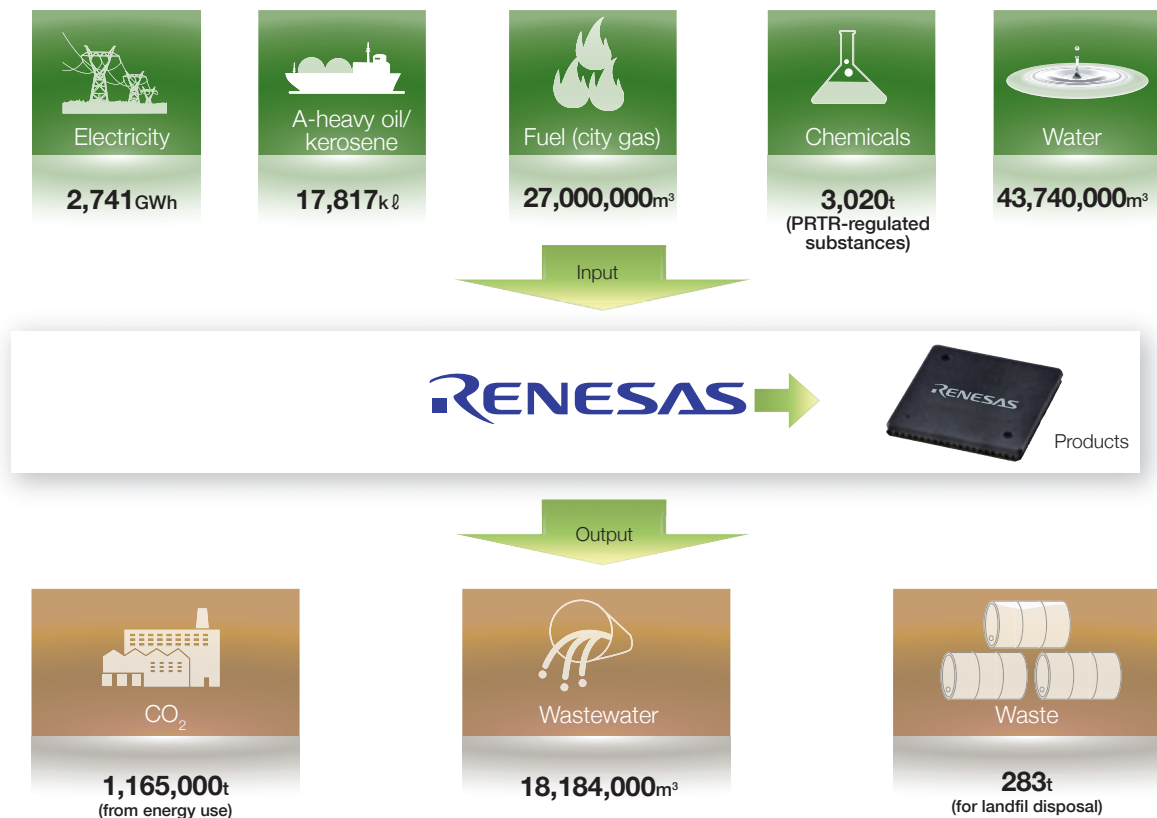
The Renesas Electronics Group is promoting business activities in such a way that it can better contribute to the preservation of the global environment. Specifically, the Company is providing eco-friendly semiconductors to enable its customers—often finished product manufacturers—to develop energy- and resource-saving products.

However, the Renesas Electronics Group inevitably uses a significant amount of electricity, fuels, chemical substances and water resources. Such production activities consequently create significant environmental impact, generating

exhaust gasses, wastewater, industrial waste and others.

Therefore, the Group is working to quantitatively grasp the input and output of these materials and other matters, thereby accurately identifying problems in terms of material balance. Based on the findings, we are strategically implementing initiatives aimed at reducing the environmental impact of our production activities. The Renesas Electronics Group is committed to using limited resources and energy in an effective manner and to offering eco-friendly products that are efficiently manufactured.

### Fiscal 2011 Overview of Material Balance



## Fiscal 2011 Results and Fiscal 2012 Plan

### ●Fiscal 2011 Results

#### ◆Eco-Management Initiative .....

The sharing of environmental information was promoted throughout the Group.

- We convened the reorganized Environmental Promotion Meeting.
- We promoted the exchange of environmental information among our manufacturing sites.
- We audited nine business bases, including those overseas, to monitor the status of compliance with environmental laws and regulations.

#### ◆Eco-Factories Initiative .....

We reduced the environmental impact of our manufacturing sites.

- We reduced CO<sub>2</sub> emissions attributable to energy use through energy-saving activities and reduced the use of PFC\*<sup>1</sup> and VOC\*<sup>2</sup> to cut their emissions. We achieved our fiscal 2011 targets for reducing all of these emissions.
- We worked to reduce waste generation and achieved zero emissions (landfill disposal ratio of less than 1%).
- We continued to replace chillers that use specified CFCs.\*<sup>3</sup>

#### ◆Eco-Products Initiative.....

We updated our chemical substance management system to ensure that our products are safe for customers to use.

- We formulated Groupwide Green Procurement Guidelines and began the management of raw materials, parts and components based on these guidelines.
- We expanded our environmental assessment of products in the design stage.
- We continued to provide customers with “Green Devices,” such as high-performance microcontrollers and microcontrollers with low power consumption.
- We maintained our compliance with applicable chemical substance regulations. Also, we reclassified the chemical substances that are subject to appropriate management into those used in the production stage and those included in our final products.

#### ◆Eco-Communication Initiative.....

We strengthened our collaborations with stakeholders.

- We published the CSR and Environmental Report 2011. Also, we disclosed information about our environmental activities on our Website.
- We reinforced our education programs for manufacturing divisions.

### ●Fiscal 2012 Plan

We will continue to accelerate activities centered on the four initiatives.

#### ◆Eco-Management Initiative.....

- We will strengthen Groupwide environmental management with dual management systems specialized for headquarters and manufacturing sites, and by promoting risk benchmarking.
- We will further reinforce internal environmental audits to reduce environmental risks.

#### ◆Eco-Factories Initiative .....

- In concert with the targets set by JEITA,\*<sup>4</sup> we will continue to promote activities to reduce our environmental impact, including the reduction of CO<sub>2</sub> emissions attributable to energy use through energy-saving activities. More specifically, we will strictly adhere to the target set by Japan's four electrical and electronic industry associations (JEITA, JEMA,\*<sup>5</sup> JBMIA\*<sup>6</sup> and CIAJ\*<sup>7</sup>): “reduce CO<sub>2</sub> emissions per unit of actual production volume to 65% or less of the fiscal 1991 level.”
- To protect the ozone layer, we will continue to replace chillers that use specified CFCs with those that do not, with the goal of completely eliminating CFC use by 2019.
- We will maintain our zero-emissions status through waste reduction.

#### ◆Eco-Products Initiative .....

- We will establish and bolster our systems to provide products that our customers can use confidently and reliably.
- We will proactively conduct environmental assessment of our products from the design stage. Also, we will strengthen the management of chemical substances used in the manufacturing stage.
- We will closely monitor legal and regulatory movements, such as additions of and changes in regulated chemical substances, to swiftly respond to these movements.

#### ◆Eco-Communication Initiative.....

- We will publish the CSR and Environmental Report 2012 and enhance environmental disclosure via our Website.
- We will promote basic environmental education to raise the awareness of employees at our manufacturing sites toward environmental preservation.
- We will strengthen our environmental and social contribution activities to enhance our sound relationships with stakeholders.

## Fiscal 2011 Results

Objective	Action	Reference	Target	Result	Evaluation
Global warming prevention	CO <sub>2</sub> emissions reduction (per unit of actual production volume* <sup>8</sup> )	FY91 level	65% or less	61%	○
	PFC emissions reduction (GWP* <sup>9</sup> -equivalent)	CY95 level	90% or less	44%	○
Air pollution prevention	VOC emissions reduction	FY01 level	70% or less	64%	○
Ozone layer protection	Replacement of chillers using specified CFC refrigerants	—	Continue	Continued	○
Waste reduction	Landfill disposal ratio of less than 1%	—	Less than 1%	0.63%	○

○: Satisfied

## Fiscal 2012 Targets

Objective	Action	Reference	Target
Global warming prevention	CO <sub>2</sub> emissions reduction (per unit of actual production volume)	FY91 level	65% or less
Ozone layer protection	Replacement of chillers using specified CFC refrigerants	—	Continue
Waste reduction	Landfill disposal ratio of less than 1%	—	Less than 1%

\*1: Perfluorocompound. The semiconductor industry has specified CHF<sub>3</sub>, CF<sub>4</sub>, C<sub>2</sub>F<sub>6</sub>, C<sub>3</sub>F<sub>8</sub>, C<sub>4</sub>F<sub>8</sub>, SF<sub>6</sub> and NF<sub>3</sub> for emissions reduction.

\*2: Volatile organic compounds

\*3: Chlorofluorocarbons

\*4: Japan Electronics and Information Technology Industries Association

\*5: Japan Electrical Manufacturers' Association

\*6: Japan Business Machine and Information System Industries Association

\*7: Communications and Information Network Association of Japan

\*8: CO<sub>2</sub> emissions per unit of actual production volume = CO<sub>2</sub> emissions ÷ (Production volume ÷ Annual revenue adjusted by an index for electric and electronic businesses compiled by the Bank of Japan)

Total CO<sub>2</sub> emissions of domestic business sites and factories are used for the above calculation.

\*9: Global warming potential

## Ensuring Compliance with Environmental Regulations

As part of activities to maintain sound internal control, the Renesas Electronics Group conducts audits on the status of compliance with environmental laws and regulations for its manufacturing sites and Group companies, in addition to internal ISO14001 audits. Through these environmental audits, the status of compliance with the environmental laws and regulations applicable to semiconductor manufacturers, as well as the status of preparedness for emergency response, is confirmed and reported to the Group's top management. Moreover, on an as-required basis, these

manufacturing sites and Group companies are instructed to make improvements. We plan to complete these environmental audits for all of our development and manufacturing sites in a three-year interval. During fiscal 2011, we audited nine of our development and manufacturing sites, including some located overseas.

During fiscal 2011, none of our business sites and Group companies received orders to pay fines or surcharges in connection with environmental accidents or incidents. Also, none of them were involved in environmental lawsuits.



Audit of production line



Audit of outdoor facilities

## Environmental Accounting

The fiscal 2011 environmental accounting of the Renesas Electronics Group covers the period from April 1, 2010 to March 31, 2011. Data is presented in conformity with the 2005 Environmental Accounting Guidelines issued by the Ministry of the Environment.

Semiconductor businesses, by nature, can have a significant impact on the environment. Therefore, Renesas Electronics recognizes the importance of clarifying the valid-

ity of the costs required for environmental preservation activities, making effective investments and assessing the results of such investments. These steps help the Group to achieve harmony between its business activities and environmental preservation. The following table shows the fiscal 2011 results of environmental accounting for the Renesas Electronics Group.

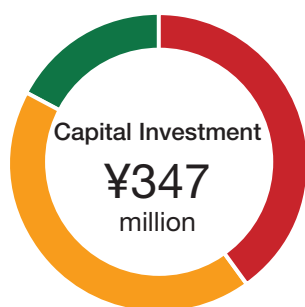
### Fiscal 2011 Results

Category/Subcategory		Description	Environmental Preservation Costs		Effects	
			Capital Investment (¥ million)	Costs (¥ million)	Economic Effects (¥ million)	Environmental Impact Reduction
Within Business Sites	Pollution Prevention	Pollution prevention (air, water, etc.)	140	2,094	0	Energy use reduction 38.3GWh
	Energy Saving/Global Environmental Preservation	Energy-saving measures, global warming prevention, etc.	148	692	757	
	Resource Recycling	Efficient use of resources through waste reduction, water saving, recycling, etc.	59	1,063	2,004	
Upstream/Downstream Processes		Green procurement, product assessment, recovery and recycling of packaging materials, etc.	0	33	212	
Management Activities		Maintenance and administration of environmental management systems, environmental education, etc.	0	926	—	
R&D		R&D for reducing environmental impact of products and production processes	0	3	—	
Social Contribution Activities		Local volunteer activities, donations and assistance to environmental organizations	0	3	—	
Environmental Damage		Cleanup of pollution (soil, groundwater, etc.), compensation in connection with environmental preservation, etc.	—	1	—	
<b>Total</b>			<b>347</b>	<b>4,815</b>	<b>2,973</b>	<b>—</b>

\*Figures are rounded off to the nearest million.

### >>> Capital Investment

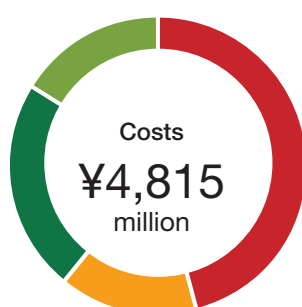
Total capital investment amounted to ¥347 million. Major components were ¥136 million used for energy-saving measures (under global environmental preservation) and ¥60 million used for soil pollution measures (under pollution prevention).



● Pollution prevention	40%
● Global environmental preservation	43%
● Resource recycling	17%

### >>> Costs

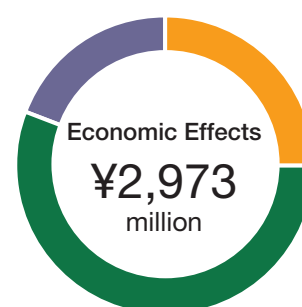
Total costs amounted to ¥4,815 million, with costs for pollution prevention accounting for the largest portion. Major components of pollution prevention costs were ¥1,255 million used for water pollution prevention and ¥637 million used for air pollution prevention.



● Pollution prevention	46%
● Global environmental preservation	15%
● Resource recycling	23%
● Management activities	16%

### >>> Economic Effects

Total economic effects amounted to ¥2,973 million. Major components were ¥1,655 million in proceeds from sales of recyclables and other waste and a ¥1,318 million savings due to cost reductions. These figures excluded intangible and other de facto effects.



● Global environmental preservation	25%
● Resource recycling	56%
● Upstream/downstream processes	19%

## ISO14001 Certification

The Renesas Electronics Group has acquired the ISO14001 environmental management system certification for all of its domestic business sites, all of its overseas manufacturing sites and principal overseas sales bases.

The Group will work to maintain its ISO14001 certification through efficient and effective acquisition and renewal.

		Registration Code	Audit/ Registration Body
Renesas Electronics Corporation	Tamagawa Sales Office, Sagamihara Sales Office	JQA-EM3490	JQA
	Nippon Building Headquarters	EC05J0320	JACO
	Musashi Factory	JQA-EM6661	JQA
	Takasaki Factory	JQA-EM6670	JQA
	Naka Factory	EC97J1025	JACO
	Kofu Factory	JQA-EM6706	JQA
	Kita-Itami Factory	EC06J0158	JACO
	Saijo Factory	EC97J1038	JACO
	Kochi Factory	EC97J1026	JACO
Domestic Manufacturing Companies	Renesas Yamagata Semiconductor Co., Ltd.	JQA-EM3490	JQA
	Renesas Kansai Semiconductor Co., Ltd.	JQA-EM3490	JQA
	Renesas Semiconductor Kyushu Yamaguchi Co., Ltd.	JQA-EM3490	JQA
	Renesas Northern Japan Semiconductor, Inc. (Tsugaru Factory)	EC98J1043	JACO
	Renesas Northern Japan Semiconductor, Inc. (Hakodate Factory)	EC97J1201	JACO
	Renesas Northern Japan Semiconductor, Inc. (Yonezawa Factory)	EC97J1168	JACO
	Haguro Electronics Co., Ltd.	1556-2000-AE-KOB-RvA	DNV
	Renesas Eastern Japan Semiconductor, Inc.	EC97J1006	JACO
	Renesas Kofu Semiconductor, Inc. (Hamura Factory)	EC97J1006	JACO
	Renesas High Components, Inc.	EC97J1006	JACO
	Renesas Yanai Semiconductor, Inc.	EC97J1006	JACO
	Renesas Kyushu Semiconductor Corp.	EC98J1030	JACO
	Renesas Kitaitami Engineering Services Co., Ltd.	EC02J0168	JACO
Domestic Design Company	Renesas Micro Systems Co., Ltd.	JQA-EM3490	JQA
Application Technologies Company	Renesas Solutions Corp.	04441	MIC
Domestic Sales Company	Renesas Electronics Sales Co., Ltd.	JMAQA-E766	JMAQA
Overseas Manufacturing Companies	Shougang NEC Electronics Co., Ltd.	439234UM	UL
	Renesas Semiconductor Singapore Pte. Ltd.	2000-0096	PSB
	Renesas Semiconductor KL Sdn. Bhd.	ER0118	SIRIM
	Renesas Semiconductor (Beijing) Co., Ltd.	U006611E0065R3L	CCCI
	Renesas Semiconductor (Suzhou) Co., Ltd.	02110E10218R3M	CCCI
	Renesas Semiconductor (Malaysia) Sdn. Bhd.	ER0106	SIRIM
Overseas Sales Companies	Renesas Electronics (China) Co., Ltd.	439381UM	UL
	Renesas Electronics (Shanghai) Co., Ltd.	439381UM	UL
	Renesas Electronics Hong Kong Limited	20002036UM	UL
	Renesas Electronics Taiwan Co., Ltd.	TW10/0060	SGS
	Renesas Electronics Singapore Pte. Ltd.	CI/12863E	CI
	Renesas Electronics Europe GmbH	421504 UM	DQS

# Eco-Factories Initiative

Renesas Electronics is working to reduce the environmental impact of its factories through such activities as the efficient use of energy, the reduction of greenhouse gas (GHG) emissions, the reduced use and enhanced management of chemical substances, and effective waste management.

## Global Warming Prevention through Energy Saving

To contribute to global warming prevention, the Renesas Electronics Group has proactively participated in programs jointly organized by semiconductor industry-related associations. More specifically, the Group is promoting various energy-saving activities, such as the optimization of its semiconductor fabrication processes.

The Group is working to achieve the target set by Japan's four electrical and electronic industry associations (JEITA,<sup>1</sup> JEMA,<sup>2</sup> JBMIA<sup>3</sup> and CIAJ<sup>4</sup>): "reduce the average CO<sub>2</sub> emissions per unit of actual production volume<sup>5</sup> from fiscal 2009 to fiscal 2013 to 65% or less of the fiscal 1991 level." To meet this target, we are cooperating with fab\* builders and equipment makers to promote energy-saving activities.

\*Semiconductor fabrication plant

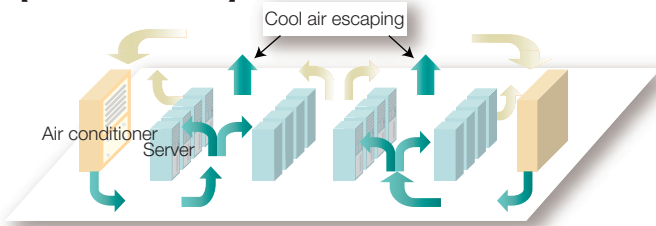
### Energy-Saving Fabrication Lines

The Renesas Electronics Group is promoting various activities to reduce energy use for its fabrication lines. These activities include the complete stoppage of non-operating facilities, the installation of inverters for pumps and fans, the optimization of air-conditioning operations and the stoppage of excessive equipment, such as chillers and boilers.

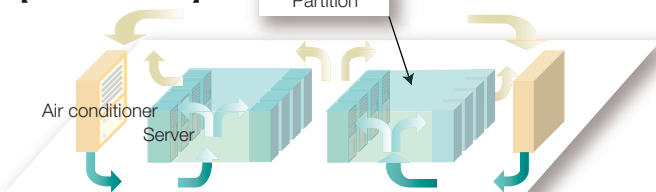
### Major Initiatives during Fiscal 2011

○We improved server cooling efficiency with effective partitioning.

#### [Without Partitions]



#### [With Partitions]



Effective circulation of cool air improves cooling efficiency

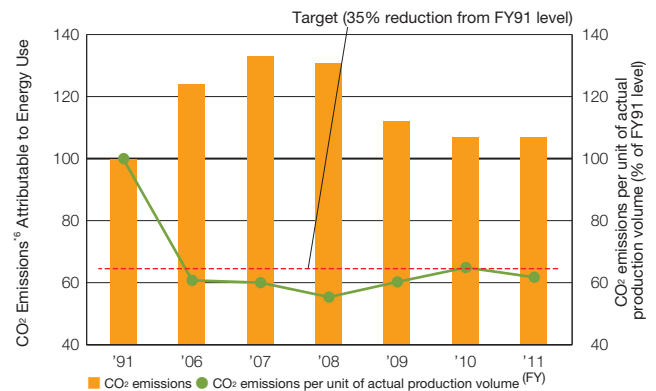
- We adjusted chiller arrangement to maximize the capacity of each unit and stopped using excessive units.
- We introduced new transformers, air conditioners and other equipment with higher energy efficiency.

### CO<sub>2</sub> Emissions (Domestic)

In fiscal 2011, the Renesas Electronics Group's CO<sub>2</sub> emissions increased 5% year on year, owing to increased production volume. CO<sub>2</sub> emissions per unit of actual production volume, however, decreased 0.7 of a percentage point, thanks to the Group's various energy-saving activities.

In fiscal 2012, the Group expects to experience an increase in CO<sub>2</sub> emissions due to increased production volume. By strengthening its energy-saving activities, the Group aims to reduce CO<sub>2</sub> emissions as much as possible.

CO<sub>2</sub> Emissions per Unit of Actual Production Volume (Domestic)



<sup>1</sup>: Japan Electronics and Information Technology Industries Association  
<sup>2</sup>: Japan Electrical Manufacturers' Association  
<sup>3</sup>: Japan Business Machine and Information System Industries Association  
<sup>4</sup>: Communications and Information Network Association of Japan  
<sup>5</sup>: CO<sub>2</sub> emissions per unit of actual production volume = CO<sub>2</sub> emissions ÷ (Production volume ÷ Annual revenue adjusted by an index for electric and electronic businesses compiled by the Bank of Japan)  
 Total CO<sub>2</sub> emissions of domestic business sites and factories are used for the above calculation.  
<sup>6</sup>: The annual average CO<sub>2</sub> conversion factor among all general power companies in Japan, designated by the Ministry of the Environment, has been used. (Fiscal 2008 and before: 0.378 fixed; fiscal 2009: 0.373 fixed; and fiscal 2010 and after: 0.351 fixed)

### Restricting Electricity Use in Line with Article 27 of the Electricity Business Act

The Renesas Electronics Group is implementing the following initiatives in response to the measures announced by the Ministry of Economy, Trade and Industry to cope with a tightening electricity supply-demand balance during the summer of 2011. These include:

- Operating production lines on holidays
- Operating testers and other high-power systems during nighttime
- Limiting elevator operations
- Improving air-conditioning efficiency by using heat-shield films, creating "green curtains" (growing plants near windows to block sunlight) and promoting water sprinkling around buildings

The Group will step up these and other initiatives to promote energy savings with due consideration given to the specific circumstances at each workplace.

## Reducing GHG Emissions

Through the promotion of its GHG emission reduction activities, the Renesas Electronics Group again achieved its reduction target in 2010.

The GHGs that are generated through the Group's business activities can be categorized into two types. One is CO<sub>2</sub> emissions attributable to energy use, and the other is PFCs<sup>\*1</sup> used in production processes.

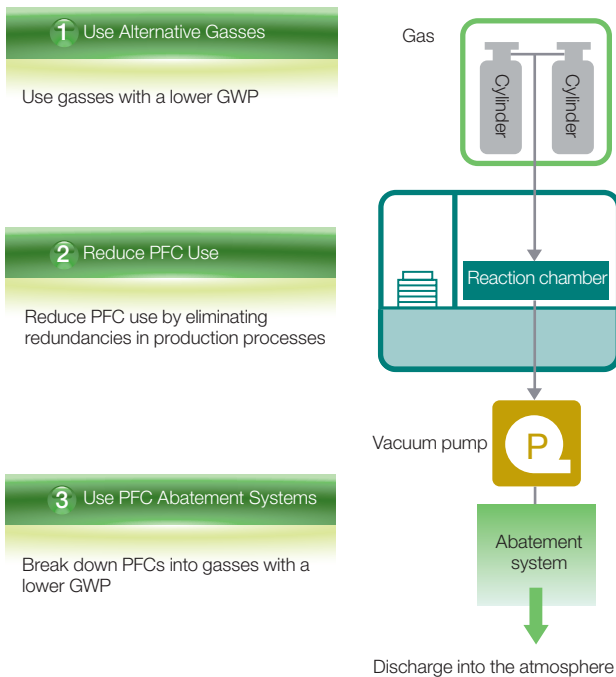
The Renesas Electronics Group uses PFCs to clean reaction chambers that are used in semiconductor fabrication processes. These PFCs are highly resistant to decomposition and have high GWP<sup>\*2</sup>—approximately 5,000 to 20,000 times that of the GWP of CO<sub>2</sub>. Because of these characteristics, the reduction of PFCs emissions has become an important issue for the entire world.

As part of efforts to proactively contribute to the prevention of global warming, the Renesas Electronics Group is striving to reduce its GHG emissions. More specifically, the Group has set its voluntary target for PFC emissions reduction and has promoted related activities.

There are various methods to reduce PFC emissions. The Company has focused on the three methods of: (1) replacing PFCs with other gasses with a lower GWP; (2) reducing the use of PFCs by optimizing production processes; and (3) introducing PFC abatement systems to break down PFCs. By combining these methods, Renesas Electronics has promoted the development of technologies to reduce PFC emissions to 90% or less of the level recorded in 1995 by 2010.

PFCs and Their GWPs (CO<sub>2</sub> = 1)

### GHG Emission Reduction Image



<2002 IPCC<sup>\*3</sup> Values; Timeframe of 100 years>

PFCs	GWP
CF <sub>4</sub>	5,700
C <sub>2</sub> F <sub>6</sub>	11,900
C <sub>3</sub> F <sub>8</sub>	8,600
C <sub>4</sub> F <sub>8</sub>	10,000
CHF <sub>3</sub>	12,000
SF <sub>6</sub>	22,200
NF <sub>3</sub>	10,800

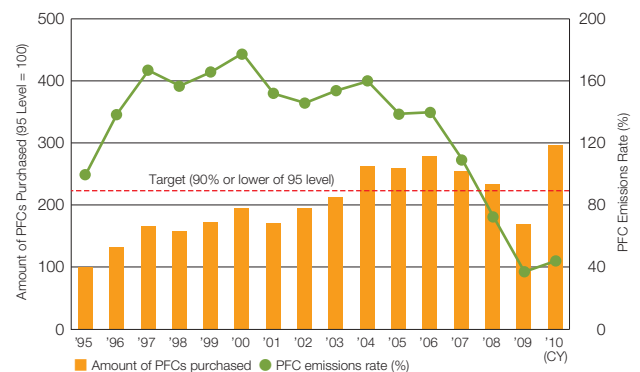
### Applicable Gasses

6 Gasses for Reduction under the Kyoto Protocol	7 Gasses for Reduction for the Semiconductor Industry
CO <sub>2</sub> (carbon dioxide)	Manage as CO <sub>2</sub> emissions attributable to energy use
CH <sub>4</sub> (methane)	Exempt
N <sub>2</sub> O (nitric oxide)	Exempt
HFC (hydrofluorocarbon)	CHF <sub>3</sub>
PFC (perfluorocarbon)	CF <sub>4</sub> , C <sub>2</sub> F <sub>6</sub> , C <sub>3</sub> F <sub>8</sub> , C <sub>4</sub> F <sub>8</sub>
SF <sub>6</sub> (sulfur hexafluoride)	SF <sub>6</sub>
Exempt	NF <sub>3</sub>

In line with an increase in production volume, both the amount of PFCs purchased and the PFC emissions rate showed year-on-year increase in 2010. However, thanks to such ongoing measures as cutting the use of PFCs, increasing the use of alternative gasses and introducing PFC abatement systems, the PFC emissions rate stood at approximately 44% of the 1995 level. This means that the Group has achieved its PFC emission reduction target three fiscal years in a row. Steady efforts to reduce GHG emissions have produced consistent results.

From 2011 onward, although an increase in production volume is expected, the Group will accelerate its efforts to further reduce GHG emissions.

### PFCs: Amount Purchased and Their Emissions



\*1: Perfluorocompounds. The semiconductor industry has specified CHF<sub>3</sub>, CF<sub>4</sub>, C<sub>2</sub>F<sub>6</sub>, C<sub>3</sub>F<sub>8</sub>, C<sub>4</sub>F<sub>8</sub>, SF<sub>6</sub> and NF<sub>3</sub> for emissions reduction.

\*2: Global warming potential, a measure of how much a given mass of greenhouse gas is estimated to contribute to global warming

\*3: Intergovernmental Panel on Climate Change

## Environmental Measures in Logistics Operations

The Renesas Electronics Group is implementing various environmental measures in its logistics operations. Specific measures include the reduction of energy used for the transport of products and waste, reduction and reuse of packing materials used in product transport and the expanded use of eco-friendly company vehicles.

### ●Reducing Energy Use and CO<sub>2</sub> Emissions in Logistics Operations

Pursuant to the revision to Japan's Law Concerning the Rational Use of Energy, which stipulates "Specified Consigner" obligations, and in line with the belief that it must work to reduce CO<sub>2</sub> emissions in every facet of its business operations, the Renesas Electronics Group is striving to reduce CO<sub>2</sub> emissions in its logistics operations through various energy-saving measures. During fiscal 2011, the Group implemented the following activities.

- We conducted a comprehensive review of and made improvements to the frequency and mode of product transport for all production bases.
- We have established a direct shipment (drop shipping) system and are now shipping our products from Chinese manufacturing bases to overseas customers without the detour to distribution centers in Japan.
- We reduced our energy consumption in logistics operations by switching to closer waste processors, streamlining waste collection operations and consolidating cargos of different types of industrial waste.

(Unit: ton-km<sup>1</sup>)

FY	Renesas Electronics	Other Individual Group Total
2010	14.34 million	5.58 million
2011	14.42 million	8.83 million

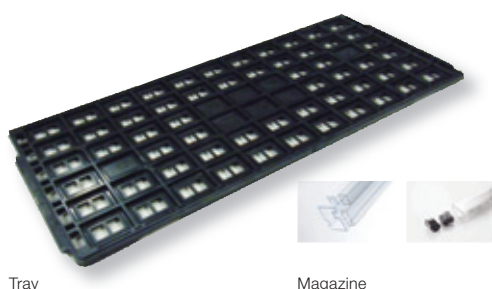


Drop Shipping Site

### ●Reducing Packing Material Use and Increasing Reuse

Renesas Electronics is effectively reusing plastic packing materials (trays and cartridges) used in product transport. The success of these activities is attributable to the establishment of a reuse framework (recovery, cleaning and inspection systems) at its domestic and overseas production bases. In addition to trays and cartridges, we will strive to comprehensively reduce the use of packing materials and promote reuse wherever possible.

Meanwhile, thanks to the promotion of drop shipping from its overseas production bases, explained above, we have eliminated the repacking process in Japan. This also reduced the amount of cardboard boxes used in product transport.



Tray

Magazine

### ●Promoting the Use of Eco-Cars as Company Vehicles

The Renesas Technology Group uses company vehicles for sales and other purposes. We continued to switch these company vehicles from conventional cars to eco-cars.<sup>\*2</sup> Specifically, we examine such factors as the degree of obsolescence of company vehicles upon the end of their lease term. When it is deemed necessary to lease new cars, we prioritize the lease of eco-cars wherever conditions permit.

\*1: Ton-km: A unit of measurement equal to the weight in tons of material transported multiplied by the number of kilometers driven

\*2: Definition of eco-cars:

Passenger cars: Clean-energy vehicles, including hybrid cars, electric cars, natural-gas cars, methanol cars and fuel-cell cars; or vehicles certified under both the 2010 Fuel Efficiency Standards and the 2005 Exhaust Emissions Standards of the Ministry of Land, Infrastructure, Transport and Tourism of Japan (MLIT)  
Minicoach: Vehicles certified under the 2005 Exhaust Emissions Standards of the MLIT



## Chemical Substance Management

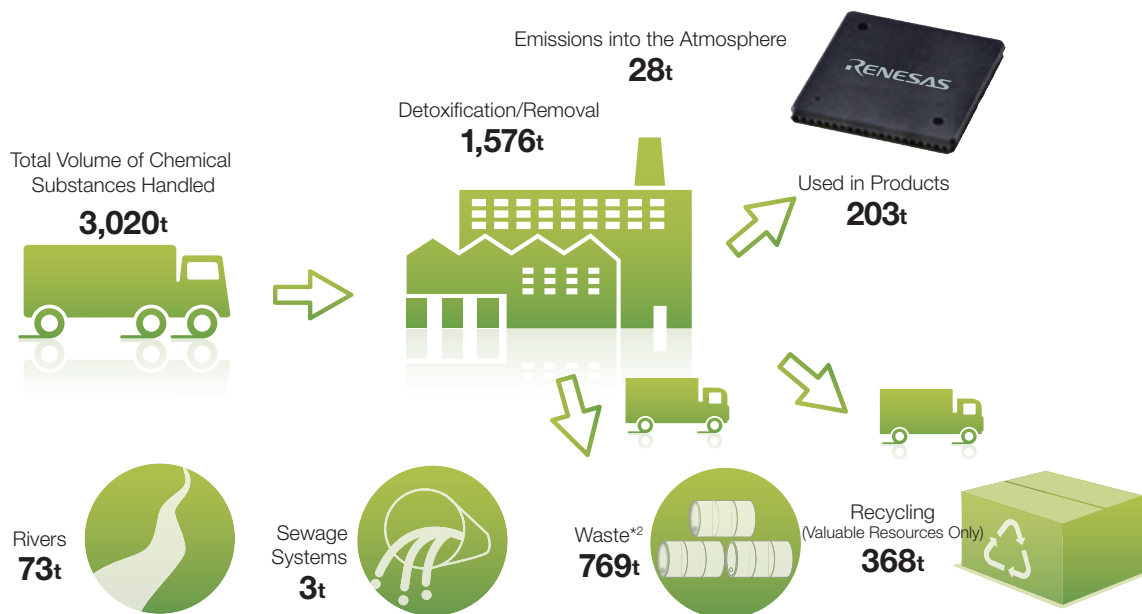
The Renesas Electronics Group works to accurately grasp the status of its chemical substance use and thereby continues to reduce chemical substance emissions into the environment.

The Renesas Electronics Group conducts various assessments of the chemical substances it uses, based on its chemical substance database compiled through green procurement activities and the acquisition of information about related laws and regulations. The Group strives to accurately understand the total volume of chemical substances used and manages the volume of hazardous chemical substances used and their emissions. These activities

form the basis of our R&D activities to create “Green Devices” and to realize “Eco-Factories.”

From a risk-management perspective, we conduct material-balance management without rounding down figures relating to the PRTR-regulated chemical substances we handle. Also, we are promoting strict VOC\* management as we do for PRTR-regulated chemical substances. Results of such material-balance management are not only reported to applicable authorities, but also analyzed and utilized in our activities to promote the use of alternative substances and reduce chemical substance emissions.

### Fiscal 2011 Balance of PRTR-Regulated Chemical Substances\*1



Figures below one ton are rounded.

\*1: In line with the amendment to the PRTR Law, chemical substances subject to the regulation under this law have been changed from fiscal 2011.

\*2: Includes waste for recycling at the Company's expense

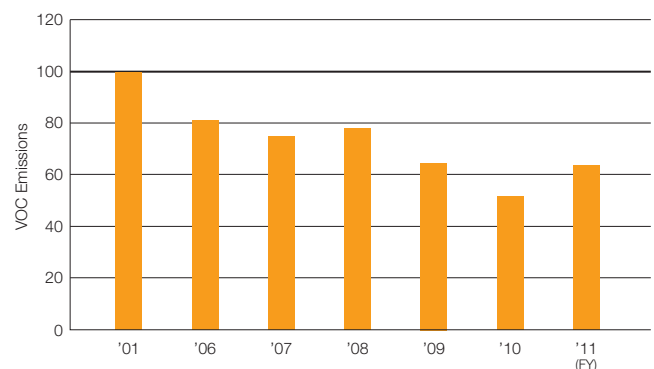
## Reducing VOC Emissions

The Renesas Electronics Group continues to implement activities aimed at reducing the emissions of chemical substances. In particular, the Group focuses on reducing VOC emissions.

Our efforts to reduce VOC emissions start with the detoxification of organic exhaust gasses that contain VOCs. Organic exhaust gasses are treated in facilities before they are emitted from our factories. In addition to these measures, we have worked to optimize our production processes and the operations of our fabrication facilities in order to constantly reduce VOC emissions. In fiscal 2011, despite a substantial increase in production volume, the Group maintained its VOC emissions at approximately 64% of the fiscal 2001 level. Results were roughly on par with the emissions recorded in fiscal 2009, displaying the tangible benefits of our efforts to date.

The Renesas Electronics Group will continue to optimize its production processes and promoted other activities, thereby strategically reducing VOC emissions.

### Renesas Electronics Group VOC Emissions

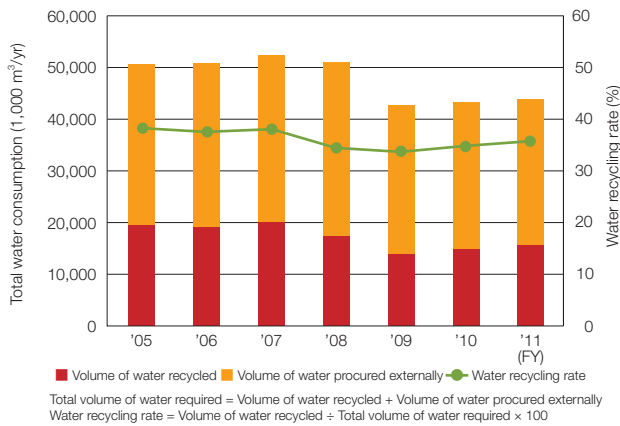


\*Volatile organic compounds

## Conserving Water Resources

The Renesas Electronics Group is adhering to the efficient use of water resources to improve its water recycling rate. At the same time, the Group is working to reduce the total volume of water required for its semiconductor fabrication. For fiscal 2011, the water recycling rate stood at 35.7%, while the total water consumption amounted to 43,740,000m<sup>3</sup>. Both figures remained almost unchanged compared with fiscal 2010.

### Water Consumption and Recycling, Water Recycling Rates



## PCB Waste Management

Pursuant to the Law Concerning Special Measures for Promotion of Proper Treatment of PCB Wastes and the Waste Management and Public Cleansing Law, the Renesas Electronics Group has strictly adhered to the procedures, as stipulated by such laws, for storage in a secure place of polychlorinated biphenyl (PCB) wastes, including equipment and tools contaminated by PCBs. In addition to handling PCB wastes in an appropriate manner, the Group has submitted reports to the applicable authorities regarding its holding of such wastes.

In addition, the Group plans to complete the appropriate disposal of the PCB wastes currently in storage by 2016. In connection with this plan, the Group has already applied to commission PCB waste treatment to the Japan Environmental Safety Corporation (JESCO), which is wholly owned by the Japanese government and specially tasked with treating PCB wastes in Japan.

## Protecting the Ozone Layer

In 1994, the Renesas Electronics Group abolished the use of Class I ODSs<sup>1</sup> (CFCs,<sup>2</sup> etc.), designated under the Montreal Protocol on Substances That Deplete the Ozone Layer, in all of its production processes. Also, the Group has abolished the use of Class II ODSs (HCFCs<sup>3</sup>) in all of its production processes. Furthermore, we are striving to reduce the use of CFCs used as refrigerants in chillers, refrigerators, air-conditioners and other equipment by replacing them with alternative substances.

\*1: Ozone depleting substances

\*2: Chlorofluorocarbon

\*3: Hydrochlorofluorocarbon

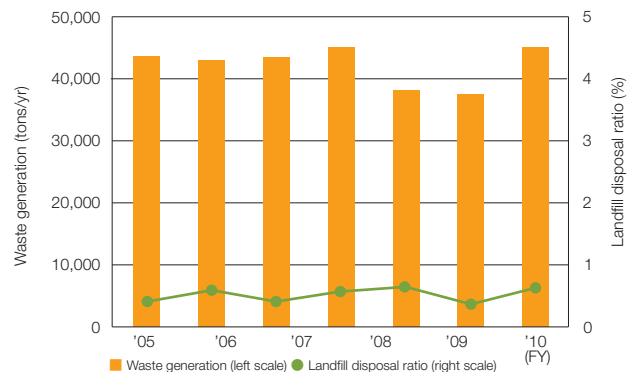
## Waste Management

The Renesas Electronics Group promoted activities aimed at meeting its fiscal 2011 target of achieving zero emissions (a landfill disposal ratio of less than 1%). These activities bore fruit, enabling the Group to record a landfill disposal ratio of 0.63% and, thus, achieve zero emissions. The Group will continue related activities to maintain its zero-emissions status.

Waste management should involve the strict observance of waste-related laws and regulations, which are becoming increasingly stringent every year. Such laws and regulations require corporations and other parties to avoid illegal dumping, even for waste that is handed over to presumed industrial waste processing contractors. In response, Group representatives periodically visit the industrial waste processing contractors it uses to make sure that these contractors are conducting the appropriate processing of industrial waste. The Group will continue appropriate waste management.

\*Ratio of landfill disposal volume to total waste generated

### Domestic Waste Generation and Landfill Disposal Ratio



On-site contractor inspection

## Environmental Activities at Overseas Production Bases

In accordance with the Renesas Electronics Group's Basic Environmental Policy, our overseas production bases are promoting environmental activities based on the ISO14001 environmental management system. Renesas Electronics grants a certain level of independence to these overseas

bases to establish their own goals, targets and specific measures so that they can individually respond to legal and regulatory requirements and industry initiatives in their respective locations.

### China

Renesas Semiconductor (Beijing) Co., Ltd.  
Renesas Semiconductor (Suzhou) Co., Ltd.  
Shougang NEC Electronics Co., Ltd.



### Singapore

Renesas Semiconductor Singapore Pte. Ltd.

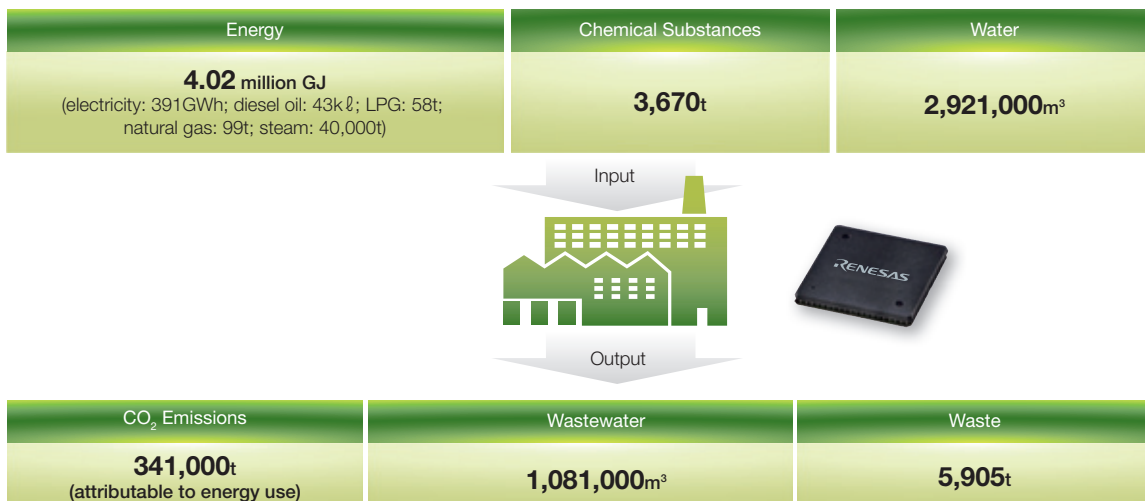


### Malaysia

Renesas Semiconductor (Malaysia) Sdn. Bhd.  
Renesas Semiconductor (Kedah) Sdn. Bhd.  
Renesas Semiconductor Technology (M) Sdn. Bhd.  
Renesas Semiconductor KL Sdn. Bhd.

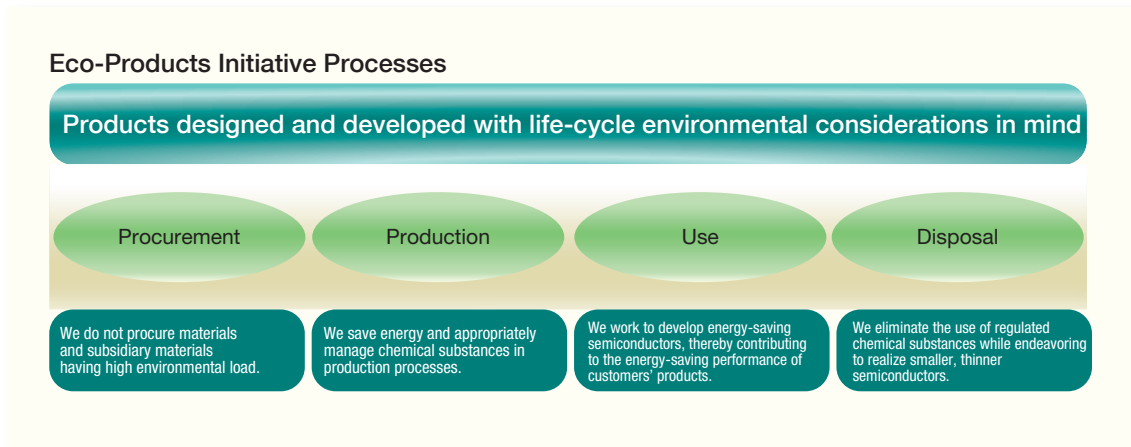


### Fiscal 2011 Overview of Material Balance of Overseas Production Bases



# Eco-Products Initiative

Through its Eco-Products Initiative, Renesas Electronics undertakes product design and development by giving environmental consideration to the entire life cycle of its products—from procurement, to production, use and disposal.



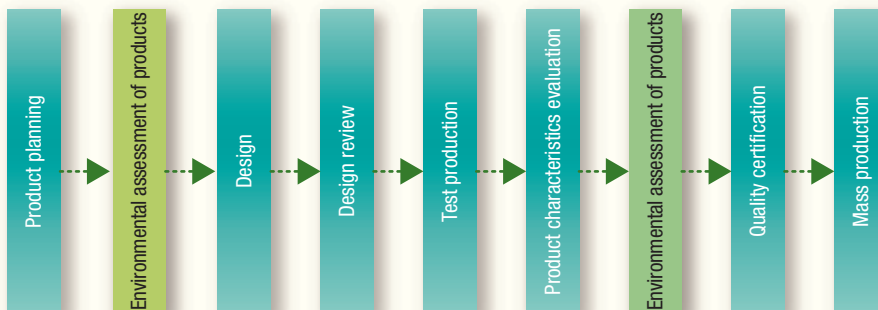
## Creation of Eco-Friendly Products

The Renesas Electronics Group is promoting the creation of eco-friendly products by giving environmental consideration to its design and development processes. The Group utilizes a method of environmental product assessment that enables the evaluation of design improvements on the environmental impact of products. More specifically, we conduct environmental assessment of products based on design specifications prior to commencing development. Before the start of mass production, we perform further product assessments based on actual prototypes.

### Environmental Assessment Categories

Size:	Smaller, more lightweight products
Safety:	Nonuse of hazardous, toxic materials, and nonuse of materials that generate hazardous and toxic substances in disposal and other stages
Product packing:	Status of packing materials reuse and return
Energy saving:	The level of reduction in power consumption of products in operation
Information disclosure:	Status of system development regarding disclosure of information on chemical substances used in products

### Design Flow Example



## ●“Green Devices”

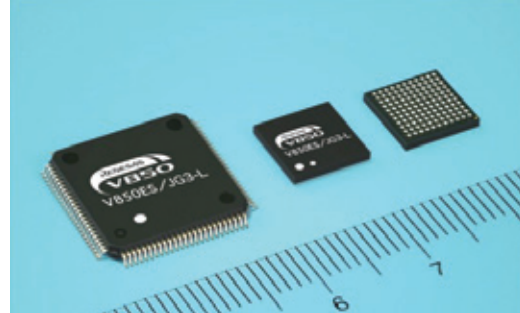
Semiconductors have become indispensable for the realization of smaller, more lightweight finished products in wide-ranging fields, such as electronic devices, home appliances, automobiles and industrial machinery. In other words, improvements of semiconductors in size, weight, power

consumption and energy efficiency directly contribute to “greener” end products, reducing their environmental impact and, ultimately, reducing end-user impact. The following section introduces some Renesas Electronics products that provide these advantages.

### ◆ Low-Power Microcontrollers

Low-power microcontrollers of Renesas Electronics are used in smart meters, healthcare equipment and other battery-driven electronic devices that require high-capacity memory. For these microcontrollers, Renesas Electronics has achieved the industry-leading nominal power/performance ratio of 0.9mW/MIPS\* at 20MHz and the low stand-by current of 0.7 $\mu$ A with the real time counter operating. While boasting such excellent electrical performance, these microcontrollers have built-in 1MB or 768KB flash memory or 80KB RAM.

\*Million instructions per second



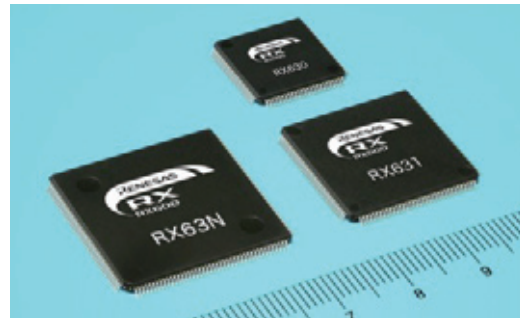
Low-power microcontrollers V 850ES/JG3-L

### ◆ Efficient Microcontrollers

Equipped with the Real Time Clock (RTC) that reduces power consumption by approximately 90% compared with conventional microcontrollers, efficient microcontrollers of Renesas Electronics provide a new time-stamp function with three contact terminals independently detecting changes in system operation status when the power is off and the CPU is not running.

The RX630 lineup provides USB connectivity as a standard function, offering enhanced communication and peripheral functions for superior user-friendliness. Meanwhile, the RX63N/631 lineup provides such additional connection functions as USB Host, USB On-The-Go (OTG), Ethernet and Controller Area Network (CAN). The RX63N/631 lineup also supports upward compatibility by enabling the increase of communication channels (pin arrangement).

A total of 376 efficient microcontroller models are offered through the combination of built-in memory devices, packages and various other components. Such a wide variety enables the use of these efficient microcontrollers in a diversity of devices and equipment while allowing for the use of a single microcontroller model in the entire finished product line, from high-end to low-end devices and equipment.



Efficient microcontrollers RX63N/631/630

## Compliance with Environmental Laws and Regulations

Embedded in wide-ranging finished products such as automobiles, consumer electronics, IT, and mobile equipment and communication devices, the Renesas Electronics Group's semiconductors are being used worldwide. In order to ensure compliance with environmental laws and regulations relating to its products and to enable necessary countermeasures for potential problem issues, Renesas Electronics is working to obtain information regarding such laws and regulations in nations where it carries out operations.

### Major Laws and Regulations and the Group's Compliance Status

The RoHS Directive<sup>1</sup> and the ELV Directive<sup>2</sup> of the European Union have defined the threshold values for chemical substances contained in certain products. In response to these and other similar directives, Renesas Electronics makes sure that it receives product analysis data from suppliers of semiconductor materials and components as well as reports certifying that their products are free of banned substances. In addition, the Company conducts voluntary analysis of these materials and components to confirm that those threshold values are observed.

Meanwhile, China's Administrative Measure on the Control of Pollution Caused by Electronic Information Products—also known as China RoHS—requires manufacturers to use specific labels on products that contain designated toxic and hazardous substances. Also, products that contain such substances are marked with the Electronic Information Products (EIP) logo, including an Environment Friendly Use Period (EFUP) value stated in years. Since semiconductors are too small to mark with logos and labels, Renesas Electronics provides information relating to chemical substances contained in its products and EFUP values through its Website and local sales companies as well as through authorized dealers.

Information on China RoHS (Website)  
[www.renesas.com/prod/lead/china\\_rohs.html](http://www.renesas.com/prod/lead/china_rohs.html)

With regard to the EU's REACH Regulation,<sup>3</sup> the Renesas Electronics Group is not required to register its semiconductor devices since these products are articles (finished products) that do not emit chemical substances. Still, the Group obtains information relating to SVHC<sup>4</sup> from its suppliers and provides such information to customers through JAMP<sup>5</sup> and other media. The Group will continue to closely monitor movements of environmental laws and regulations overseas and implement appropriate measures.

\*1: RoHS: Directive on the Restriction of the use of certain Hazardous Substances in electrical and electronic equipment

\*2: ELV: Directive on End-of Life Vehicles

\*3: REACH: Registration, Evaluation, Authorisation and Restriction of Chemicals

\*4: SVHC: Substances of Very High Concern

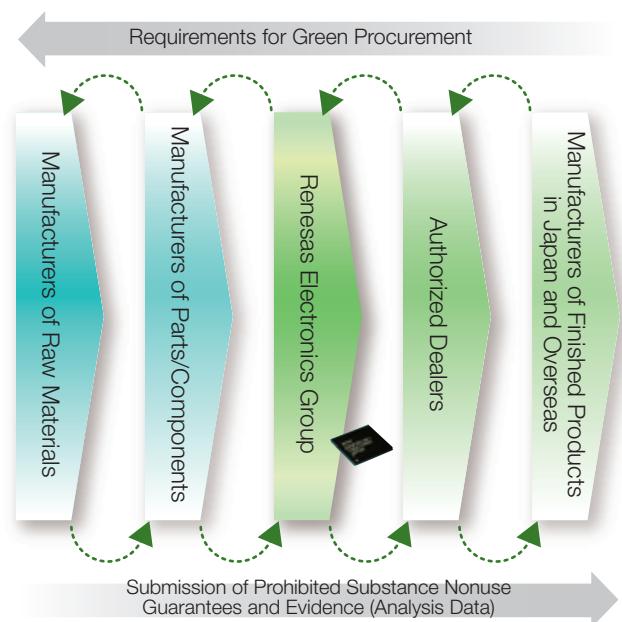
\*5: JAMP: Joint Article Management Promotion-consortium

## Environmental Quality of Products

As regulations concerning the use of specified hazardous chemical substances in products become increasingly stringent, the Renesas Electronics Group is implementing a system to manage the chemical substances used in its products throughout the entire process, from material selection in the design and development stage to pollution prevention in the fabrication stage. Also, based on the idea that such chemical management should be conducted throughout the entire supply chain, the Group asks suppliers to submit analysis data and written guarantees certifying the nonuse of prohibited substances. In addition, we conduct supplier audits to assess suppliers' systems for the management of such substances. For our sales companies and authorized dealers, we ask them to appropriately manage the chemical substances they use in their packing materials.

To enable our customers to use our products with confidence, we provide information on the chemical substances used in our products while offering data on our product analysis regarding substances regulated under the RoHS Directive and other prohibited substances. At the same time, we make sure that our customers understand our framework for managing the chemical substances used in our products and our actual activities in this regard.

On June 1, 2008, the European Chemicals Agency started the practical implementation of the REACH Regulation in Europe. Due to this and other regulatory movements, the management of chemical substances used in products throughout the entire supply chain is becoming more important than ever. In response, the Renesas Electronics Group has established effective management systems, and, based on these systems, we are meeting related regulations in an appropriate manner.



# Eco-Communication Initiative

The Renesas Electronics Group is promoting the Eco-Communication Initiative to establish a sound, collaborative relationship with all stakeholders.

## Environmental Education

The Renesas Electronics Group continues to strengthen environmental education to raise the environmental awareness of its employees.

### Environmental Education System

At the Renesas Electronics Group, environmental education is classified into three programs: general environmental education; specialized environmental education, and ISO14001 education. Through the general environmental education program, the Group distributes email publications on familiar environmental subjects. Also, we provide basic environmental education to help our executives and employees acquire necessary environmental knowledge.

Meanwhile, the specialized, operation-specific environmental education program has been designed to allow employees to gain the environmental knowledge required for their respective operations. This program offers education and training specific to the individual fields of design, sales and manufacturing. Finally, the ISO14001 education program helps employees understand the ISO14001 certification system and helps internal auditors develop their auditing skills.

#### Renesas Electronics Environmental Education System

Program	Purpose	Description
General Environmental Education	Raising environmental awareness of employees	<ul style="list-style-type: none"> <li>• Distribution of environmental "Web News"</li> <li>• Position-specific education (new employees/new leaders/new managers)</li> <li>• Environmental e-learning sessions, etc.</li> </ul>
Specialized Environmental Education	Gaining environmental knowledge required for operations	<ul style="list-style-type: none"> <li>• Environmental education for design and development divisions</li> <li>• Education for product environmental quality management</li> <li>• Environmental education for sales divisions</li> <li>• Environmental education for manufacturing divisions, etc.</li> </ul>
ISO14001 Education	<ul style="list-style-type: none"> <li>• Understanding the ISO14001 certification system</li> <li>• Developing skills of internal auditors</li> </ul>	<ul style="list-style-type: none"> <li>• Basic ISO14001 education</li> <li>• Internal auditor education, etc.</li> </ul>

### Educational Materials for New Employees



### Fiscal 2011 Topics

The Group has been working to standardize training materials and Renesas Electronics prepared common educational materials for all production divisions. Separate educational materials have been prepared for managers, engineers and line technicians. In this way, we strove to raise understanding across ranks. To incorporate trainee feedback and keep the educational and training materials current, we regularly review and update these materials. During fiscal 2011, we conducted general and specialized environmental education twice and 10 times, respectively, as well as ISO14001 education on a separate occasion.



Education program for sales divisions

### Educational Materials for Technicians in Manufacturing Divisions



## External Recognitions

### ●Award for Excellence in Energy Control (Kofu Factory)

In February 2011, the Kofu Factory of Renesas Electronics received a Director-General's Award for Excellence in Energy Control from the Kanto Bureau of Economy, Trade and Industry, the most prestigious award given to production facilities conducting effective energy management. Because semiconductor plants consume a significant amount of energy and fuels, it is very important to adhere to energy-saving design when introducing new facilities and systems. It is also very important to improve the energy efficiency of existing facilities and systems. Recognizing the importance of these activities, the Kofu Factory has steadily promoted various energy-saving measures, such as the introduction of turbo chillers, the establishment of waste heat recovery systems and the conversion of fuels used for boilers. At the same time, the factory has continued to improve control methods and energy supply processes for each of the facilities operating on its premise. The award recognized the ongoing energy-saving measures of the Kofu Factory.



Awards ceremony



Certificate of commendation

In May 2010, the Kumamoto Nishiki Factory of Renesas Semiconductor Kyushu Yamaguchi Co., Ltd. received a certificate for commendation in recognition of its community contribution and environmental preservation activities from the Nishiki Town government. The factory has long conducted cleaning activities around its premise and provided recycled resources to the local community. The Kumamoto Nishiki Factory will continue to value its harmonious coexistence with the local community.

### ●Commendation for Environmental Pollution Prevention Measures (Renesas Semiconductor (Beijing) Co., Ltd.)

In March 2011, Renesas Semiconductor (Beijing) received a commendation from the Beijing Haidian District Environmental Protection Council in recognition for its promotion of measures to prevent environmental pollution. The commendation reflected this local subsidiary's promotion of activities to substantially reduce sludge waste from plating operations, to achieve a significant reduction in chemical substance use and to ensure compliance with related environmental laws and regulations.

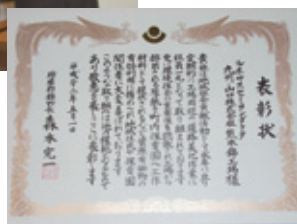


Plaque

### ●Commendation for Community Contribution and Environmental Preservation (Kumamoto Nishiki Factory)



Awards ceremony



Certificate of commendation



## Exchange Meeting

Prior to the publication of this report, Renesas Electronics held an exchange meeting on environmental reporting with Fujitsu Semiconductor Limited. This was the first such attempt in the history of the Company's environmental reporting.

Both parties brought drafts of their reports, still in the editing processes, to the meeting. By reviewing each other's documents, the attendants exchanged opinions to improve their reports. Based on the opinions provided by Fujitsu Semiconductor representatives, we reflected the following improvements in this report.

- ◎We focused on the reader-friendliness of our explanations on waste management. Also, we clarified our definition of the landfill disposal ratio.
- ◎We clarified the difference between internal ISO14001 audits and audits on compliance with environmental laws and regulations.
- ◎We clarified the difference between the two environmental assessments of products we conducted during fiscal 2011.
- ◎We provided detailed explanations on the status of environmental education promotion.

We would like to take this opportunity to thank Fujitsu Semiconductor Limited for their cooperation. Renesas Electronics will continue to enhance the reader-friendliness and transparency of its environmental reporting.

### Members of the Exchange Meeting

#### ●Fujitsu Semiconductor Limited

Messrs. Hiroshi Osuda, Masanori Kobayashi and Kohji Nomaki and Ms. Kumiko Nemoto, Environment Promotion Office

#### ●Renesas Electronics Corporation

Mr. Toyotaka Hiue, CSR & Compliance Department, Legal & Compliance Division

Messrs. Takashi Okabe and Yasuki Sakata and Ms. Yoshiko Wakimoto, Environment Promotion Department, Production and Technology Unit



Exchange Meeting



### Inquiries Regarding Our Environmental Activities

Environment Promotion Department, Production and Technology Unit  
e-mail: [eco@renesas.com](mailto:eco@renesas.com)

## Corporate Profile

<b>Company Name</b>	Renesas Electronics Corporation
<b>Head Office</b>	1753 Shimonumabe, Nakahara-ku, Kawasaki, Kanagawa 211-8668, Japan
<b>Headquarters</b>	Nippon Bldg., 2-6-2, Ote-machi, Chiyoda-ku, Tokyo 100-0004, Japan
<b>Established</b>	2002.11.1(April 1, 2010 as Renesas Electronics)
<b>Capital Stock</b>	¥153.2 billion (as of March 31, 2011)
<b>Major Operations</b>	Research, development, design, manufacture, sale and servicing of semiconductor products
<b>Employees</b>	Approx. 46,600 (as of March 31, 2011)
<b>Website</b>	www.renesas.com/index.jsp

## Editorial Policies

- Renesas Electronics publishes two reports—namely, the CSR and Environmental Report and the Annual Report—to describe the environmental, social and economic activities of the Renesas Electronics Group.
- This CSR and Environmental Report 2011 is intended for the many stakeholders of the Renesas Electronics Group, including employees, customers, members of the local communities where we conduct business, suppliers and partners, and shareholders and investors. With the objective of promoting two-way communication between the Company and these stakeholders, this report explains our approach to CSR and the environment and illustrates our specific activities in an easy-to-understand fashion.

### ■Guidelines Used

- Environmental Reporting Guidelines 2007 (Ministry of the Environment, Japan)
- Environmental Accounting Guidelines 2005 (Ministry of the Environment, Japan)
- Sustainability Reporting Guidelines 2006 (Third Edition) (Global Reporting Initiative)

### ■Reporting Scope

The report covers the Renesas Electronics Group, which consists of Renesas Electronics Corporation, 23 domestic Group companies and 35 overseas Group companies.

### ■Reporting Period

This report primarily covers the period from April 1, 2010 to March 31, 2011, with the reporting of certain subsequent activities.

### ■Publication Date

September 2011

### ■For more information:

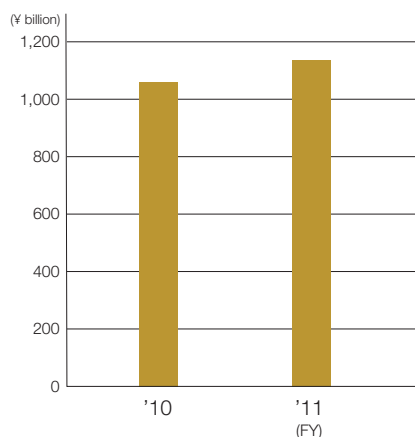
Please visit our Website at:

[www.renesas.com/comp/csr/](http://www.renesas.com/comp/csr/) (CSR section)

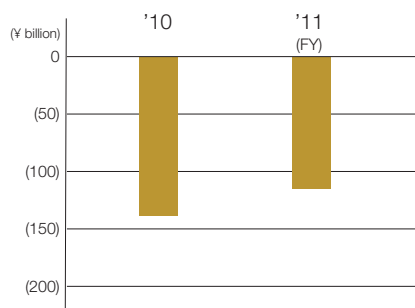
[www.renesas.com/comp/eco/](http://www.renesas.com/comp/eco/) (Environmental Activities section)

## Performance

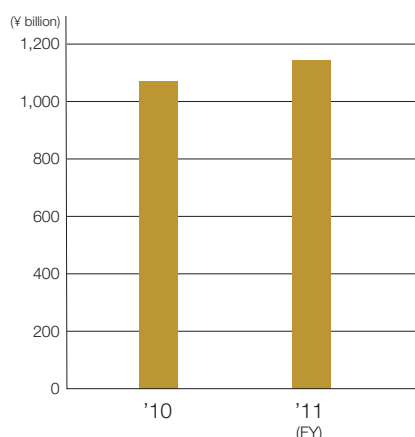
### ■ Net Sales



### ■ Net Loss



### ■ Total Assets



\*The figures for FY10 are the total of the former two companies\*.

## Business Fields

## Major Products and Applications

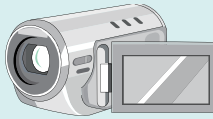
### »»» MCU Business

#### Major Products

- Microcontrollers

#### Major Applications

- Automobiles
- Industrial applications
- Consumer electronics (Digital home appliances, White goods, Game consoles)
- PC and PC peripherals (Hard disc drive, etc.)



### »»» Analog & Power Semiconductor Business

#### Major Products

- Power MOSFET
- Mixed-signal ICs
- IGBT
- Diodes
- Small signal transistors
- Display driver ICs,
- Compound semiconductors

#### Major Applications

- Automobiles
- Industrial applications
- PC and PC peripherals (Hard disc drive, etc.)
- Consumer electronics (Digital home appliances, White goods, Game consoles)

### »»» SoC Solutions Business

#### Major Products

- SoC

#### Major Applications

- Mobile applications
- Networking equipment
- Industrial applications
- PC and PC peripherals (Hard disc drive, USB, etc.)
- Consumer electronics (Digital home appliances, Game consoles)
- Automobiles (Car navigation systems)



## Group Network

- Manufacturing
- Design and application technologies companies
- ◆ Engineering service companies
- Sales companies
- Other

- Renesas Electronics Corporation
- Renesas Northern Japan Semiconductor, Inc.
- Haguro Electronics Co., Ltd.
- Hokkai Electronics Co., Ltd.
- Renesas Yamagata Semiconductor Co., Ltd.
- Renesas Naka Semiconductor Co., Ltd.
- Renesas Eastern Japan Semiconductor, Inc.
- Renesas Kofu Semiconductor Co., Ltd.
- Renesas High Components, Inc.
- Renesas Yanai Semiconductor, Inc.
- Renesas Kansai Semiconductor Co., Ltd.
- Renesas Semiconductor Kyushu Yamaguchi Co., Ltd.
- Renesas Semiconductor (Beijing) Co., Ltd.
- Renesas Semiconductor (Suzhou) Co., Ltd.
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- Renesas Semiconductor Technology (M) Sdn. Bhd.
- Renesas Semiconductor (Kedah) Sdn. Bhd.
- Renesas Semiconductor KL Sdn. Bhd.
- Renesas Design Vietnam Co., Ltd.
- Renesas Semiconductor Design (Beijing) Co., Ltd.
- Renesas Semiconductor Design (Malaysia) Sdn. Bhd.
- Renesas Design France S.A.S
- Renesas Mobile Europe Oy
- Renesas Electronics Europe Limited
- Renesas Electronics Europe GmbH

- Renesas Kyushu Semiconductor Corp.
- Renesas Electronics Corporation
- Renesas Solutions Corp.
- Renesas Micro Systems Co., Ltd.
- Renesas Design Corp.
- ◆ Renesas Semiconductor Engineering Corp.
- ◆ Renesas Takasaki Engineering Services Co., Ltd.
- ◆ Renesas Musashi Engineering Services Co., Ltd.
- ◆ Renesas Kitatami Engineering Services Co., Ltd.
- Renesas Electronics Sales Co., Ltd.
- Renesas Mobile Corporation
- Renesas SP Drivers Inc.
- Renesas System Solutions Korea Co., Ltd.
- Renesas Electronics (China) Co., Ltd.
- Renesas Electronics (Shanghai) Co., Ltd.
- Renesas Electronics Hong Kong Limited
- Renesas Electronics Taiwan Co., Ltd.
- Renesas Electronics Singapore Pte. Ltd.
- Renesas Electronics Malaysia Sdn. Bhd.
- Renesas Electronics Korea Co., Ltd.
- Renesas SP Drivers Taiwan Inc.
- Renesas Tongxinjishu (Beijing) Co., Ltd.
- Renesas Mobile India Private Limited
- Renesas Electronics America Inc.
- Renesas Electronics America Inc.
- Renesas Electronics Canada Limited



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