PROGRESS UPDATE

MARCH 3, 2022
HIDETOSHI SHIBATA
PRESIDENT AND CEO
RENESAS ELECTRONICS CORPORATION

FX assumption through this presentation: 1USD=100yen, 1EUR=120yen
REFLECTION ON 2021

COVID-19 continued

Supply chain challenges

Abundant liquidity

Drive for sustainability
RECOVERY FROM NAKA FACTORY FIRE

Monthly utilization of N3 300mm line in 2021*1

<table>
<thead>
<tr>
<th>Month</th>
<th>Unit Procured / Unit Before the Fire</th>
<th>Restart of Production</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan</td>
<td>1 / 2 / 5</td>
<td>2Q 2021</td>
</tr>
<tr>
<td>Feb</td>
<td>3 / 1 / 2</td>
<td>3Q 2021</td>
</tr>
<tr>
<td>Mar</td>
<td>4 / 1 / 2</td>
<td>2Q 2021</td>
</tr>
<tr>
<td>Apr</td>
<td>5 / 1 / 1</td>
<td></td>
</tr>
<tr>
<td>May</td>
<td>6 / 1 / 2</td>
<td></td>
</tr>
<tr>
<td>Jun</td>
<td>7 / 1 / 2</td>
<td></td>
</tr>
<tr>
<td>Jul</td>
<td>8 / 1 / 2</td>
<td></td>
</tr>
<tr>
<td>Aug</td>
<td>9 / 1 / 2</td>
<td></td>
</tr>
<tr>
<td>Sep</td>
<td>10/1/2</td>
<td></td>
</tr>
<tr>
<td>Oct</td>
<td>11/2/3</td>
<td></td>
</tr>
<tr>
<td>Nov</td>
<td>12/3/2</td>
<td></td>
</tr>
<tr>
<td>Dec</td>
<td>13/2/6</td>
<td>2Q 2021</td>
</tr>
</tbody>
</table>

*1: Wafer-out basis
RESILIENCE AT OUR PRODUCTION SITES

Upgrade equipment for early containment

- Automatic fire extinguishers
- Sensitive smoke detectors
- Sprinklers

Institute mechanism for thorough execution

- Sharing good practices & learnings across sites
- Target settings and individual trainings
- Competition among sites
- Dedicated team
RESILIENCE AT OUR PRODUCTION SITES

Upgrade equipment for early containment

- Automatic fire extinguishers
- Sensitive smoke detectors
- Sprinklers

Institute mechanism for thorough execution

- Establishment of a dedicated team
- Factory evaluation and ranking
- 5S quiz
- Case studies

To be completed by e/o 2022
OUR PURPOSE

To Make Our Lives Easier
by complementing human capabilities
OUR PURPOSE

To Make Our Lives Easier
by complementing human capabilities

Winning Combo  Scalability  UX  Tool set
The leadership team’s strategy and policy, the company’s current situation, as well as the issues and thoughts of each business organization should be well understood among employees.

In order to respond to changes in a timely manner, we should identify the likely outcomes and implications as quickly as possible, make decisions quickly, and rapidly take or correct actions, and act at a high velocity.

It is essential for us to have a global perspective. We should facilitate communication not only through improved language skills, but also through the use of other methods such as the use of numbers and data.

Individual employees should act professionally, voluntarily, and independently as if they are “running their own business” and are responsible for the results they deliver.

Each and every one of our employees should embody “Innovation” using their imagination and creativity to improve their work and contribute to the realization of a better society.
RENESAS CULTURE – INITIATIVES

- 2021
  Phase 1
  Introduced
  - TAGIE launch
  - Posters, desktop & virtual backgrounds, videos
  - Intranet
  - Activity sharing

- 2021-
  Phase 2
  Taking root
  - Surveys
  - Competencies
  - HR performance review
  - Roundtables
  - Recruiting
  - Training

Posters
- Surveys
- Novelties
- Intranet
- Roundtables

© 2022 Renesas Electronics Corporation. All rights reserved.
ESG PROGRESS – ENVIRONMENT

Green house gas target

-38% vs 2021

-25% vs 2020

Carbon neutral
(Scope 1+2)

2020
2030
2050

Water target

Water intensity
(consumption / revenue)

-33% vs 2021

25.0 m³/M yen (2021)
16.8 m³/M yen (2030)

Water recycling rate

+2pts vs 2021

33% *1 (2021)
35% (2030)

Participation in
Water Project *2

Green Bond / global offering

$ 500M

*1: Not including reduction through fab closures  *2: Launched by Japan’s Ministry of the Environment
## ESG PROGRESS – SOCIAL & GOVERNANCE

<table>
<thead>
<tr>
<th>Diversity, equity &amp; inclusion</th>
<th>Supplier management</th>
<th>Shareholder engagement</th>
<th>ESG rating &amp; index</th>
</tr>
</thead>
<tbody>
<tr>
<td>Diversity awareness month</td>
<td>Consent on Supplier CoC</td>
<td>Full online AGM</td>
<td>MSCI B → BBB</td>
</tr>
<tr>
<td>CEO message &amp; newsletter</td>
<td>Supplier audit</td>
<td>Discussion with shareholders</td>
<td>FTSE Russell 2.3 → 3.0</td>
</tr>
<tr>
<td>Silver in PRIDE Index 2021</td>
<td>Participation in the supplier program</td>
<td>Follow-up after AGM</td>
<td>CDP (Climate) C → B-</td>
</tr>
<tr>
<td>Female director ratio target</td>
<td></td>
<td></td>
<td>CDP (Water) D → B</td>
</tr>
</tbody>
</table>

- **20%**

- **96%**

- **12 companies**

- **Female director ratio target**
DESIGN-IN PROGRESS

**Automotive**

- **Renesas**
- **Dialog**

<table>
<thead>
<tr>
<th>Year</th>
<th>Actual 2020*1</th>
<th>Actual 2021*1</th>
<th>Target 2022*2</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0</td>
<td>3,000</td>
<td>6,000</td>
</tr>
<tr>
<td></td>
<td>3,000</td>
<td>6,000</td>
<td>9,000</td>
</tr>
<tr>
<td></td>
<td>6,000</td>
<td>9,000</td>
<td>12,000</td>
</tr>
</tbody>
</table>

- *1: Not including Dialog  *2: Including Dialog

---

**Industrial, Infra and IoT**

- **Renesas**
- **Dialog**

<table>
<thead>
<tr>
<th>Year</th>
<th>Actual 2020*1</th>
<th>Actual 2021*1</th>
<th>Target 2022*2</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0</td>
<td>3,000</td>
<td>6,000</td>
</tr>
<tr>
<td></td>
<td>3,000</td>
<td>6,000</td>
<td>9,000</td>
</tr>
<tr>
<td></td>
<td>6,000</td>
<td>9,000</td>
<td>12,000</td>
</tr>
</tbody>
</table>

- *1: Not including Dialog  *2: Including Dialog
TO MAKE OUR LIVES EASIER – IIOT WINNING COMBO

Smart lock with ultra-low power Wi-Fi and BLE

- RX MCU based fingerprint reader (IoT connectivity module)
- Ultra low power Wi-Fi + BLE combo module
- High-voltage H-bridge functionality
- GreenPAK integrated multi-channel LED control and GPIO expander
- RA MCU with innovative peripherals, enhanced CTSU2
TO MAKE OUR LIVES EASIER – IIOT UX

HOW-TO training videos for engineers

“Train yourself, anytime, anywhere”

Voice Recognition Solution – Evaluation Tool

Over 110 videos available to date!

W/W sample program

One-stop
Sample stocks available at catalog distributors

Easy access
Simple web-based free-samples and evaluation kits request

MCU sample stock
In total: 646k+ pcs available right away

In total
>10M pcs in stock

© 2022 Renesas Electronics Corporation. All rights reserved.
TO MAKE OUR LIVES EASIER – AUTO WINNING COMBO

- E-Axle
- AD / ADAS
- Central ADAS
- E / E architecture

xEV

Integrate turnkey system

- E-Axle
- Sensor fusion w/ central ADAS

ECU turnkey

- E-Axle
- Central computer
- Radar
- Camera ADAS
- Traction inverter

Demonstrator

- Specific ECU references

Starter kit

2020 2021 2022 2023 2024
## TO MAKE OUR LIVES EASIER – AUTO SOFTWARE / TOOL

<table>
<thead>
<tr>
<th>Application</th>
<th>xEV Vehicle control</th>
<th>Gateway</th>
<th>AD / ADAS</th>
<th>Cockpit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thermal management</td>
<td>Cloud services</td>
<td>Mapping / Planning</td>
<td>UX / Personalization</td>
<td></td>
</tr>
<tr>
<td>Vehicle dynamics</td>
<td>Firewall, SW update agent</td>
<td>Perception</td>
<td>Navigation</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Framework</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Motor control</td>
<td>OTA orchestration</td>
<td>Front camera</td>
<td>Face recognition</td>
<td></td>
</tr>
<tr>
<td>Battery management</td>
<td>Ether / CAN gateway</td>
<td>DMS / Surround view</td>
<td>Gesture / Voice</td>
<td></td>
</tr>
<tr>
<td>AUTOSAR adaptive / Classic</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Standard API</td>
<td>Vision streaming</td>
<td>HMI framework</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Computer vision stack</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Middleware</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Complex driver</td>
<td>Network routing</td>
<td>Computer vision</td>
<td>Radar</td>
<td></td>
</tr>
<tr>
<td>Battery system simulator</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Network simulator</td>
<td>Radar</td>
<td>Graphics / Video / Audio</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Driver</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>BSP / MCAL / Safety / Security / Network</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Tool</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Battery system simulator</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Network simulator</td>
<td>AI tool</td>
<td>UI design tool</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Virtual platform</td>
<td>Fast sim</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Multi ECU task manager &amp; analyzer</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Renesas offerings</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Renesas future</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Renesas existing</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3rd party</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Unified development environment**
INTEGRATION & SYNERGY

Cost synergy with Dialog*1

(oku-yen)

Target 125

Day 1 (2021)  | Year 2 (2023)  | Year 3 (2024)

*1: Run rate basis

Top-line synergy

Winning Combo

Day 1 (August 2021)  | End of 2021

30  | 56

LTV of new Design-ins

(oku-yen)

2019 Actual  | 2020 Actual  | 2021 Actual

129  | 1,208  | 2,602

© 2022 Renesas Electronics Corporation. All rights reserved.
MAXIMIZING SHAREHOLDER VALUE

Growth
Organic + tuck-ins

Deleverage
Quick deleverage by solid cash flow
- Net debt / EBITDA < 1.0x on horizon 1 year ahead of plan

Shareholder return
To begin returns as soon as ready
- Buyback under consideration

CAPEX
Investment for longer-term sustained growth
SUMMARY

Well positioned portfolio

To address high growth market

With emphasis on delivering results

- Further enhanced by Celeno

- More emphasis on faster-growing customer segments

- To keep making progress good times and bad

... to make our lives easier