

CSR and Environmental Report 2010



RENESAS ELECTRONICS CORPORATION

Renesas Electronics TODAY & TOMORROW

In April 2010, NEC Electronics Corporation and Renesas Technology Corp. merged to form Renesas Electronics Corporation, a semiconductor powerhouse boasting the capability to generate consolidated net sales at the ¥1,000-billion level. Through the integration of the two companies, which had been competing for the leading position in the microcontroller (MCU) field, Renesas Electronics now commands an approximate 30% share of the global MCU market (see Note) and has become the undisputed leader in this market. Semiconductors and other products of Renesas Electronics are used in wide-ranging fields, including home appliances, mobile devices, automobiles, and industrial machinery, throughout the world. The Company operates 28 overseas business bases centered on Asia and has approximately 48,000 employees on a worldwide basis.

Note

Source: "Semiconductor Industry Worldwide Annual Market Share: Database" by Gartner, Inc. (March 25, 2010; 2009 revenue basis)



The Renesas Electronics Group is focusing on three fields: "MCU Business," "Analog & Power Devices Business" and "System-on-Chip (SoC) Solutions Business." By generating synergy among the operations in these fields and thereby promoting the development and launch of products designed to meet the needs in the markets of China and other emerging nations, the Group aims to achieve growth in the global market. In addition, with an eye on contributing to the sustainability of society and the environment, we have added a "green economy" field—encompassing smart grid, energy-saving home appliances, eco-cars and many other applications—to our priority business portfolio. In this way, we will support the development of society and the preservation of the environment.

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.

Top Message: To Our Stakeholders



Renesas Electronics Corporation was established on April 1, 2010 through the merger of NEC Electronics Corporation and Renesas Technology Corp. and is specialized in the manufacture of semiconductors. By integrating the two companies' product technologies and marketing capabilities and further strengthening cost competitiveness, Renesas Electronics aims to achieve sustainable growth in an industry that is subject to dynamic changes in market conditions. At the same time, the Company will contribute to a world where people and the planet prosper in harmony by realizing its vision and building a new future for everyone.

In line with its establishment, Renesas Electronics has formulated the Renesas Electronics Group CSR Charter, which defines the Group's basic approach to CSR. In other words, this charter embodies a commitment that all Group members must adhere to in order for the Group to further enhance the trust of all stakeholders. In addition to product quality assurance and sound customer relationships, the charter covers issues that the entire Group must tackle. These issues include: (1) the proactive disclosure of corporate information; (2) the achievement of human resource diversity based on race, nationality, gender and age; (3) the creation of workplace environments where individuals can exert their full capabilities; (4) the addressing of human rightsrelated problems; (5) the realization of appropriate labor environments through, for example, the elimination of forced or child labor; and (6) the promotion of activities aimed at preserving biodiversity and preventing further climate change. These issues are similarly covered by the ten principles in the four categories of "human rights," "labour," "environment" and "anti-corruption" under the United Nations Global Compact. Accordingly, Renesas Electronics has declared its agreement with these principles and now participates in this UN initiative.

With the goal of accomplishing the Renesas Electronics Group CSR Charter, we are implementing various plans and measures.

The continued existence and growth of corporations are a prerequisite for the fulfillment of CSR. In accordance with this view, the Renesas Electronics Group launched a "100-day project" to examine and identify possible measures within 100 days following the merger to enable the stable growth of the Group and thereby quickly generate synergistic effects. Building on the successes made through this project, we are currently striving to sustain stable growth. Also building on the successes gained under the 100-day project, the Renesas Electronics Group is promoting business activities through which it is endeavoring to contribute to the protection of the global environment through the reduction of its environmental impact and to help realize an affluent society through the provision of advanced technologies.

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, Renesas Electronics is continuing to step up efforts to minimize its environmental impact. In addition to minimizing the environmental impact of our fabrication processes, we are working to reduce the environmental impact of semiconductors throughout their entire life cycle—from development to disposal. In this way, we are aiding worldwide efforts to protect the environment.

The Company's semiconductor products are based on advanced technologies and are widely used in a variety of equipment and systems developed by our customers, including electronic device and automobile manufacturers. In fact, our semiconductors are contributing to the downsizing and improved energy efficiency of various finished products while increasingly serving as "building blocks" of societal development for future generations.

Also, the concept of "cloud computing" is gaining a firm foothold in society. Roughly speaking, cloud computing releases Internet users from the burden of maintaining and managing personal hardware and software and enables them to use the services that they desire via the Internet. The proliferation of cloud computing is expected to break down barriers between people and computers, allowing people to lead a convenient lifestyle without being conscious of the presence of computers. Our semiconductor products—embedded in communications systems and terminals—are supporting the development of cloud computing services today.

In recent years, technological development has enabled photovoltaic (PV), wind and other types of power generation. In fact, some types of power generation can now be conducted by households. In conjunction with such a change, there is a growing need to realize the comprehensive control of power consumption and supply at the household level. In response, the establishment of "smart grid"—a next-generation, optimal power distribution network system—is being promoted on a global scale with an eye to early deployment. Leveraging its sophisticated semiconductor technologies, Renesas Electronics is providing wide-ranging solutions to help realize smart grid power distribution in the near future.

As explained above, the Renesas Electronics Group is promoting business activities aimed at preserving the global environment and realizing an affluent society. We strongly believe that the technological advances we achieve will, directly and indirectly, benefit the future of the international community and the world in general, and that they will consequently empower society at large to advance, becoming a world where people and the planet prosper in harmony.

This CSR and Environmental Report 2010 is the first communication tool that describes the CSR activities and outlook of the Renesas Electronics Group as a newly established entity. We are committed to communicating with you, our fellow stake-holders, thereby further reinforcing our relationship based on trust with you. At the same time, we will do our utmost to maximize the corporate value of the Renesas Electronics Group. Your candid opinions and advice on this report and our corporate activities are important to us. We would like to hear from you. Your voice will be incorporated into our future activities.

Renesas Electronics Corporation November 2010

Junshi Yamaguchi Representative Director, Chairman

Jasush akuv

Yasushi Akao Representative Director, President

Special Feature: Renesas Electronics TODAY & TOMORROW

The establishment of Renesas Electronics in April 2010 has integrated the product, technology and competitive capabilities of NEC Electronics and Renesas Technology. In addition, the stakeholders of the two companies have been integrated, which means that Renesas Electronics is now shouldering the social responsibility tasks and issues that were previously handled by the two companies separately. This special feature section will explain the current strengths and characteristics of the Renesas Electronics Group and elaborate on the Group's approach to the protection of the global environment into the future.

NEC Electronics Corporation





Prior to the integration of the two companies, the NEC Electronics Group worked constantly to fulfill its corporate responsibility as a conscientious, publicly traded company. More specifically, NEC Electronics aggressively tackled not only basic issues, such as protecting human rights and ensuring compliance, but also other issues, including promoting workplace diversity through the increased employment of female workers and people with disabilities. Meanwhile, NEC Electronics advanced its contributions to environmental protection through its business operations including, for example, the deployment of All Flash™ Microcontrollers, which are widely known as "eco-friendly microcontrollers." Furthermore, NEC Electronics proactively strengthened its engagement with the local communities where it has operations. As such, the company has implemented activities consistent with being a member of the global community while actively disseminating information relating to these activities.

Renesas Technology Corporation

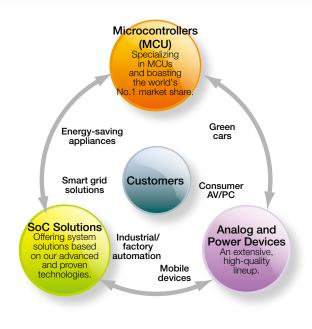


Before the integration, as part of efforts to help realize a sustainable society, Renesas Technology contributed to the development of compact, energy-efficient finished goods through the provision of various products. These products included microcontrollers, for which Renesas Technology has commanded the leading global market share. In the area of CSR, Renesas Technology proactively tackled human rights-related issues to assist in the realization of a society free of discrimination, worked to ensure compliance, and focused on social contribution activities, which included exchange with local communities. Moreover, to aid worldwide efforts to protect the environment, Renesas Technology devised and promoted a proprietary system to designate "Renesas Green Devices," which have been certified as having a reduced environmental impact throughout their entire lifecycle, from the R&D and fabrication stages to final disposal.

Renesas Electronics Today

Today, with its newly integrated expertise in CSR, Renesas Electronics is a global company boasting net sales at the ¥1,000-billion level, commanding the leading share of the global microcontroller market and generating the world's third highest sales of semiconductors.

The synergy of our three product segments enables us to provide rapid, optimum solutions.



Renesas Electronics is supporting modern industries and lifestyles through its world-leading operations in the three fields of "MCU Business," "Analog & Power Devices Business" and "SoC Solutions Business" as well as through the generation of synergy among the activities in these fields. Furthermore, the Company is contributing to environmental protection through the provision of sophisticated semiconductor technologies, which help to realize more compact, energy-efficient home appliances and automotive electronic devices.

- Consolidated net sales (fiscal 2010) Approx. ¥1,062.4 billion*
 Workforce (as of April 2010) Approx. 48,000 (on a global basis)
 Global microcontroller market share (2009) 30% (overwhelming No. 1 position) (see Note on inside front cover)
 Semiconductor sales (fiscal 2010) Approx. ¥942.5 billion (No. 3 in the global market)
 CO₂ emissions reduction (fiscal 2009 to fiscal 2010; Japan) Approx. \$7,000 tons
- Ratio of employment of people with disabilities (as of June 1, 2010)
 1.99%

*The sum of NEC Electronics and Renesas Technology consolidated net sales in the fiscal year ended March 31, 2010, including sales of products other than semiconductors, is presented by adjusting the former Renesas Technology's sales account to those presented by the former NEC Electronics.

Renesas Electronics Advancing toward a New Tomorrow

Renesas Electronics will continue to develop and market leading-edge semiconductors, thereby contributing to the improved convenience that society seeks for today and tomorrow and helping to protect the global environmental.

Most of electronic devices and equipment—which underpin our modern lifestyles and allow us to make creative advances into the future—use semiconductors. At present, the value of annual semiconductor production in Japan totals approximately ¥5 trillion, commanding only about one percent of Japan's GDP. However, the market scale of all the industries that use semiconductors—such as the electronics, automobile, broadcasting and telecommunication industries—is estimated to be around ¥220 trillion, which represents about 40% of the GDP. As this data shows, the significance of the semiconductor industry is rapidly growing. Meanwhile, the entire world is increasingly sharing the burdens of future issues in such fields as medical care, care for the elderly, social welfare, disaster prevention and food security. As digitalization accelerates in these fields, expectations for the roles that semiconductors can play are continuously ballooning.

Today, the entire human race is facing many problems that are completely different from those it has overcome in the past. These problems include: (1) societal changes attributable to advances in information communication technologies and the pace of such changes; (2) depletion of fossil energy resources; (3) climate change; and (4) destruction of the ecosystem. In order to help modern society overcome these and other problems, Renesas Electronics is continuing to achieve technological advances in the semiconductor field. As such, the Company is assisting the international community in saving energy and reducing greenhouse gas (GHG) emissions while stepping up efforts to enable people to lead more convenient, secure lifestyles than ever before.

Indeed, technological advances can be the most effective means in helping to prevent further destruction of the global environment. For example, smart grid systems, which are expected to optimize electric power distribution, use microcontrollers, and a lot of smart-grid projects using various types of measurement and communication devices are being promoted in many regions throughout the world. Of these devices, an electric power meter called "smart meter" provides communication functions, enabling electric power companies to constantly and accurately monitor household power consumption. Based on such monitoring, electric power companies will be able to promote the more efficient use of electric power. Moreover, if all home appliances were networked, monitored and controlled appropriately, the efficiency of power consumption would be improved for individual appliances. Thus, smart grid systems are drawing attention as a promising infrastructure for future communities.

As the above example clearly shows, microcontrollers, along with semiconductors, help reduce power consumption. What is more, they help eliminate various kinds of redundancies in households, offices, automobiles, and industrial machinery and facilities. In other words, they are playing an indispensable role in achieving efficiency in various aspects of human activities today. As manufacturer of a comprehensive lineup of semiconductors, Renesas Electronics will contribute to the realization of a sustainable society in advancing toward a new tomorrow.

RENESAS ELECTRONICS CSR and Environmental Report 2010

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CSR Promotion Structure

Renesas Electronics has clearly announced the Renesas Electronics Group CSR Charter as the basis of its policies for Groupwide CSR activities, both internally and externally. At the same time, the Company has 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 all other stakeholders. Specifically, in addition to ensuring legal compliance, the charter consists of such guiding principles as swiftly providing optimal, high-quality solutions in meeting customer needs, carrying out ethical and transparent business practices, respecting the personality of individuals and contributing to harmonious coexistence between the human race and 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

Responding to the Latest CSR-Related Movements

As an international standard providing guidelines for social responsibility, ISO26000 will be published by the end of 2010. This standard upholds the seven core subjects of "organizational governance," "human rights," "labour practices," "the environment," "fair operating practices," "consumer issues" and "community involvement and development." To promote corporate activities with due consideration given to these subjects, the Renesas Electronics Group is currently reviewing its CSR activities. Based on such reviews, the Group will adjust its activities as appropriate.

Meanwhile, the 10th meeting of the Conference of the Parties to the Convention on Biological Diversity (COP10) was held in Nagoya City, Aichi Prefecture, Japan this year. Biodiversity protection is a difficult issue to tackle as it involves the preservation of individual organisms, species and ecosystems. Therefore, it is viewed as an important issue that must be addressed by the entire human race. Accordingly, the Renesas Electronics Group will proactively aid global efforts in protecting biodiversity through business and social contribution activities. As such, the Group is accurately responding to the latest CSR-related movements while bolstering related activities.

Promoting Various Social Contribution Activities

Today, the world is witnessing dynamic climate changes. Due to extreme weather events, many problems are arising, including rapid desertification and water resource depletion in certain regions. As Renesas Electronics consumes a significant amount of water in the manufacture of semiconductors, it must proactively tackle the problems relating to water resources. Based on this understanding, individual business sites of the Renesas Electronics Group are implementing their own measures aimed at helping solve these problems in their respective locations. For example, the protection of watershed forests is closely associated with the sustainability of the Group's business. Accordingly, the Company is actively promoting activities to protect watershed forests in Japan, including those named the "Semiconductor Forest" in Kanagawa Prefecture and the "Forest of Renesas" in Kochi Prefecture. We are also promoting afforestation and other environmental protection activities in China and other countries and regions. (For more details, please refer to page 43 of this report.)

Meanwhile, to stimulate students' interest in science and to nurture coming generations of the workforce in these areas, Renesas Electronics continues to hold electrical engineering workshops using the Company's semiconductors and to support such events as the "Micom Car Rally Competition," a nationwide contest of self-propelled model cars using the Company's microcontrollers. (For more details, please refer to page 21 of this report.)

Reinforcing Our 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) 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. It is a list of ten principles in the four categories of "human rights," "labour standards," "environmental protection" and "anti-corruption," and participating corporations are requested to follow and practice 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* have also participated 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 those ten principles. These seminars are helping our executives and employees to raise their awareness of these principles through their daily operations.

* As of June 2010



Principle 1:	Businesses should support and respect the pro-
	tection 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 asso- ciation and the effective recognition of the right to collective bargaining;
Principle 4:	the elimination of all forms of forced and compul- sory 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 environ- mental responsibility; and
Principle 9:	encourage the development and diffusion of environmentally friendly technologies.
Principle 10:	Businesses should work against corruption in all its forms, including extortion and bribery.
	Principle 2: Labour Principle 3: Principle 3: Principle 4: Principle 5: Principle 6: Environment Principle 7: Principle 8: Principle 9: Anti-corruption Principle 10:

<The Ten Principles of the United Nations Global Compact>

Human rights

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.

Basic Approach

Renesas Electronics has adopted a corporate auditor system, as defined under the Japanese Companies Act. The Board of Corporate Auditors audits 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 related divisions and offices to efficiently collect high-quality 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.

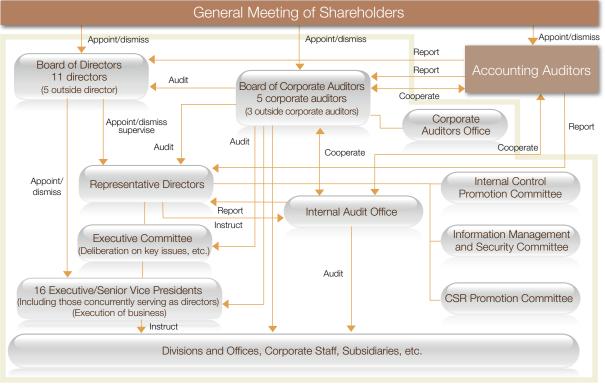
Corporate Governance Report (Website) http://japan.renesas.com/comp/csr/management/ cg_report.html (Japanese language only)

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.



Renesas Electronics's Board of Directors 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, Paragraph 1 and 3, of the Enforcement Regulations of the Companies Act. Moreover, the Company's Internal Control Promotion Committee periodically holds meetings to deliberate and make decisions on issues, policies and other matters regarding internal control, stipulated under the Companies Act and the Financial Instruments and Exchange Act.



(As of June 25, 2010)

Compliance

As an ongoing concern, ensuring thorough compliance is 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.

The subject "we" is used purposely in each provision under this Code of Conduct in order to make all Group members understand that compliance issues affect each and every one of them. At the same time, the use of "we" expresses our commitment that all of us strictly observe the Code of Conduct.

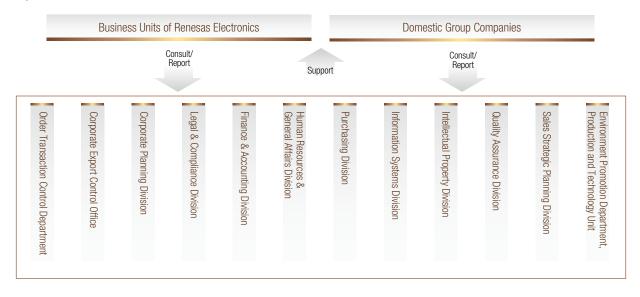


Renesas Electronics Group Code of Conduct (Website) http://www.renesas.com/comp/csr/management/ action.html

Compliance Promotion Structure

At Renesas Electronics, the CSR & Compliance Division under 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 programs

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 educational programs and information dissemination and conducting the monitoring of 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 be involved with compliance-related problems.

relating to overall compliance-related subjects. Meanwhile,

the Company has appointed compliance officers at indi-

vidual business units and Group companies. These com-

pliance officers support general managers of business

units and presidents of Group companies in promoting

compliance at each organization.

Compliance-Related Risks

Responsible Division/Office	Major Compliance-Related Risks
Order Transaction Control	Fictitious sales posting
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
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	Intellectual property infringement
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



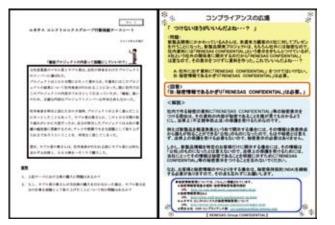
The Renesas Electronics Group provides position-specific compliance education programs for new employees, new section chiefs and new managers. At the same time, the Group offers compliance education programs common to all executives and employees every year.

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.

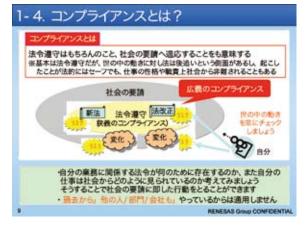
In addition, Renesas Electronics is constantly strength-

ening 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 provides possible compliance-related issues and compliance-related quizzes. These tools are helping executives and employees to familiarize themselves with compliance issues.

Internal e-mail Newsletters



e-Learning Material



Secure Export Control Initiatives

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

Meanwhile, to allow all of its employees to take adequate action in line with the latest developments in the area of security export control, 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 control.

Thanks to these and other efforts, Renesas Electronics has been certified as an "Authorized Exporter" by the Tokyo Customs office of the Ministry of Finance of Japan, which is one of Japan's Authorized Economic Operator (AEO) programs. Authorized Exporters are certified to have the capabilities to perform appropriate security management and ensure strict compliance with related laws and regulations.

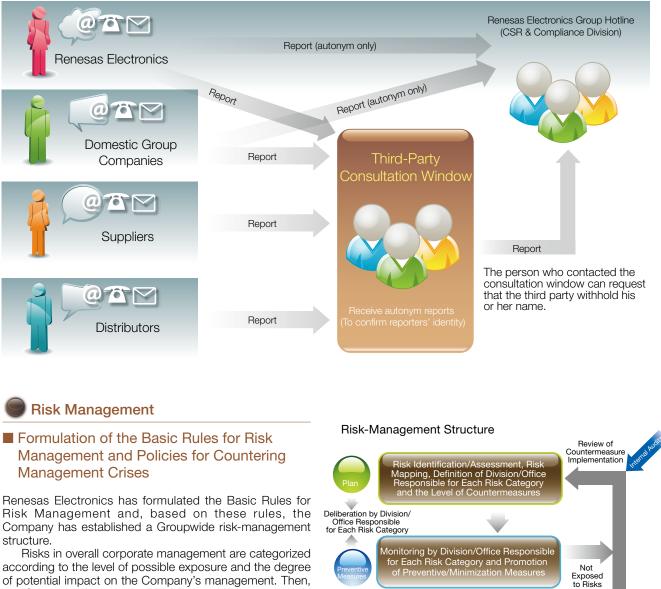


Renesas Electronics Group Hotline

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 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.



structure.

of potential impact on the Company's management. Then, the Company designates a division or office responsible for each risk category, and these divisions and offices work to manage risks in their respective fields of responsibility on a regular basis. When a management crisis occurs, Renesas Electronics sets up a risk-specific taskforce in line with its predetermined countermeasures. These riskspecific taskforces do their utmost to minimize the negative impact resulting from a management crisis.

Renesas Electronics Corporation CSR and Environmental Report 2010 13

Exposed to Risks

ageme

Countermeasures

by Multiple

Divisions/Offices

Companywide

Countermeasures

evel 3

Countermeasures

by Division/Office

Responsible for

Each Risk Category

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.

Also, based on the lesson it learned in connection with the outbreak of a new strain of influenza during 2009, Renesas Electronics has formulated BCPs that assume the occurrence of a pandemic, including the new strain of influenza. As such, the Company is working to enhance its BCPs in terms of risks and countermeasures assumed. Looking ahead, we will examine the feasibility of our BCPs while improving their effectiveness through training programs aimed at strengthening the business continuity intelligence of our employees.

Countermeasures against New Influenza Outbreak-Putting Employees' Lives First

In response to the pandemic of a novel H1N1 influenza, Renesas Electronics prioritized related countermeasures during 2009. Specifically, the Company formulated basic pandemic countermeasure policies and phasespecific action plans. At the same time, we promoted the stockpiling of surgical masks and sanitizers, closely monitored the status of infections among employees and encouraged employees to take preventive measures, such as hand-washing and gargling. Based on this experience, we will continue to reinforce our BCPs that enable us to keep operating with priority placed on employees' lives should an H5N1 influenza pandemic occur.

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 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, in April 2010, Renesas Electronics formulated a Privacy Policy that explains the Company's stance toward personal information protection. This policy is disclosed on Renesas Electronics's Website.

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

Social Responsibility

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Policies and Activities for Improving Customer Satisfaction

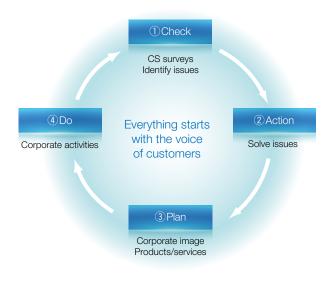
The Renesas Electronics Group listens to the voice of customers. Based on their feedback, the Company is implementing various measures required so that it can continue to offer products and services that achieve true customer satisfaction. By promoting business that embodies a strong awareness of responsibility 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 are developed with customers' added-value creation in mind. 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

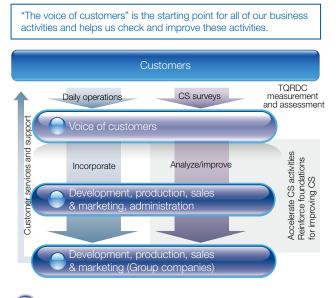


Customer Communication

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.

Everything Starts with the Voice of Customers



Contact Centers

Providing Customers with Technical Information on Products and Their Use

To help customers use its 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 2010, the number of customer inquiries received by Renesas Technology and NEC Electronics totaled approximately 17,000. 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)

http://www.renesas.com/contact/contact_tech. html

Product Quality and Safety Improvement

As a company specializing in semiconductors, Renesas Electronics develops and supplies extremely reliable, high-quality products based on leading-edge technologies. At the same time, 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.



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.



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

Quality Policy Implementation Process



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, NEC Electronics and Renesas Technology have separately acquired the ISO9001 guality management system certification and the ISO/TS16949 automotive quality management system certification. The Renesas Electronics Group aims to acquire Groupwide certification under ISO9001 and ISO/TS16949 by 2011 through the integration of its quality management systems.



ISO/TS16949 Certificate **NEC Electronics**





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 to use.

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 shrinking transistor dimensions and large-scale circuits. 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 qualityfocused 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.

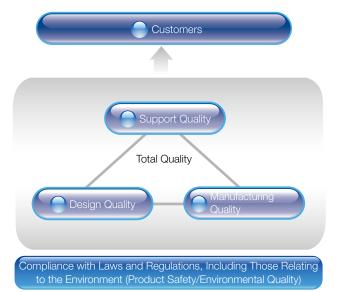
Product Safety ------

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 and 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 soon generate new synergies through the integration of the technologies and expertise that NEC Electronics and Renesas Technology have accumulated.

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 marketsgathered 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 guarterly 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 and corporate strategy presentations hosted by the president for institutional investors and financial analysts are promptly posted on our IR Website in both English and Japanese, along with audio files of these meetings and presentations. Also, in order to allow all stakeholders to better understand its activities, the Company has established special Website sections to introduce its technologies and CSR activities. By effectively organizing these Website sections, 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.



IR Website http://www.renesas.com/ir/



Financial results meeting

Shareholders' Meetings

Open Shareholders' Meetings

Renesas Electronics believes that shareholders' meetings are an important occasion for direct dialogue with shareholders. Based on this belief, the Company makes every effort to organize these meetings so that it can take full advantage of such occasions. Specifically, we send out convocation notices to all shareholders three weeks in advance. Moreover, we display exhibits at the meeting venue that introduce our products and technologies. Through these activities, we are working to ensure openness in our shareholders' meetings.

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Notice of Resolutions at Shareholders' Meeting

Notice of the 8th Ordinary General Meeting of Shareholders (Website) http://www.renesas.com/ir/event/pdf/ meeting/08e meeting.pdf

Notice of Resolutions Adopted at the 8th Ordinary General Meeting of Shareholders (Website) http://www.renesas.com/ir/event/pdf/ meeting/08e resolution.pdf

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 its customers and suppliers to 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

- 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.
- 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.
- 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.
- 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 information from suppliers in such an event reaches all the concerned employees both in Japan and overseas, regardless of when the event occurred. Based on this system, the employees in question take appropriate measures in a swift manner.

Renesas Electronics Website for Suppliers 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) 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 others free of hazardous substances, from suppliers who are proactively promoting environmental protection.

Requirements to be met by 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 lineups 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-mentioned 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 partnerships with sales partners to enhance its sales activities strategically.

Community Involvement

The Renesas Electronics Group is promoting various social contribution activities in regions where it conducts business. In so doing, and 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.

- (1) 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.
- (2) As it pursues business on a global scale, the Renesas Electronics Group shall promote social contribution activities that help to improve its corporate image.
- (3) 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)

During the summer vacation period every year, Renesas Electronics hosts a "Make Your Own LED Lantern" seminar for elementary school students. At this event, the Company provides participating students with their own microcontroller kit. Also, the Company supports the holding of the "Micom Car Rally Competition." We support this nationwide contest featuring self-propelled model cars that use the Company's microcontrollers. 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.

Wheelchair Repair and Cleaning at Nursing Home (Takasaki Factory)

Employees of the Takasaki Factory visit a local nursing home every May to repair and clean the wheelchairs used there. Through this volunteer activity in 2009, a total of 70 wheelchairs were repaired and cleaned.



Lake Biwa Reed Mowing (Renesas Kansai Semiconductor Co., Ltd.)

Every January, Renesas Kansai Semiconductor participates in a reed-field preservation program, hosted by the Otsu City government. Through this program in fiscal 2010, employee volunteers mowed withered reed on a 4,000-square-meter reed field around the Activa Biwa nursing home near Lake Biwa.



Social Contribution Activities Overseas

"Giving Tree" Program (Renesas Electronics America Inc.)

As part of its "Giving Tree" program, employees of Renesas Electronics America Inc. handcrafted blankets using their lunchtime and donated these blankets to an orphanage that is taking care of 45 orphans.



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

Since the Sichuan Earthquake in 2008, Renesas Electronics (China) Co., Ltd. has provided support to the Puyang Junior High School located in Dujiangyan, Sichuan Province. In September 2009, the company made charitable contributions, which covered the six-month tuition for all 32 students of the school, while also contributing stationary and books.

Among employee volunteers, 32 employees have been selected, and each of them exchanges letters with a student counterpart as a means of providing psychological support. To fund these activities, the company collected charitable donations from its employees.





Other Social Contribution Activities

North America

Renesas Electronics America Inc.

- (1) The Company supported employees who participated in the "Novi Walking for 28-Hours Marathon" through the Relay for Life program of the American Cancer Society.
- (2) The Company provided charitable contributions and foodstuff to families in need, matching the level of donations collected from employees.
- (3) The Company donated backpacks filled with school supplies to underprivileged children through a church.
- (4) Employees participated in a home remodeling project for needy families.

Asia

Renesas Electronics Singapore Pte. Ltd.

- (1) Employees participated in the Marathon Singapore 2009 charity event.
- (2) The Company held the Renesas Green Hour 2009 to clean the seacoast nearby.

Renesas Electronics (Shanghai) Co., Ltd.

- (1) The Company implemented the Continuous Support Program for needy students.
- (2) The Company made donations to victims of the Haiti Earthquake.

Renesas Electronics Hong Kong Limited

- (1) The Company received a Caring Company Award from the Hong Kong Council of Social Service in recognition of its community-oriented activities.
- (2) The Company received an Award for WasteWise from Hong Kong's Environmental Protection Department in recognition of its activities for environmental protection and waste reduction.

Renesas Electronics Taiwan Co., Ltd.

- (1) The Company made charitable contributions to the Red Cross.
- (2) The Company donated used clothing.
- * For more information on our social contribution activities relating to the environment, please refer to pages 43 and 44 of this report.

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

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. We make sure that all of our Group companies, which are promoting global operations, are familiar with these principles. In line with these principles, all Renesas Electronics Group companies 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 a director in charge of personnel affairs 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 programs and e-training programs for all employees as well as 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 responses to the concerns of our employees.

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.

As of June 1, 2010, Renesas Electronics' rate of employment of people with physical disabilities stood at 1.99%, 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 Educational 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. This committee holds meetings twice a year, and at these meetings committee members formulate human resources development policies (incorporating a global perspective), implement specific measures and perform budget allocation, among other activities. 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.

		New Employees	Project Managers to Project Leaders	Section Chiefs	Managers and above
Position-Specif	ic Training	First-year review training New section chief training Basic management training Advanced manager training Training outcome reporting Training Training Compared training Training Compared training Training Compared training Compa			New manager training Leadership training Advanced manager training New general manager training
	Technology Training	Basic course Patent training Skills check trials, system/embedded software training, digital circuitry training, analog circuitry training, system LSI design/comprehensive fabrication training			
Skills Training Sales Training Sales case-study training, practical sales training negotiation s			es training, sales skills training, technical k tion skills training, customer support skills		
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		
Adv		Advanced English educat	ion, in-house English test		
Business Skills	Business Skills Training Schooling support (universities, business schools, etc.), logical-thinking/presentation training			king/presentation training	
General Trainin	General Training RISM training, library of books recommended by executives, CSR education				
Self-Developme	Self-Development Support Online study (languages, skills, qualifications), language training (English, Chinese)				
Career Develop	ment Support	t Career training			

Companywide Training Programs

Balancing Work and Private Life

With the aim of supporting employees in balancing their work life and private life, while exerting their full capabilities at work, Renesas Electronics carries out various familyfriendly 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 representatives of employees and management 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.

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

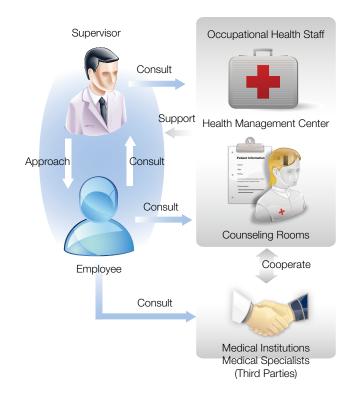
We are living in a high-stress society today. In such a society, it is important to maintain not only physical health, but also mental health. In view of this, the Renesas Electronics Group considers measures to promote mental health as a paramount management issue and is consequently promoting various 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 programs, managerial employees strive to raise their own awareness of workplace mental healthcare. At the same time, managerial employees work to promote mental selfcare 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.



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Scope of Environmental Reporting

[Reporting Period]

April 1, 2009 - March 31, 2010

[Applicable Organizations] <Japan>

Benesas Electronics Corporation Renesas Electronics Sales Co., Ltd. Renesas Solutions Corp. Renesas Micro Systems Co., Ltd. Renesas Design Corp. 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 Kyushu Semiconductor Corp. Renesas Semiconductor Engineering Corp. Renesas Takasaki Engineering Services Co., Ltd. Renesas Musashi Engineering Services Co., Ltd. Renesas Kitaitami Engineering Services Co., Ltd. Nippon Denshi Light Co., Ltd.

<Overseas>

Renesas Electronics America Inc. Renesas Electronics Canada Limited Renesas Electronics Europe Limited Renesas Electronics Europe GmbH 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 Semiconductor Design (Beijing) Co., Ltd. Renesas Semiconductor Design (Malaysia) Sdn. Bhd. Renesas System Solutions Korea Co., Ltd. Renesas Electronics America Inc. Roseville Factory Renesas Semiconductor (Beijing) Co., Ltd. Renesas Semiconductor (Suzhou) Co., Ltd. Shougang Renesas Electronics Co., Ltd. Renesas Semiconductor Singapore Pte. Ltd. Renesas Semiconductor (Malaysia) Sdn. Bhd Renesas Semiconductor (Kedah) Sdn. Bhd. Renesas Semiconductor Technology (M) Sdn. Bhd. Renesas Semiconductor KL Sdn. Bhd.

[Guidelines Used]

Environmental Reporting Guidelines 2007 (Ministry of the Environment, Japan) Environmental Accounting Guidelines 2005 (Ministry of the Environment, Japan)

[Renesas Electronics Corporation CSR Website]

http://www.renesas.com/comp/eco/

[Inquiries]

Environment Promotion Department, Production and Technology Unit, Renesas Electronics Corporation E-mail: cepo@renesas.com

Eco-Management Initiative

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

Four Environmental Cornerstones of Renesas Electronics

- (1) Eco-Management Initiative, aimed at ensuring compliance with laws and regulations and promoting overall environmental management
- (2) Eco-Factories Initiative, aimed at reducing the environmental load of manufacturing sites through the reduction of greenhouse gasses (GHG) and the appropriate management of chemical substances in manufacturing processes
- (3) 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 achievement of higher energy-saving performance
- (4) Eco-Communication Initiative, aimed at strengthening employee awareness through environmental education and disseminating 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 Environmental Management Meeting, which is chaired by the president, makes decisions regarding matters relating to these initiatives. Meanwhile, the Environmental Promotion Meeting, which is chaired by a director in charge of environmental issues, promulgates related activities throughout the Company.

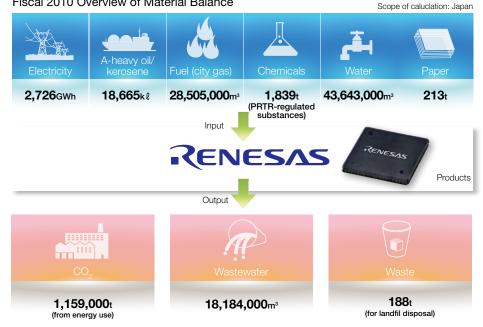


Renesas Electronics Group's Business Activities and Their Environmental Footprint

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 energyand resource-saving products.

However, the Renesas Electronics Group inevitably uses chemical substances and other materials and components, as well as electricity, fuels, water and other types of energy and resources. Such production activities consequently create a significant environmental load, 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 load 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 efficiently.



Fiscal 2010 Overview of Material Balance

Renesas Electronics Corporation CSR and Environmental Report 2010 27

Environmental Plan and Fiscal 2010 Results

Fiscal 2010 Results

We promoted activities focusing on the prevention of global warming and the development of eco-friendly products.

Eco-Management Initiative ·····

- O We strengthened the internal exchange of environmental information and environmental awareness-raising activities. Also, we worked to help environmental activities take hold in non-manufacturing sites.
- O We reviewed materials used for environmental education while enhancing environmental education for employees in manufacturing and technology divisions.

Eco-Factories Initiative

- O We implemented various activities aimed at helping prevent global warming. Specifically, we promoted energy saving to reduce CO₂ emissions attributable to energy use and decreased PFC*1 emissions through the introduction of PFC abatement systems.
- In the area of reducing the emission of specified CFCs,*2 we have promoted the replacement of chillers with those that do not use CFCs. However, as we postponed related investments during fiscal 2010, we were not able to achieve our CFC reduction target.

Eco-Products Initiative

- O We bolstered the promotion of eco-friendly products. In particular, we expanded the lineup of halogen-free products. Also, before its merger with NEC Electronics, Inc., Renesas Technology Corporation established a system for internally certifying eco-friendly products.
- O We have swiftly modified our products in line with regulatory changes, such as the addition of certain chemical substances regulated under the REACH Regulation.*3 In addition, we have improved our system for responding to inquiries from customers regarding our products and regulatory changes.

NEC Electronics: Fiscal 2010 Results

Category	Reference	FY10 Target	FY10 Result	Evaluation
CO ₂ emissions reduction (per unit of actual production volume)*4	FY91 level	76% or lower	60%	0
PFC emissions reduction (GWP*5- equivalent)	CY95 level	60% or lower	33%	0
Specified CFC reduction (chillers)	_	94% or higher	91%	×

Renesas Technology: Fiscal 2010 Results

Category	Reference	FY10 Target	FY10 Result	Evaluation
CO ₂ emissions reduction (per unit of actual production volume)	FY91 level	50% or lower by 2012	68%	_
PFC emissions reduction (GWP- equivalent)	CY95 level	Keep 90% or lower	36%	0
VOC ^{*6} emissions reduction	FY01 level	Keep level with FY09	41%	0

Fiscal 2011 Plan

Renesas Electronics will accelerate activities in the newly designated four types of environmental initiatives described below.

Eco-Management Initiative ……

O We will further promote the exchange of environmental information among our manufacturing sites and strengthen our environmental management systems.

Eco-Factories Initiative

- $\ensuremath{\mathbb{O}}$ We will continue to reduce CO_2 emissions attributable to energy use through energy-saving activities while decreasing the use of PFCs and VOCs to reduce their emissions.
- We will continue to replace the chillers that use specified CFCs in order to protect the ozone layer.
- O We will work to reduce waste generation and keep our landfill disposal rate at 1% or lower.

Eco-Products Initiative

- \odot To keep providing products that our customers can use with a sense of security, we will continue to conduct environmental assessments of our products in the design and development stages and strictly observe regulations governing chemical substance use in the production stage.
- O We will also continue to closely monitor the addition and changes of chemical substances for statutory or voluntary restrictions and swiftly adjust to them.

Fiscal 2011 Targets

Purpose	Category	Reference	FY11 Target
Global warming prevention	CO ₂ emissions reduction (per unit of actual production volume)	FY91 level	65% or lower
Global warming prevention	PFC emissions reduction (GWP- equivalent)	CY95 level	Keep 90% or lower
Air pollution prevention	VOC emissions reduction	FY01 level	Keep 70% or lower
Ozone layer protection	Replacement of chillers using specified CFC refrigerants	_	Continue
Waste reduction	Landfil disposal rate of less than 1% or lower		Keep at less than 1% or lower

Eco-Communication Initiative

- We will continue to disclose information regarding our environmental activities through the publication of an annual CSR and Environmental Report and our Website. In addition, we will reinforce CSR and environmental content on our Website.
- We will strengthen our environmental and social contribution activities to enhance our collaboration with stakeholders.
- *1: Perfluorocompound. The semiconductor industry has specified CHF₃, CF₄, C₂F₆, C₃F₈, C₄F₈, SF₆ and NF₃ for emissions reduction.
 *2: Chlorofluorocarbons
 *3: Regulation on Registration, Evaluation, Authorization and Restriction of Chemicals of the EU
 *4: CO₂ emissions per unit of actual production volume = CO₂ emissions ÷ (Production volume ÷ Annual revenue adjusted by an index for electric.
- (Production volume ÷ Annual revenue adjusted by an index for electric and electronic businesses compiled by the Bank of Japan)
- CO₂ emissions of domestic business sites and factories
 *5: Global warming potential, a measure of how much a given mass of greenhouse gas is estimated to contribute to global warming
 *6: Volatile organic compounds

Ensuring Compliance with Environmental Regulations

As part of their efforts to maintain effective internal control, both NEC Electronics and Renesas Technology have continued to audit their business sites, in-house companies and affiliates to monitor the status of compliance with laws and regulations applicable to semiconductor manufacturers as well as the status of preparations of emergency response measures. During fiscal 2010, NEC Electronics and Renesas Technology each audited six of their business premises, for a total of 12. From fiscal 2011 (the first year after the merger of these two companies) onward, Renesas Electronics will continue to conduct environmental audits that the two companies had separately performed as "environmental compliance audits" for its business sites and Group companies.

During fiscal 2010, none of the business sites, in-house companies and affiliates of NEC Electronics and Renesas Technology received orders to pay fines or surcharges in connection with environmental accidents or incidents. Also, none of them were involved in environmental lawsuits.











Environmental Accounting

Renesas Electronics's environmental accounting for fiscal 2010 covered the period from April 1, 2009 to March 31, 2010. In data calculation and presentation, the Company followed 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

Results for NEC Electronics

validity of the costs required for environmental conservation activities, making effective investments and assessing the results of such investments. These steps help the Company to achieve harmony between its business activities and environmental conservation. The following tables show the fiscal 2010 results of environmental accounting for NEC Electronics and Renesas Technology separately.

Category/Subcategory			Environmental Conservation Costs		Effects	
		Description	Capital Investment (¥ million)	Costs (¥ million)	Economic Effects (¥ million)	Environmental Impact Reduction
Within Business Sites	Global Warming Prevention	Global warming prevention	24	10	174	161,342t-CO ₂
	Efficient Resource Use	Reduction of the use of chemical substances, materials, water, etc.	0	20	301	49,931 t
	Resource Recycling	Waste recycling, waste reduction, etc.	2	971	325	4,505t
	Risk Management	Pollution prevention measures, compliance measures, establishment of chemical substance and waste management systems, etc.	144	1,326	2	_
Upstream/ Downstream Processes	Environmental Considerations in Products	Assessment of products and production processes	0	20		_
Management Activities	Environmental Activities	Personnel costs, personnel training costs	0	385	—	_
R&D		Development of technologies to reduce environmental impact of products	0	0	—	_
Social Contribution Activities		Social contribution, information disclosure, greening	0	22	—	_
Environmental Damage (others)		Fines and surcharges in line with the scale and degree of pollution	_	1	—	_
Total		170	2,755	802	—	

>>> Capital Investment... NEC Electronics invested

approximately ¥170 million in pollution prevention and other activities during fiscal 2010. Specifically, NEC Electronics renewed pollutant monitoring equipment and upgraded the auxiliary drainage facilities of its production sites.

- Capital Investment ¥170 million
- auxiliary drainage facilitie production sites.
 Global warming prevention 14%
 Resource recycling 1%
 Risk management 85%

Within business sites

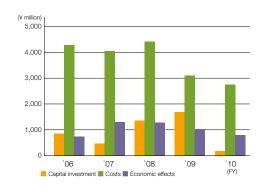
Economic Effects... NEC Electronics enjoyed economic effects totaling ¥800 million due to its environmental conservation activities during fiscal 2010. Major components included ¥310 million proceeds from the sales of recyclables and others and a ¥200 million effect of decreased use of chemical substances. Economic effects excluded de facto effects based on hypothetical calculations.



Costs... NEC Electronics incurred environmental conservation costs totaling ¥2,750 million in fiscal 2010. Major components included waste processing, factory management, and depreciation and amortization.



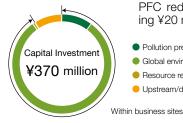
Five-Year Data... The graph below shows the trends of capital investment, costs and economic effects over the five-year period from fiscal 2006 to fiscal 2010.



Results for Renesas Technology

Category/Subcategory		Description	Environmental Conservation Costs		Effects	
			Capital Investment (¥ million)	Costs (¥ million)	Economic Effects (¥ million)	Environmental Impact Reduction
	Pollution Prevention	Pollution prevention (air, water, etc.)	37	2,099	25	
Within Business Sites	Global Environment Conservation	Energy-saving measures, global warming prevention, etc.	297	898	1,184	
	Resource Recycling	Efficient use of resources through waste reduction, water saving, recycling	1	579	1,000	
Upstream/Downstream	Processes	Green procurement, product assessment, recovery and recycling of packaging materials	33	34	298	
Management Activities		Maintenance and administration of environmental management systems, environmental education, etc.	_	524	_	Energy use reduction 62.0GWh
R&D		R&D for reducing environmental impact of products and production processes	_	11	_	
Social Contribution Acti	vities	Local volunteer activities, donations and assistance to environmental organizations	_	1	_	
Environmental Damage)	Cleanup of pollution (soil, groundwater, etc.) compensation in connection with environmental conservation, etc.	_	_		
Total		368	4,146	2,507	_	

Technology invested approximately ¥370 million in global environment conservation and other activities. Global environmental conservation activities included energy-saving measures, totaling ¥270 million, and PFC reduction measures, totaling ¥20 million.



- Pollution prevention 10% Global environmental conservation 80%
- Resource recycling 1%
- Upstream/downstream processes 9%

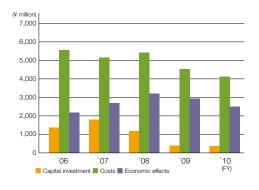
effects included ¥1,100 million proceeds from the sales of recyclables and others and ¥1,410 million in cost reductions. Renesas Technology reduced electricity use by 62.0 GWh through energysaving measures. Economic effects excluded de facto effects based on hypothetical calculations.



>>>> Costs... Renesas Technology incurred environmental conservation costs totaling ¥4,150 million during fiscal 2010. Pollution prevention activities included water pollution prevention, totaling ¥1,350 million, and air pollution prevention, totaling ¥670 million.



>>>> Five-Year Data... The graph below shows the trends of capital investment, costs and economic effects over the five-year period from fiscal 2006 to fiscal 2010.





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.

Before the merger of Renesas Technology and NEC Electronics, the latter had conducted Groupwide internal environmental management audits for its subsidiaries and independent affiliates in Japan. These internal audits had served as official alternative means of attaining ISO14001 certification by external auditing bodies. Through such alternative audits, NEC Electronics acquired the integrated ISO14001 certification for all of its domestic business sites.

ISO14001 Alternative Audits

Official internal environmental audits in place of external ISO14001 audits



		Registration Code	Audit/ Registration Body	Registration Date
Renesas Electronics Corporation	Tamagawa Sales Office, Sagamihara Sales Office	JQA-EM3490*	JQA	2003.11.1
	Nippon Building Headquarters	EC05J0320	JACO	2006.2.1
	Musashi Factory	EC98J2020	JACO	1996.3.26
	Takasaki Factory	EC98J2024	JACO	1996.3.27
	Naka Factory	EC97J1025	JACO	1997.6.23
	Kofu Factory	EC99J2011	JACO	1996.7.22
	Kita-Itami Factory	EC06J0158	JACO	2006.10.18
	Saijo Factory	EC97J1038	JACO	1997.7.28
	Kochi Factory	EC97J1026	JACO	1997.6.23
	Renesas Yamagata Semiconductor Co., Ltd.	JQA-EM3490*	JQA	2003.11.1
	Renesas Kansai Semiconductor Co., Ltd.	JQA-EM3490*	JQA	2003.11.1
	Renesas Semiconductor Kyushu Yamaguchi Co., Ltd.	JQA-EM3490*	JQA	2003.11.1
	Renesas Northern Japan Semiconductor, Inc. (Tsugaru Factory)	EC98J1043	JACO	1998.8.25
	Renesas Northern Japan Semiconductor, Inc. (Hakodate Factory)	EC97J1201	JACO	1998.2.24
	Renesas Northern Japan Semiconductor, Inc. (Yonezawa Factory)	EC97J1168	JACO	1998.1.27
Domestic Manufacturing Companies	Haguro Electronics Co., Ltd.	1556-2000-AE-KOB-RvA	DNV	2000.2.18
	Renesas Eastern Japan Semiconductor, Inc.	EC97J1006	JACO	1997.4.21
	Renesas High Components, Inc.	EC97J1006	JACO	1997.4.21
	Renesas Yanai Semiconductor, Inc.	EC97J1006	JACO	1997.4.21
	Renesas Kyushu Semiconductor Corp.	EC98J1030	JACO	1998.7.28
	Renesas Kitaitami Engineering Services Co., Ltd.	EC02J0168	JACO	2002.9.25
	Nippon Denshi Light Co., Ltd.	EC04J0445	JACO	2005.2.11
omestic Design Company	Renesas Micro Systems Co., Ltd.	JQA-EM3490*	JQA	2003.11.1
Application Technologies Company	Renesas Solutions Corp.	04441	MIC	2007.12.7
omestic Sales Company	Renesas Electronics Sales Co., Ltd.	JMAQA-E766	JMAQA	2001.5.16
	Shougang Renesas Electronics Co., Ltd.	A16067	UL	2007.3.19
	Renesas Electronics America Inc. Roseville Factory	A12645	UL	2004.3.3
	Renesas Semiconductor Singapore Pte. Ltd.	2000-0096	PSB	2000.5.26
verseas Manufacturing Companies	Renesas Semiconductor KL Sdn. Bhd.	ER0118	SIRIM	2010.4.3
Companies	Renesas Semiconductor (Beijing) Co., Ltd.	02108E10194R2M	CCCI	2002.8.15
	Renesas Semiconductor (Suzhou) Co., Ltd.	02110E10218R3M	CCCI	2000.12.30
	Renesas Semiconductor (Malaysia) Sdn. Bhd.	ER0106	SIRIM	1997.8.29
	Renesas Electronics (China) Co., Ltd.	A16808	UL	2008.2.21
	Renesas Electronics (Shanghai) Co., Ltd.	A16950	UL	2008.3.2
	Renesas Electronics Hong Kong Limited	20002036UM	UL	2009.1.19
verseas Sales Companies	Renesas Electronics Taiwan Co., Ltd.	TW04/00558EM	SGS	2004.10.14
	Renesas Electronics Singapore Pte. Ltd.	SG04/00587	SGS	2004.12.2
	Renesas Electronics Europe GmbH	421504 UM	DQS	2008.6.16

*integrated acquisition through alternative audits

Eco-Factories Initiative

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

Reducing GHG Emissions

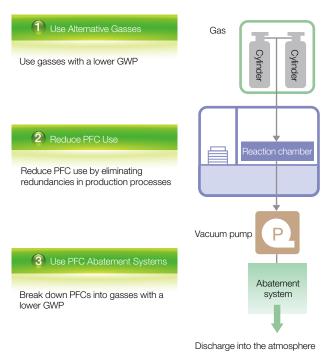
The GHG emissions that result from the Company's business operations include not only CO_2 emissions attributable to energy consumption in line with the use of electric and electronic equipment and combustion processes, but also the emissions of PFCs^{*1} and other GHGs used in production processes.

The Renesas Electronics Group uses PFCs to clean reaction chambers that are used in semiconductor fabrication processes. PFCs are characterized by their long atmospheric lifetime and high GWP*²—approximately 5,000 to 20,000 times that of the GWP of CO_2 . Because of these characteristics, the reduction of PFC emissions has become an important issue for manufacturers of semiconductors and other products to address.

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 in production processes; and (3) introducing PFC abatement systems to break down PFCs. By combining these methods, Renesas Electronics has tackled the development of technologies to reduce PFC emissions to 90% or less of the level recorded in 1995 by 2010.

GHG Emission Reduction Image



PFCs and Their GWPs ($CO_2 = 1$)

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

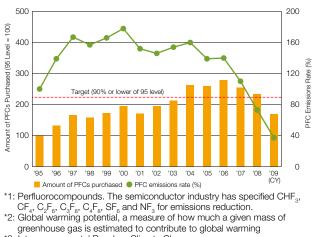
PFCs	GWP		
CF ₄	5,700		
C ₂ F ₆	11,900		
C_3F_8	8,600		
C ₄ F ₈	10,000		
CHF ₃	12,000		
SF ₆	22,200		
NF ₃	10,800		

Applicable Gasses

Applicable Gaesse	
6 Gasses for Reduction under the Kyoto Protocol	7 Gasses for Reduction for the Semiconductor Industry
CO ₂ (carbon dioxide)	Manage as CO ₂ emissions attributable to energy use
CH ₄ (methane)	Exempt
N ₂ O (nitric oxide)	Exempt
HFC (hydrofluorocarbon)	CHF ₃
PFC (perfluorocarbon)	CF_4 , C_2F_6 , C_3F_8 , C_4F_8
SF ₆ (sulfur hexafluoride)	SF ₆
Exempt	NF ₃

In 2009, Renesas Electronics reduced PFC emissions by approximately 50% year on year thanks to such ongoing measures as cutting the use of PFCs, increasing the use of alternative gasses and introducing PFC abatement systems. Through these reductions, the amount of PFCs used stood at approximately 37% of the amount used in 1995, representing the continued achievement of the Company's target for the two consecutive years. As such, Renesas Electronics is building a steady record of accomplishments in the reduction of GHG emissions. From 2010 onward, although an increase in production volume is expected, the Company will accelerate its efforts to further reduce GHG emissions.

PFCs: Amount Purchased and Their Emissions



*3: Intergovernmental Panel on Climate Change

Global Warming Prevention through Energy Saving

In addition to its internal activities aimed at eliminating wasteful energy use and improving fabrication processes, the Renesas Electronics Group has proactively participated in programs promoted jointly by the semiconductor industry, fabrication facilities industry and peripheral facilities industry. Through these activities and programs, we are advancing energy-saving activities.

With regard to numerical targets, Renesas Electronics is working to fulfill the target shared by all electric and electronic equipment businesses in Japan—decrease energy consumption per unit of actual production volume* to 65% or less of the fiscal 1991 level by fiscal 2011.

Energy Saving for Existing Fabrication Lines

Renesas Electronics is promoting various activities to reduce energy use for its existing 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 (period, method, settings, etc.) and the discontinuation of use of excessive equipment, such as air-conditioners and ventilation fans.

Energy-Saving Measures for Existing Fabrication Lines

- 1. Use of inverters (pumps and fans)
- Optimization of air-conditioning period, method and settings (adjustment of reheat temperature, extension of shutdown hours at night, reuse of excessive air in cleanrooms, recycling of exhaust heat)
- Discontinuation of operations of excessive equipment (air-conditioners, ventilation fans, air circulators, fan-coil units, exhaust fans, return fans, etc.)
- Facility and process upgrading (heat retention, humidification) Adjustment of boiler operations for hot water generation and humidification Minimization of operations of air generators using pure water
- Reduction of power consumption through the introduction of energy-efficient transformers

Examples of Energy-Saving Measures for Existing Fabrication Lines

Renesas Semiconductor Kyushu Yamaguchi Co., Ltd. (Kumamoto Kawashiri Factory): Operations of inverterequipped pumps

Inverters are installed on pumps used in pure water production facilities. This measure has enabled multistep flow speed control and, consequently, energy saving of the facilities.

- Renesas Semiconductor Kyushu Yamaguchi Co., Ltd. (Kumamoto Nishiki Factory): Replacement of chillers We renewed air conditioners for outside air processing, from absorption chillers, which consume A-heavy oil, to electric turbo chillers. This replacement resulted in energy saving.
- © Renesas Kyushu Semiconductor Corp.: Use of exhaust heat

By channeling heat generated in rooms where compressors are operating into rooms where air conditioners for outside air processing for cleanrooms are running, we reduced the energy consumption of these air conditioners.

Energy Saving for New Fabrication Lines

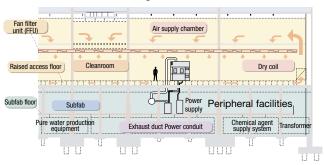
For new semiconductor fabrication lines, Renesas Electronics has downgraded the overall air cleanliness for cleanrooms while having adopted a mini-environment system, which enables the partial enhancement of the air cleanliness in line sections where semiconductors are actually handled. At the same time, the Company is effectively utilizing exhaust heat and outside air in these new lines. These measures have led to energy savings of more than 20% compared with existing fabrication lines.

Energy-Saving Measures for New Fabrication Lines

<Introduction of energy-efficient systems and facilities>

- 1. Combination of large cleanrooms and mini-environment systems
- 2. Introduction of leading-edge, energy-saving fabrication tools
- 3. Introduction of latest vacuum dry pumps

New Fabrication Line Image



These energy-saving measures have been implemented for 300-mm fabrication lines at Renesas Electronics's Naka Factory and Renesas Yamagata Semiconductor Co., Ltd., as well as for the 8-inch fabrication line that began operations in fiscal 2009 at the Shiga Factory of Renesas Kansai Semiconductor Co., Ltd. Also, through the extension of the Shiga Factory, Renesas Electronics has introduced leading-edge, energy-saving facilities and tools. This represents our energy-saving considerations from the facility design stage.

*Energy consumption per unit of actual production volume = CO_2 emissions ÷ (Production volume ÷ Annual revenue adjusted by an index for electric and electronic equipment businesses compiled by the Bank of Japan)

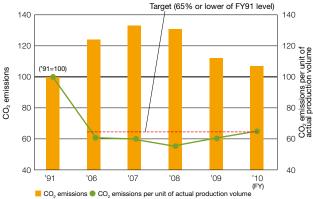
CO2 emissions of domestic business sites and factories

CO₂ Emissions (Domestic)

In fiscal 2010, Renesas Electronics promoted such measures as the introduction of energy-saving facilities, the reinforcement of energy use management and the complete stoppage of non-operating facilities. As a result, the Company was able to reduce CO_2 emissions by 57,000 tons year on year. However, negatively affected by a decline in sales, CO_2 emissions per unit of actual production volume deteriorated 4.2 points year on year.

For fiscal 2011, the Company expects to experience increases in sales and production volume, which are expected to cause CO_2 emissions to rise. Nevertheless, we will continue to implement energy-saving measures for our production facilities, thereby reducing CO_2 emissions.

CO, Emissions per Unit of Actual Production Volume (Domestic)



 * The annual average CO₂ emissions 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 and after: 0.373 fixed)

Environmental Measures in Logistics Operations

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

Measures to Reduce Energy Use and CO₂ Emissions in Logistics Operations

Pursuant to the revision to Japan's Law Concerning the Rational Use of Energy, which stipulates specific shipper obligations, and in line with the belief that it must work to reduce CO_2 emissions in every facet of its business operations, Renesas Electronics is striving to reduce CO_2 emissions in its logistics operations through energy-saving measures relating to logistics operations. During fiscal 2010, the Company implemented the following activities.

- We reduced energy use through a comprehensive review and improvements made to the frequency and mode of product transport for all production bases.
- We accelerated modal shift—decreasing truck transport and increasing rail transport—for products delivered from factories to distribution centers.

- Previously, we shipped products manufactured at our overseas (Chinese) bases to overseas customers via distribution centers in Japan. By establishing a direct shipment (drop shipping) system, we are now shipping our products from Chinese manufacturing bases without the detour to distribution centers in Japan. This eliminated the volume of product transport on the domestic front.
- We reduced the volume of waste transport by switching to closer waste processors, streamlining waste collection operations and consolidating cargos of different types of industrial waste.

Although also affected by a decline in production volume, both Renesas Technology and NEC Electronics steadily reduced energy use and CO₂ emissions in their logistics operations through these activities every year.

		(Unit: ton-km*1)
FY	NEC Electronics	Renesas Technology
2008	22.82 million	15.25 million
2009	14.35 million	11.33 million
2010	15.52 million	10.24 million

Reducing Packing Material Use and Increasing Reuse

Renesas Electronics is efficiently promoting the reuse of plastic packing materials (trays and magazines) 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.

Meanwhile, thanks to the promotion of drop shipping from its overseas production bases, explained above, the Company has reduced the number of cardboard boxes used in domestic product transport by 60,000 per annum. In addition to trays and magazines, we will promote the reduced use and increased reuse of all types of packing materials we use.

Promoting the Use of Eco-Cars as Company Vehicles

Renesas Technology and its affiliates used company vehicles for sales and other purposes. We are now promoting the switch of these company vehicles from conventional cars to eco-cars.*² Specifically, we examine such factors as the degree of obsolescence of company vehicles upon the termination of their term of lease. Then, if deemed necessary to lease new cars, we prioritize the lease of ecocars as conditions permit. As of March 31, 2010, the ratio of eco-cars to all company vehicles stood at 60%, up 2 percentage points year on year.

- *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

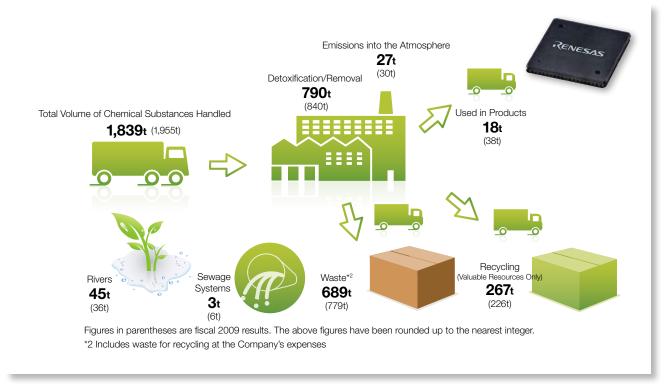
Chemical Substance Management

The Renesas Electronics Group 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 performs chemical substance management with the aim of accurately understanding the total volume of chemical substances used and from the perspective of reducing the emissions of hazardous substances into the environment. The outcome of such chemical substance management is channeled into our R&D activities to create "Green Devices" and to realize "Eco-Factories."

With regard to chemical substances regulated under the Japanese PRTR system,^{*1} we first participated in a pilot project aimed at preparing for the launch of the PRTR system in 1988. Since then, we have continued to meet the legal requirements of reporting chemical substances handled in excess of five tons annually for fiscal 2003 and before as well as those handled in excess of one ton annually from fiscal 2004 onward. Moreover, from a risk-management perspective, we conduct material-balance management without rounding down figures. Also, we are strengthening the management of volatile organic compounds (VOCs) to achieve management of them with the same stringency as that for PRTR-regulated substances. Results of material-balance management are not only reported to applicable authorities, but they are also analyzed to enable feedback for the development of activities to promote the use of alternative substances and the reduction of chemical substance emissions.

*1 Pollutant Release and Transfer Register system





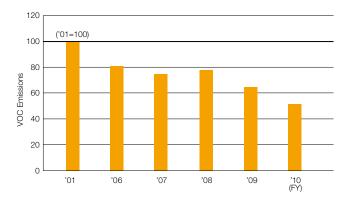
VOC Emissions Reduction Activities

The Renesas Electronics Group continues to implement activities aimed at reducing the emissions of chemical substances into the atmosphere. In particular, the Company 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 2010, the Company was able to reduce VOC emissions by 20% year on year, owing to these efforts and to a decline in production volume. With this reduction, the VOC emissions have been cut down to approximately 50% of the emissions level in fiscal 2001, showing the tangible benefits of our efforts to date.

The Renesas Electronics Group will maintain its twopronged approach of enhancing its production processes and accelerating emissions reduction, thereby strategically reducing VOC emissions.

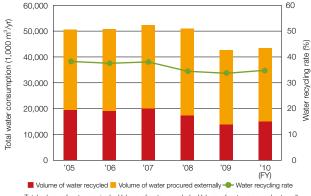
Renesas Electronics Group VOC Emissions



Water Resource Saving

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 2010, the water recycling rate stood at 34.6%, while the total water consumption amounted to 43,643,000m³. Both figures remained almost unchanged compared with fiscal 2009.

Water Consumption and Recycling, Water Recycling Rates



Total volume of water required = Volume of water recycled + Volume of water procured externally Water recycling rate = Volume of water recycled ÷ Total volume of water required × 100

🃄 Waste Management

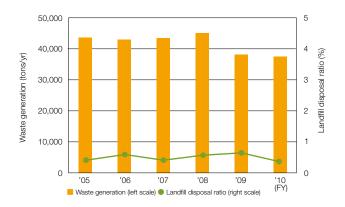
NEC Electronics worked to achieve the target of limiting its generation of waste and recyclables to 37,000 tons on a worldwide basis for fiscal 2010. The actual total of waste and recyclables generated was 34,095 tons, which shows that NEC Electronics met its target.

Meanwhile, Renesas Technology previously set the medium-term target of reducing waste generation per unit of net sales by more than 10% from the fiscal 2008 (reference year) level by fiscal 2013. In fiscal 2010—the second year after setting that target—Renesas Technology worked to achieve a 4% reduction from the fiscal 2008 level, but in fact it actually reduced its waste generation by 8%.

Also, both NEC Electronics and Renesas Technology have defined "zero emissions" as achieving the landfill disposal ratio—the ratio of landfill disposal volume to total waste generation per annum—of less than 1%. In fiscal 2010, both companies achieved zero emissions. For fiscal 2011, in its first year as Renesas Electronics, the Company has set the target of sustaining the zero-emissions status.

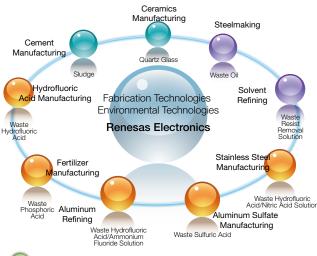
In addition to the reduction of waste generation and the implementation of activities aimed at achieving zero

Domestic Waste Generation and Landfill Disposal Ratio



emissions, 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, representatives from individual business sites and Group companies of NEC Electronics and Renesas Technology periodically visited the industrial waste processing contractors they use to make sure that these contractors are conducting the appropriate processing of industrial waste. Renesas Electronics will continue such endeavors.

Joint Recycling Activities with Other Industries



PCB Waste Management

Pursuant to the Law Concerning Special Measures for Promotion of Proper Treatment of PCB Wastes (PCB Special Measures Law; Law No. 65 of 2001) and the Waste Management and Public Cleansing Law (Law No. 66 of 2001), 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 PCB. In addition to handling PCB wastes in an appropriate manner, the Company has submitted reports to the applicable authorities regarding its holding of such wastes.

In addition, the Company plans to complete the appropriate disposal of the PCB wastes currently in storage by 2016. In connection with this plan, the Company has already applied to commission the treatment of its PCB wastes to the Japan Environmental Safety Corporation (JESCO), a special company in charge of treating PCB wastes in Japan, which is wholly owned by the Japanese government.

Protecting the Ozone Layer

Renesas Electronics has abolished the use of Class I ODSs^{*1} (CFCs,^{*2} etc.), designated under the Montreal Protocol on Substances That Deplete the Ozone Layer, in all of its production processes. Also, the Company is promoting the reduction of the use of Class II ODSs (HCFCs^{*3}). Furthermore, we are striving to reduce the use of specified CFCs (Class I CFCs, halon and others listed in Attachment A to the Montreal Protocol) used as refrigerants in chillers, refrigerators, air-conditioners and other equipment. In fact, reducing the use of these specified CFCs is consistent with our energy-saving efforts.

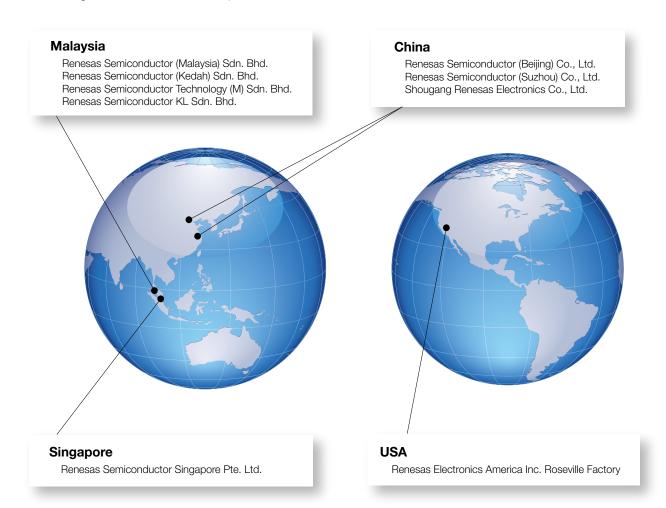
*1 Ozone-depleting substances

*3 Hydorochlorofluorocarbons

^{*2} Chlorofluorocarbons

Environmental Activities at Overseas Production Bases

In accordance with the Basic Environmental Philosophy of Renesas Electronics, the Company's 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 for them 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.



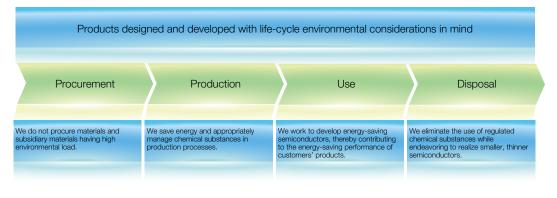
Fiscal 2010 Overview of the Environmental Load of Overseas Production Bases

Energy	Chemical Substances	Water	Paper
4.97 million GJ (electricity: 468GWh; light oil: 576kl; LPG: 49t;	5,497 t	3,773,000 m³	92 t
natural gas: 3,142t; steam: 32,000t)	Output		
CO ₂ Emissions	Wastewater		Waste
258,000t (attributable to energy use)	1,971,000 m³		5,832 t

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.

Eco-Products Initiative Processes



Creation of Eco-Friendly Products

In order to create eco-friendly products, Renesas Electronics conducts product assessments in the design and development stages; such assessments take into account the environmental load of the production processes.

Fiscal 2010 Achievements: NEC Electronics

NEC Electronics implemented the following two types of environmental assessment.

Production Process Assessment ……

In the development of new production processes, NEC Electronics compared these new processes with conventional processes in terms of energy and chemical substance use, as well as the nature of the chemical substances contained in products. Based on the analysis of comparison results, NEC Electronics decided on initiatives to implement to reduce the environmental load of its production processes.

Product Assessment ……

In the development of new products, NEC Electronics compared these new products with conventional products in terms of energy consumption, product size, the nature of the chemical substances contained in the products, and product packing materials. Based on the analysis of comparison results, NEC Electronics decided on initiatives to implement to reduce the environmental load of its products, particularly in the use and disposal phases.

During fiscal 2010, NEC Electronics undertook 29 cases of production process assessment and 296 cases of product assessment.

Fiscal 2010 Achievements: Renesas Technology

Environmental Assessment of Products

Renesas Technology incorporated a method of environmental assessment of products that enables the evaluation of improvements in the environmental load of products being designed. This method has allowed Renesas Technology to design eco-friendly products. The following diagram shows the nine major areas of the environmental assessment of products.

Environmental Assessment Categories



Environmental assessment of products was performed by comparing products being designed with reference products using 28 to 35 evaluation items in each of these nine assessment areas. The evaluation items used were different for each product category. For the assessment processes, Renesas Technology used a "Product Environmental Quality Assessment Sheet," which clearly explained its content and use. Renesas Technology implemented such environmental assessments twice, namely, at the beginning of development and before mass-production.

• Effective Utilization of Assessment Results Renesas Technology had designated products that achieve both a factor X* of 1 point or higher and a general improvement

rate of 10% or higher through the assessment prior to massproduction as "Renesas Green Devices." In fiscal 2010, a total of 187 products were designated as Renesas Green Devices, representing 64% of all products. Taking this approach further, Renesas Technology selected 15 products as "Renesas Super Green Devices"—products which achieve a factor X of 1.5 points and a general improvement rate of 50%.

* A barometer which represents the result of the comparison between reference products and products being assessed in terms of environmental efficiency quantified through the assessment of their energy-saving performance, resource-saving features and the nature of the chemical content. The greater the value, the lower the environmental load.

Contributing to Global Energy-Saving Efforts through Semiconductors

Among many environmental issues, the reduction of CO_2 and other greenhouse gas (GHG) emissions, which are believed to be a cause of global warming, has become one of the most critical issues in modern life. In response, the Renesas Electronics Group has promoted the Eco-Factories Initiative aimed at reducing GHG emissions from its manufacturing facilities.

Meanwhile, nations throughout the world are accelerating their efforts to reduce CO_2 emissions. These efforts include the development of eco-friendly social infrastruc-

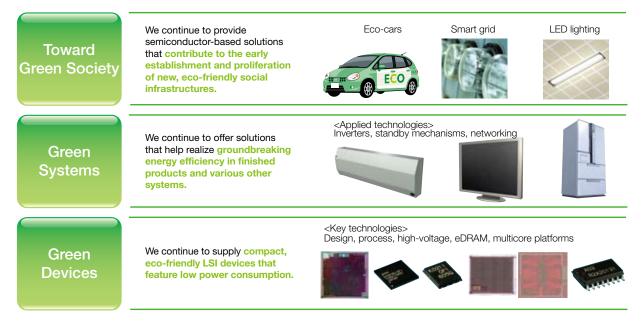
ture, such as smart grid power distribution systems, and the creation of energy-efficient systems and products, such as consumer electronics.

As a semiconductor manufacturer, the Renesas Electronics Group is seriously searching for ways to enable its semiconductor products to contribute to the reduction of CO_2 emissions in society as a whole. Accordingly, focusing on the Eco-Products Initiative aspects that a semiconductor business can pursue, we are tackling environmental issues in line with the following policy.



The first theme, "Toward Green Society," embodies the Company's commitment to contributing to the establishment of new, eco-friendly social infrastructures. The second theme, "Green Systems," expresses our passion for providing semiconductor-based solutions to improve the energy efficiency of various systems. Finally, "Green Devices" com-

municates our determination to keep offering compact semiconductors that feature low power consumption. With particular emphasis placed on these themes, Renesas Electronics is stepping up its business—business that helps reduce the power consumption of electrical and electronic equipment and various other systems.



Eco-Friendly Renesas (Website) http://www.renesas.com/ecology/ Compliance with Environmental Laws and Regulations

Embedded in wide-ranging finished products such as automobiles, consumer electronics, IT, and mobile equipment and communication devices, Renesas Electronics' 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 Compliance Status of Renesas Electronics

The RoHS Directive^{*1} and the ELV Directive^{*2} 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 (see below) and its local sales companies.

List of Renesas Electronics Products Compliant with China RoHS (Website) http://www.renesas.com/prod/lead/ (only for former NEC Electronics products)

With regard to the EU's REACH Regulation,*³ Renesas Electronics is not required to register its semiconductor devices since these products are articles (finished products) that do not emit chemical substances. Still, the Company obtains information relating to SVHC*⁴ from its supply chain and provides such information to customers through JAMP*⁵ and other media.

Renesas Electronics 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: Regulation on Registration, Evaluation, Authorization and Restriction of Chemicals
- *4 SVHC: Substances of Very High Concern
- *5 JAMP: Joint Article Management Promotion-consortium

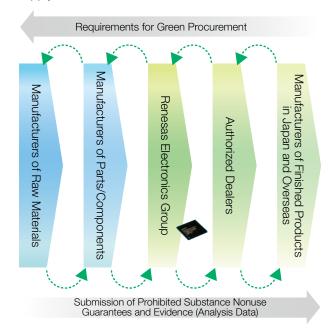
Environmental Quality of Products

As regulations concerning the use of specified hazardous chemical substances in products become increasingly stringent, Renesas Electronics 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 Company asks procurement partners to submit analysis data and written guarantees certifying the nonuse of prohibited substances. In addition, we conduct supplier audits to assess suppliers' systems in the management of such substances. For our 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, Renesas Electronics has established effective management systems, and, based on these systems, we are meeting related regulations in an appropriate manner.

Chemical Substance Management throughout the Entire Supply Chain



As a responsible semiconductor manufacturer, Renesas Electronics is promoting the Eco-Communication Initiative to establish a collaborative relationship with all stakeholders.

Environmental Education

Renesas Electronics is stepping up Groupwide environmental education to raise the environmental awareness of its employees.

Environmental Education System

At Renesas Electronics, environmental education is classified into three programs: general environmental education for all employees, specialized, operation-specific environmental education, and ISO14001 education. Through the general environmental education program, the Company distributes one-time "Web News" articles on current environmental affairs relating to the operations of executives and employees. Also, we provide position-specific group seminars while offering e-learning sessions that executives and employees can take anytime.

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

Renesas Electronics Environmental Education System

Program	Purpose	Description
General Environmental Education	Raising environmental awareness of employees	 Distribution of environmental "Web News" Position-specific education (new employees/ new leaders/new managers) Environmental e-learning sessions, etc.
Specialized Environmental Education	Gaining environmental knowledge required for operations	 Environmental education for design and development divisions Education for product environmental quality management Environmental education for sales divisions Environmental education for manufacturing divisions, etc.
IS014001 Education	 Understanding the ISO14001 certification system Developing skills of internal auditors 	 Basic ISO14001 education Internal auditor education, etc.

Educational Materials for Managerial Staff in Manufacturing Divisions



■ Fiscal 2010 Topics

During fiscal 2010, Renesas Electronics held classroom lectures in which specialized environmental education was provided to employees in its design, development and sales divisions. The Company holds these lectures regularly in order to help participants gain knowledge on the latest government, industry and social trends, such as increasingly stringent regulations on chemical substance management in Europe and elsewhere and growing demands by society at large for eco-friendly product design.

For employees in its manufacturing divisions, Renesas Electronics has created educational materials that can be used throughout the entire Company, while also working to standardize curricula. Lectures for employees in the manufacturing divisions are divided into two types: one for those working on fabrication lines and the other for those working as administrative staff. In this way, all employees in these divisions have the opportunity to attend the lectures. To always keep the educational materials and curricula up to date, a Manufacturing Divisions Environmental Education Subcommittee periodically reviews and renews them as needed.



Education program for design and development divisions

Educational Materials for Technicians in Manufacturing Divisions



Communication and Social Contribution

Riverhead Forest Preservation (Tamagawa/Sagamihara Sites)

In July 2005, the Tamagawa Factory and the Sagamihara Factory participated as a corporate partner in a program organized by Kanagawa Prefecture that is aimed at protecting the prefecture's water resources through the creation of riverhead forests. Under the program, the two factories created a "Semiconductor Forest" site in the Yadoriki riverhead forest area in the Tanzawa region wherein employees from these two factories and their family members conduct forest thinning and organize forest hik-

ing events. These activities are providing participants with opportunities to learn the importance of forest thinning and the beneficial role that forests play in ecosystems.



Forest of Renesas (Kochi Factory)

In October 2009, the Kochi Factory held the Renesas Forest Land 2009 event as part of a campaign—"Forest Maintenance in Cooperation with Environmentally Advanced Companies"—for which it has entered into a partnership agreement with Kochi Prefecture, Kami City and the Kami-gun Forestation Union.

Due to rain on the previous day, this event was again held indoors at the Kami City Gymnasium as it was last year. Nevertheless, pupils from local elementary schools and family members of Kochi Factory employees enjoyed quizzes and logging as well as picture-card shows, which were designed to disseminate the importance of forest protection.

Also, at the event, the Kochi Factory received a 2009

CO₂ Sink Certificate for the Cooperative Forest Maintenance Project from the government of Kochi Prefecture in recognition of its activities to maintain the "Forest of Renesas."



Acorn Picking with Nursery School Children (Takasaki Factory)

In October 2009, the Takasaki Factory invited children from a local nursery school to enjoy acorn picking. Blessed with fine

weather, the participating tots had fun playing in the natural environment within the factory site. The Takasaki Factory will continue to value exchanges with local communicates.



Family Factory Tours (Kofu Factory)

The Kofu Factory provided factory tours for the family members of its employees during the past summer. Through these factory tours, the participants enjoyed observing various facilities, including fabrication lines, a

cafeteria and a health center. Also, through a session aimed at providing a factory overview, we introduced the environmental activities that are promoted at the Kofu Factory.



Horseshoe Crab Breeding (Saijo Factory)

Horseshoe crabs in the Kawarazu 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.

In response, the Saijo Factory registered itself with Saijo City as a horseshoe crab foster company in October 2006. Since then, the Saijo Factory has accepted 50 freshly hatched horseshoe crabs (approximately 5 millimeters long) every year and has nurtured them.

These horseshoe crabs have grown to measure over five centimeters in four years. We plan to release them soon

in cooperation with local elementary school pupils and hope that these horseshoe crabs, after release, will settle down safely in the Kawarazu Beach area and that they will flourish.



Tree-Planting Program (Kumamoto Kawashiri Factory)

To nurture abundant groundwater resources in Kumamoto City, the Kumamoto Kawashiri Factory of Renesas Semiconductor Kyushu Yamaguchi Co., Ltd. has been conducting a tree-planting program within an entire area designated for environmental preservation—an area boasting high potential for groundwater recharge—in Ozu Town, Kumamoto Prefecture since 2005.

The program event this year (2010) was held on a rainy day in March. Despite the unfavorable weather, 74 participants, including factory employees and their family members, planted 3,000 young trees. With this event, we completed our plan to plant 12,000 broadleaf trees (moun-

tain cherry, mountain maple, sawtooth oak, etc.) in a four-hectare field on Mount Aso-Gairin. We will continue to maintain this "Forest of Renesas" properly through underbrush mowing.



Factory Tour for Elementary School Pupils (Shiga Factory)

In October 2009, fifth graders of a local elementary school visited the Shiga Factory of Renesas Kansai Semiconductor Co., Ltd. The Shiga Factory has promoted a project to revitalize a pine-tree colonnade within the factory site—such a pine colonnade had been a famous site in the nearby Awazu and Seiran areas in the past. As part of the factory tour,

the pupils were guided through the project site. This walking tour was followed by a picture-card show, which explained the Shiga Factory's activities aimed at protecting the environment.



Meeting with a Local Community Association (Fukui Factory)

In February 2010, Renesas Kansai Semiconductor's Fukui Factory invited representatives of a local community association to attend a meeting concerning the environment, among other topics. At the meeting, the status of environmental activities promoted at the Fukui Factory was reported to the community representatives. The meeting was

followed by a factory tour. By listening to the opinions and requests of local representatives, we reconfirmed the importance of communication with local community members.



Community Magazine Covers Environmental Activities (Renesas Kyushu Semiconductor Corp.)

Renesas Kyushu Semiconductor has received an award from the Ozu Town Government of Kumamoto Prefecture, which promotes an award system to honor corporations that conduct outstanding environmental activities. Following this, the company was given the opportunity to introduce its environmental activities by *GO-OZU*—a community magazine with a monthly circulation of 30,000 in

Ozu Town. Accepting the offer, we contributed articles for the January, February and March 2010 editions. These articles helped to effectively communicate the company's activities in such areas as energy saving (CO₂ reductions), recycling and social contribution activities.



Research on Benthic Animals and Birds (Yamaguchi Factory)

The Yamaguchi Factory of Renesas Semiconductor Kyushu Yamaguchi has conducted research on benthic animals four times every year since January 1991 in order to perform biological assessments of the impact of its drainage operations into rivers. Investigations of biotic indices at the upstream and downstream areas of the factory's drains showed no material difference. Thus, we have confirmed that our drainage has not exerted any negative impact on river water and benthic animals.

Also, to assess the impact of our drainage operations on peripheral ecosystems (birds and animals), we have conducted research on bird habitats around the factory site four times every year since April 1995. We have not identified any significant changes in the average numbers

and types of birds, as confirmed at the designated points of observation, and we have thus ascertained that the environment around the factory site has been maintained soundly for birds and other animals.



Preservation of Biodiversity in Mangrove Habitats (Renesas Electronics Singapore Pte. Ltd.)

In line with World Environment Day (June 5 each year), which is promoted by the United Nations Environment Programme (UNEP), employees of Renesas Electronics Singapore Pte. Ltd. conducted cleaning activities in mangrove habitats in the Pasir Ris Park in Singapore.

Employees planted 100 mangrove trees in this park in December 2009 as part of the company's ecosystem creation

efforts. Then, after finding out that the park's wetlands were strewn with garbage, they cleaned up the mangrove habitats so that the trees they had planted could grow naturally.



Tree-Planting Activities (Renesas Electronics (China) Co., Ltd. and Renesas Electronics (Shanghai) Co., Ltd.)

On Beijing Tree-Planting Day—which has been established with the aim of nurturing natural dust shields in the city through a long-term greening program—employees of Renesas Electronics (China) Co., Ltd. planted trees in the NEC Forest. Also, employees of Renesas Electronics (Shanghai) Co., Ltd. and their family members planted trees at other locations in Beijing. Although tree-planting

itself was not a difficult task, all participants seemed to be satisfied with the fact that they were engaging in something very meaningful for the sustainability of the global environment.



Award from Local Hygiene Association (Fukuoka Factory)

The Fukuoka Factory of Renesas Semiconductor Kyushu Yamaguchi Co., Ltd. has long promoted various environmental beautification activities, such as river cleaning activities in Yanagawa City and cleaning activities in the coastal

region of the Sea of Ariake. In recognition of these activities, the Fukuoka Factory received a Fukuoka Prefecture Hygiene Association Chairman's Prize in September 2009.



Kirameki Otsu Environmental Award (Shiga Factory)

In December 2009, Renesas Kansai Semiconductor's Shiga Factory received the Kirameki Otsu Environmental Award from the Otsu City government of Shiga Prefecture. The Shiga Factory has contributed to the preservation of the natural environment and the beautification of living conditions in Otsu City through such initiatives as the cleaning of roads and rivers in various neighborhoods. These activities have received high praise and led to the awarding of this award.



"Eco-Friendly Factory" Certification Renewal (Kochi Factory)

The Kochi Factory was first accredited as an "Eco-Friendly Factory" by the Kochi Prefectural Government in 2006. In line with the termination of the three-year certification term, the Kochi Factory applied for the renewal of the certification. The Kochi Prefecture Recycled Products Certification Council examined documents submitted by the factory and concluded that the Kochi Factory is qualified for renewal of the certification. The certification was actually renewed on December 24, 2009.

Launched in 2004 by the Kochi Prefectural Government, the "Eco-Friendly Factory" certification system of Kochi Prefecture has been designed to promote the development of environment-friendly industries and the

establishment of a recyclingoriented society. Under this system, Kochi Prefecture inspects, and certifies as appropriate, businesses that are proactively promoting environmental activities and producing tangible results. The prefectural government also examines whether such businesses can be model establishments for other businesses in terms of innovativeness, originality and technological sophistication.

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"Eco Factory" Certification Renewal (Yamaguchi Factory)

The Yamaguchi Factory of Renesas Semiconductor Kyushu Yamaguchi was first certified as an "Eco Factory" by the Yamaguchi Prefectural Government in March 2007. In line with the end of the three-year certification term, the Yamaguchi Factory applied for renewal of the certification, and after the examination of documents submitted by the factory, it was deemed qualified for certification renewal. The certification was actually renewed on March 31, 2010.

Through the "Eco Factory" program, the Yamaguchi Prefectural Government examines and certifies factories that are proactively tackling industrial waste reduction and resource recycling and achieving tangible results in these efforts. The Yamaguchi Factory became the 29th factory certified by Yamaguchi Prefecture.

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Company Information

Corporate Profile

Company Name	Renesas Electronics Corporation
Head Office	1753 Shimonumabe, Nakahara-ku, Kawasaki, Kanagawa 211-8668, Japan
Headquarters	Nippon Bldg., 2-6-2, Ote-machi, Chiyoda-ku, Tokyo 100-0004, Japan
Established	November 1, 2002 (April 1, 2010 as Renesas Electronics)
Capital Stock	¥153.2 billion (as of April 2010)
Major Operations	Research, development, design, manufacture, sale and servicing of semiconductor products
Employees	Approx. 48,000 (consolidated, as of April 2010)
Website	http://www.renesas.com/index.html

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 2010 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, 22 domestic Group companies and 25 overseas Group companies.

Reporting Period

This report primarily covers the period from April 1, 2009 to March 31, 2010, with the reporting of certain subsequent activities.

Publication Date

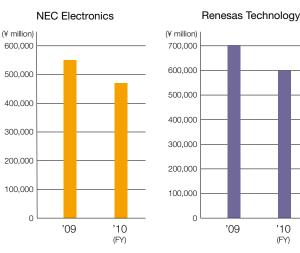
November 2010

For more information:

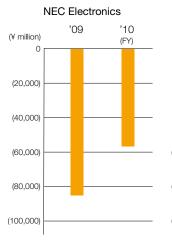
Please visit our Website at: http://www.renesas.com/comp/csr/ (CSR section) http://www.renesas.com/comp/eco/ (Environmental Activities section)

Performance (prior to merger)

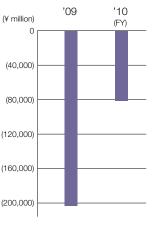
Net Sales



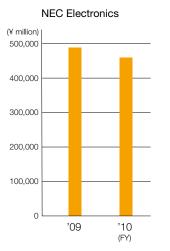
Net Loss



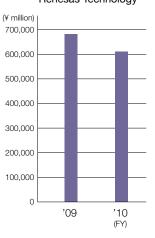
Renesas Technology



Total Assets



Renesas Technology



Major Application Fields, Applications and Products

Renesas Electronics Europe Limited

Renesas Electronics Europe GmbH



Benesas Electronics America Inc.

Renesas Electronics Canada Limited



RENESAS ELECTRONICS CORPORATION

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