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(Date of Announcement) May 29, 2023
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To Shareholders with Voting Rights:

Yosuke Kiminami
Representative Director,
President & CEO,
RENOVA, Inc.
2-2-1 Kyobashi,
Chuo-ku, Tokyo

**NOTICE OF CONVOCAION OF
THE 24TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders,

We would like to express our appreciation for your continued support and patronage.

Please be informed that the 24th Annual General Meeting of Shareholders of RENOVA, Inc. (hereinafter the “Company”) will be held for the purposes described below.

In convening this General Meeting of Shareholders, the Company has taken measures for electronic delivery of the information that includes, among others, the content of the Reference Documents for the General Meeting of Shareholders (the Matters Provided by Electronic Means). The Company has posted the Matters Provided by Electronic Means under the title “NOTICE OF CONVOCAION OF THE 24TH ANNUAL GENERAL MEETING OF SHAREHOLDERS” on the following website of the Company on the Internet.

The Company’s website: <https://www.renovainc.com/en/ir/meeting/>

In addition to the above, the information is also available on the website of the Tokyo Stock Exchange (TSE).

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

Please access the TSE website, search by entering the issue name (company name) or stock exchange code, and select “Basic information” and “Documents for public inspection/PR information” in that order.

If you do not attend the meeting in person, you are able to exercise your voting rights in writing or via the internet, etc. In that case, please review the Reference Documents for the General Meeting of Shareholders and exercise your voting rights. Votes must be received by 5:00 p.m. on Monday, June 19, 2023, Japan time, to be considered valid.

- 1. Date and Time:** Tuesday, June 20, 2023 at 10:00 a.m. Japan time
- 2. Place:** Hall 22C, TKP Garden City PREMIUM Kyobashi
Kyobashi Edogrand 22nd floor
2-1, Kyobashi 2-chome, Chuo-ku, Tokyo, Japan
Please note that the venue is different from the one we used for the last year’s meeting.
No gifts will be given to attendees of the meeting.
- 3. Meeting Agenda:
Matters to be reported:**
1. The Business Report, Consolidated Financial Statements, and results of audits by the Accounting Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements for the Company’s 24th Fiscal Year (April 1, 2022 – March 31, 2023)
 2. Non-Consolidated Financial Statements for the Company’s 24th Fiscal

Year (April 1, 2022 – March 31, 2023)

Proposal to be resolved:

Proposal 1: Partial Amendments to the Articles of Incorporation

Proposal 2: Election of Eight (8) Directors

4. Decisions Concerning Meeting Agenda and Other Convocation Matters:

In accordance with the relevant provisions of laws and regulations as well as Article 15 of the Company's Articles of Incorporation, among the Matters Provided by Electronic Means, the matters shown below are not included in the documents to be delivered to those shareholders who have requested to receive the documents in a paper form. Said documents constitute a part of the documents that the Audit & Supervisory Board Members and the Accounting Auditor have audited in the preparation of their respective audit reports.

- The following items of the Business Report:
Status of Share Options, etc., Status of Accounting Auditor, Systems for Ensuring the Properness of Business Activities and the Operation of the Systems
- The following items in the Consolidated Financial Statements:
Consolidated Statement of Changes in Equity, Notes to Consolidated Financial Statements
- The following items of the Non-Consolidated Financial Statements:
Non-Consolidated Statement of Changes in Equity, Notes to Non-Consolidated Financial Statements

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- When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk.
 - Should any of the Matters Provided by Electronic Means require any revision, the details of the revised language will be posted on the above websites.

Reference Documents for the General Meeting of Shareholders

Proposal 1: Partial Amendments to the Articles of Incorporation

1. Reasons for the proposal

In order to prepare for future diversification of our business, the Company will add new businesses to the business purpose in Article 2 (Purpose) of the current Articles of Incorporation of the Company.

2. Contents of the amendments

The contents of the amendments are as follows.

(Amendments are underlined.)

Before the change	After the change
(Purpose) Article 2 The purpose of the Company shall be to engage in the following businesses: 1. ~ (Omitted) 5. (New) (New) 6. ~ (Omitted) 13.	(Purpose) Article 2 The purpose of the Company shall be to engage in the following businesses: 1. ~ (Unchanged) 5. <u>6. The storage battery business, the business of developing, manufacturing, and selling new types of fuel such as SAF (Sustainable Aviation Fuel) and hydrogen, and other GX (Green Transformation) businesses as business relevant to renewable energy;</u> <u>7. Purchase and sales of electric power and environmental value;</u> <u>8.</u> ~ (Unchanged) <u>15.</u>

Proposal 2: Election of Eight (8) Directors

The terms of office of all eight (8) current Directors will expire at the conclusion of this Annual General Meeting of Shareholders. Accordingly, it is proposed that, in another election of directors, eight (8) Directors be elected.

The candidates for Directors are as follows.

Candidate No.	Name	Current positions and responsibilities at the Company	Term of office as Director (*2)	Nomination and Compensation Committee (*3)	Expertise (*1)				
					Corporate management	Finance/Investment	Finance/Accounting	Environment/Energy	Technology
1	Candidate for Re-election Male Koichi Kawana	Director (*4)	3 years	○	●			●	
2	Candidate for Re-election Male Yosuke Kiminami	Representative Director, President & CEO	23 years 1 month	○	●			●	
3	Candidate for Re-election Male Tomokazu Ogawa	Director, Managing Executive Officer, CTO, Head of Engineering Division	1 year	-					●
4	Candidate for Re-election Male Kazushi Yamaguchi	Director, Executive Officer, CFO, Head of Finance and Planning Division	3 years	-		●	●		
5	Candidate for Re-election Male Naoki Shimada	External Director Independent Officer	Director	2 years	○	●			
6	Candidate for Re-election Female Mayuka Yamazaki	External Director Independent Officer	Director	2 years	-	●			
7	Candidate for Re-election Male Ken Takayama	External Director Independent Officer	Director	1 year	-	●	●	●	
8	New Candidate Male Rajit Nanda	External Director Independent Officer	-	-	-	●	●	●	●

(*1) In order for the Company to continue its sustainable growth, the Company considers that the important fields in which its Directors should have expertise are "Corporate management," "Finance/Investment," "Finance/Accounting," "Environment/Energy" and "Technology," and the Board of Directors is composed of Directors having such expertise. The mixture and composition of Directors and the areas of expertise they represent will be continuously reviewed to achieve an appropriate balance. The table shown above is not intended to be exhaustive in listing all the areas of expertise possessed by Directors.

(*2) Term of office is the number of years at the conclusion of this Annual General Meeting of Shareholders.

(*3) Composition of Nomination and Compensation Committee is as of the date of commencement of electronic provision measures. ○ indicates the committee member.

(*4) Mr. Koichi Kawana is expected to be elected as Executive Chairman & Director by a resolution adopted at a Board of Directors' meeting held after the conclusion of this General Meeting of Shareholders. His duty as Executive Chairman & Director will be to continue to supervise management and give advice and suggestions on business as a non-fulltime, non-executive member.

Candidate
No.

1



Candidate
for Re-
election

Koichi Kawana

(Date of birth:
April 23, 1958)

Number of shares of the Company held	Attendance at Board of Directors' meetings	Term of office as Director
2,800	10/10 (100%)	3 years

Past experience, positions, responsibilities and significant concurrent positions

Apr. 1982	Joined JGC Corporation (currently JGC Holdings Corporation)
Aug. 2007	Executive Officer, Senior General Manager, New Business Promotion Division, Global Marketing Division
Jul. 2009	Managing Director, Senior General Manager, Global Marketing Division
Jul. 2010	Director, Senior Executive Vice President
Jul. 2011	Representative Director and President (COO)
Jun. 2012	Representative Director and President
Jun. 2017	Director, Vice Chairman
Jun. 2018	Vice Chairman
Jun. 2019	External Director, Tokyo Electron Device Limited (current)
Jun. 2019	External Director, BANDAI NAMCO Holdings Inc. (current)
Jun. 2019	External Director (Audit and Supervisory Committee Member), COMSYS Holdings Corporation (scheduled to resign in June 2023)
Jun. 2020	External Director, the Company (current)
Dec. 2020	External Director, ispace, inc. (current)
Mar. 2023	External Director, Kubota Corporation (current)

Significant concurrent positions

External Director, Tokyo Electron Device Limited

External Director, BANDAI NAMCO Holdings Inc.

External Director, ispace, inc.

External Director, Kubota Corporation

Reason for nomination as a Director

Mr. Koichi Kawana has a wealth of experience as a top management at a listed company and is well-versed in overseas business from serving as a head of overseas office. He also has professional insight on plant engineering. We believe that his participation in the management will be useful for the sustained growth of the Company. As such, we have nominated Mr. Kawana as a candidate for Director.

He is expected to be elected as Executive Chairman & Director by a resolution adopted at Board of Directors' meeting held after the conclusion of this General Meeting of Shareholders. His duty as Executive Chairman & Director will be to continue to supervise management and give advice and suggestions on business as a non-fulltime, non-executive member.

Candidate
No.

2

Yosuke Kiminami

(Date of birth:
October 5, 1974)

Number of shares
of the Company
held

14,860,000

Attendance at
Board of Directors'
meetings

10/10 (100%)

Term of office as
Director

23 years
1 month



Candidate
for Re-
election

Past experience, positions, responsibilities and significant concurrent positions

- Apr. 1998** Joined McKinsey & Company Inc. Japan
May 2000 Founded Recycle One, Inc. (currently the Company)
President & Representative Director, the Company
Jun. 2016 Representative Director, President & CEO (current)

Reason for nomination as a Director

Mr. Yosuke Kiminami founded the Company in May 2000. Over the past 20 years and more, he has served as Representative Director of the Company, and has promoted the current business of renewable energy. We believe that his continued leadership as Representative Director, President & CEO will be instrumental for the sustained growth of the Company. As such, we have nominated Mr. Kiminami as a candidate for Director.

Candidate
No.

3

Tomokazu Ogawa

(Date of birth:
January 22, 1973)

Number of shares of
the Company held

129,500

Attendance at
Board of Directors'
meetings

8/8 (100%)

Term of office as
Director

1 year



Candidate
for Re-
election

Past experience, positions, responsibilities and significant concurrent positions

- Apr. 1997** Joined TAKENAKA CORPORATION; Design Department of Tokyo Main Office
Jan. 1998 Registered as first-class architect
Oct. 2008 Transferred to Environmental Engineering Division
May 2012 Joined the Company; Head of the CEO's Office
Aug. 2015 Executive Officer, General Manager, New Energy Business Division
Jun. 2018 Managing Executive Officer, CTO, Head of Engineering Division
Jun. 2022 Director, Managing Executive Officer, CTO
Nov. 2022 Executor of Representative Partner RENOVA, Inc., Reihoku Wind Power G.K. Co. Ltd. (current)
Apr. 2023 Director, Managing Executive Officer, CTO, Head of Engineering Division (current)

Significant concurrent positions

Executor of Representative Partner RENOVA, Inc., Reihoku Wind Power G.K. Co. Ltd.

Reason for nomination as a Director

After working in the areas of project development, architectural design and construction at a large general construction company, Mr. Tomokazu Ogawa joined the Company in May 2012. Currently, as Director, Managing Executive Officer, CTO, he is supervising a division in charge of engineering of all power supplies including those overseas, operations of power plants and procurement concerning development projects, and been effective in executing his duties. We believe that his participation in the management will be useful for the sustained growth of the Company. As such, we have nominated Mr. Ogawa as a candidate for Director.

Candidate
No.

4

Kazushi Yamaguchi

(Date of birth:
January 30, 1976)

Number of shares of the Company held	Attendance at Board of Directors' meetings	Term of office as Director
300	10/10 (100%)	3 years



Candidate
for Re-
election

Past experience, positions, responsibilities and significant concurrent positions

Apr. 2001	Joined the Tokyo Branch of Goldman Sachs Japan Limited (currently Goldman Sachs Japan Co., Ltd.)
Apr. 2006	Transferred to Principal Investment Area
Jan. 2011	Transferred to Investment Banking Division
Jan. 2018	Managing Director
Feb. 2020	Joined the Company; Executive Officer
Apr. 2020	Executive Officer, CFO, Head of Finance and Planning
Jun. 2020	Director, Executive Officer, CFO, Head of Finance and Planning Division (current)

Reason for nomination as a Director

After serving as Managing Director of investment banking division at major foreign-affiliated securities company, Mr. Kazushi Yamaguchi joined the Company in February 2020. Currently, as Director, Executive Officer, CFO, he is supervising a division in charge of corporate planning, finance, accounting, investor relations, and legal affairs, as well as a division in charge of corporate administration such as compliance, public relations, IT, and administrative affairs, fully performing his duties. We believe that his participation in the management will be useful for the sustained growth of the Company. As such, we have nominated Mr. Yamaguchi as a candidate for Director.

Candidate
No.

5



Candidate
for Re-
election

External
Director

Independent
Officer

Naoki Shimada

(Date of birth:
November 23, 1968)

Number of shares of the Company held	Attendance at Board of Directors' meetings	Term of office as Director
1,800	10/10 (100%)	2 years

Past experience, positions, responsibilities and significant concurrent positions

Apr. 1993	Joined Apple Computer (currently Apple Japan GK)
Oct. 1998	Joined Boston Consulting Group, Inc.
Sep. 2001	Established P & E Directions, Inc., Representative Director (current)
Jun. 2008	Director, Nihon M&A Center Inc.
Mar. 2013	External Audit & Supervisory Board Member, Fundely Co., Ltd.
Jun. 2015	External Director, Sugita Ace Co., Ltd. (current)
Dec. 2020	External Director, Japan Business Systems, Inc. (current)
Jun. 2021	External Director, the Company (current)
Jun. 2022	External Director, NOK CORPORATION (current)
Jun. 2022	External Director, Eagle Industry Co., Ltd. (current)

Significant concurrent positions

Representative Director, P&E Directions, Inc.

External Director, Sugita Ace Co., Ltd.

External Director, Japan Business Systems, Inc.

External Director, NOK CORPORATION

External Director, Eagle Industry Co., Ltd.

Reason for nomination as an External Director and outline of his role

After working at a global consulting firm, Mr. Naoki Shimada was involved in corporate management as the Representative Director of the company that he founded. He has a wealth of experience in consulting services for start-up of new business, support of overseas expansion, growth strategy by M&A, etc. as well as management experience for many years. This leads us to believe that he is capable of providing advice on supervision of business execution as well as overall management of the Company from a broad managerial perspective. For these reasons, we have nominated Mr. Shimada as a candidate for External Director. He is currently serving as a member of the Nomination and Compensation Committee which is a discretionary advisory body and playing an important role in the Committee in his independent and objective position. We believe that if he is elected as an External Director, he will continue to play the role stated above.

Candidate No.

6

Mayuka Yamazaki

(Date of birth:
January 23, 1978)

Number of shares of the Company held	Attendance at Board of Directors' meetings	Term of office as Director
1,500	10/10 (100%)	2 years



Candidate
for Re-
election

External
Director

Independent
Officer

Past experience, positions, responsibilities and significant concurrent positions

- Apr. 2000** Joined McKinsey & Company
- Jun. 2002** Joined the Research Center for Advanced Science and Technology, The University of Tokyo as Research Associate
- Nov. 2006** Joined Harvard Business School (HBS) Japan Research Center
- Sep. 2010** Assumed the post of Adjunct Assistant Professor, Graduate School of Medicine, The University of Tokyo (concurrently)
- Sep. 2014** Assistant Director, HBS Japan Research Center
- Jan. 2017** Editorial Committee, DIAMOND Harvard Business Review, DIAMOND, Inc. (current)
- Mar. 2017** Founded IKERU as ikebana (Japanese traditional flower arrangement) artist (current)
- Jun. 2019** External Director (Audit and Supervisory Committee Member), M3, Inc. (current)
- Jun. 2021** External Director, the Company (current)
- Nov. 2022** External Director, Ryohin Keikaku Co., Ltd. (current)

Significant concurrent positions

- External Director (Audit and Supervisory Committee Member), M3, Inc.**
- External Director, Ryohin Keikaku Co., Ltd.**

Reason for nomination as an External Director and outline of her role

After working as a management consultant at a global consulting firm, Ms. Mayuka Yamazaki has acquired her expertise in corporate management through her work at the Harvard Business School as well as her experience as an external director of a fast-growing venture company. This leads us to believe that she is capable of supervising business execution as well as providing advice on the overall management of the Company from a global and multilateral perspective. For these reasons, we have nominated Ms. Yamazaki as a candidate for External Director. Although she has not been involved in corporate management other than as an external officer, for the reasons stated above, we believe that she is capable of fulfilling, and will continue fulfilling for us, the duties of an External Director if she is elected.

Candidate
No.

7

Ken Takayama

(Date of birth:
June 6, 1964)

Number of shares of the Company held	Attendance at Board of Directors' meetings	Term of office as Director
500	8/8 (100%)	1 year



Candidate
for Re-
election

External
Director

Independent
Officer

Past experience, positions, responsibilities and significant concurrent positions

Apr. 1988 Joined The Industrial Bank of Japan, Limited. (currently Mizuho Bank, Ltd.)
Nov. 1999 Joined Rakuten, Inc. (currently Rakuten Group, Inc.)
Feb. 2010 Chief Financial Officer
Jun. 2015 External Director (Audit and Supervisory Committee Member) of TECHMATRIX CORPORATION (current)
Sep. 2018 External Director of Mercari, Inc.
Nov. 2018 External Director (Audit and Supervisory Committee Member) of Metaps Inc.
May 2019 External Director of MEDIA DO Holdings Co., Ltd. (currently MEDIA DO Co., Ltd.)
Jun. 2022 External Director, the Company (current)

Significant concurrent positions

External Director (Audit and Supervisory Committee Member), TECHMATRIX CORPORATION

Reason for nomination as an External Director and outline of his role

After working for a financial institution, Mr. Ken Takayama was involved in corporate management as the Chief Financial Officer of a Japan's leading e-commerce company. He has a wealth of professional knowledge and experience in corporate management and financing of growth companies, in particular. Accordingly, we believe that he can provide highly insightful suggestions and advice for strategic funding and the overall management of the Company. For these reasons, we have nominated Mr. Takayama as a candidate for External Director. We believe that if he is elected as an External Director, he will continue to play the role stated above.

Candidate
No.

8

Rajit Nanda

(Date of birth:
September 12, 1970)

Number of shares of the Company held	Attendance at Board of Directors' meetings	Term of office as Director
—	—	—



New
Candidate

External
Director

Independent
Officer

Past experience, positions, responsibilities and significant concurrent positions

Jul. 1994 Joined IFCI (Industrial Finance Corporation of India) Limited
May 1998 Joined Engie S.A.
Sep. 2008 Chief Financial Officer of Engie S.A. for Middle East, Asia and Africa region
Dec. 2008 Joined ACWA Power, Chief Financial Officer
Apr. 2013 Chief Investment Officer
Apr. 2020 Chief Portfolio Management Officer
Dec. 2021 Adviser to CEO & Chairman

Reason for nomination as an External Director and outline of his role

Mr. Rajit Nanda has more than 20 years of extensive business development and investment experience in the energy industry in multiple countries, including serving as a Chief Financial Officer and Chief Investment Officer of a huge renewable energy company based in Saudi Arabia. We believe that he will provide useful advice from a high-level perspective on the development of projects in our Asia-Pacific region as well as on the further development of new markets. For these reasons, we have nominated Mr. Nanda as a candidate for External Director. We believe that if he is elected as an External Director, he will play the role stated above.

- (Notes) 1. Of the candidates for Directors, Mr. Tomokazu Ogawa is concurrently serving as Executor of Representative Partner RENOVA, Inc., at Reihoku Wind Power G.K. Co. Ltd., an affiliate of the Company. The Company has business relationships with the said company, such as the outsourcing of business development in the onshore wind power generation business. There are no specific interests between other candidates and the Company.
2. The name of Ms. Mayuka Yamazaki as it appears in the official family registry is "Mayuka Onishi."
3. The Company has entered into an agreement with Mr. Koichi Kawana, Mr. Naoki Shimada, Ms. Mayuka Yamazaki and Mr. Ken Takayama respectively to limit their liability pursuant to Article 423, Paragraph 1 of the Companies Act. The maximum amount of liability pursuant to such agreement is the minimum amount stipulated by law. Said limitation of liability would only be valid if the Officer in question acted in good faith and without gross negligence in execution of the duty for which he or she is held liable. If the candidates are reelected, the Company plans to continue the aforementioned agreement with them. In addition, if Mr. Rajit Nanda is elected, the Company also plans to enter into such agreement with him.
4. Mr. Naoki Shimada, Ms. Mayuka Yamazaki, Mr. Ken Takayama and Mr. Rajit Nanda are all candidates for External Directors. The Company deems all of the candidates for External Directors as having a high level of independence and no risk of specific conflict of interests with general shareholders. The Company has reported Mr. Naoki Shimada, Ms. Mayuka Yamazaki and Mr. Ken Takayama to the Tokyo Stock Exchange as Independent Officers according to regulations stipulated by the said exchange. If they are reelected, the Company intends to continue appointing them as Independent Officers. In addition, if Mr. Rajit Nanda is elected, the Company plans to report him as a new Independent Officer.
5. The Company has entered into a Directors and Officers liability insurance (D&O Insurance) contract with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act of Japan to cover legal damages and litigation expenses borne by the insured in the event that a claim for damages is made against the insured on the basis of an act committed by the insured in his/her aforementioned capacity. The Company bears the entire premium for all the insured. Of the candidates for directorship, the candidates to be re-elected have already been included as insured under this insurance contract and they will continue to be so insured if they are re-elected. If the new candidates are elected, they will be included as insured after their election. The Company plans to renew the insurance policy with the same terms at the next opportunity for renewal.

(Reference) Policy on selection of candidates for Directors and Audit & Supervisory Board Members and the process thereof

Directors

[Policy]

The basic policy of selecting candidates for Directors of the Company is as follows: after considering the assurance of diversity and a balance of knowledge, experience and capabilities in the overall composition of the Board of Directors, those who have outstanding character and insight, have high ethical standards, satisfy the following requirements and can fulfill their responsibilities are selected.

—Internal Directors—

- Having excellent sense of management and being well-versed in managerial issues
- Understanding changes in the business environment and market accurately, and being able to formulate and execute business strategies to increase corporate value enhancement over the medium- to long-term

—External Directors—

- Having a high level of expertise in any of the following areas: environment and energy, corporate management, technology, finance, and other fields of expertise
- Having a correct understanding of the characteristics of the Company; being able to fulfill a monitoring function for the Board of Directors based on appropriate risk management
- Independent External Directors shall satisfy the Standards for Determining Independence stipulated by the Company

[Process]

Based on the abovementioned policy, Representative Director & President formulates a proposal for the election of candidates for Directors, and after deliberation by the Nomination and Compensation Committee*, the proposal is submitted to a General Meeting of Shareholders for discussion, conditional upon resolution at the Board of Directors.

(*) To raise the levels of transparency and objectivity in management, and to ensure the adequacy of the compensation for the Directors and the Executive Officers, the Company has established a Nomination and Compensation Committee, which is a discretionary organization that serves as an advisory body for the Board of Directors. The Nomination and Compensation Committee consists of three External Directors and Representative Director & President. Besides being comprised of a half or majority of External Directors, the chairman of the committee is also selected from among the External Directors.

Audit & Supervisory Board Members

[Policy]

The basic policy of selecting candidates for Audit & Supervisory Board Member of the Company is as follows: after considering the assurance of diversity and a balance of knowledge, experience and capabilities in the overall composition of the Audit & Supervisory Board, those who have outstanding character and insight, have high ethical standards, satisfy the following requirements and can fulfill their responsibilities are selected.

- Having knowledge on finance, accounting and law that is required for audit, and one or more Audit & Supervisory Board Member who has full insight on finance and accounting
- Having a correct understanding of the characteristics of the Company; being able to fulfill a monitoring function for the Board of Directors based on appropriate risk management
- Independent External Audit & Supervisory Board Member shall satisfy the Standards for Determining Independence stipulated by the Company

[Process]

Based on the abovementioned policy, upon discussion with the chairman of the Audit & Supervisory Board, the Representative Director & President formulates a proposal for the election of candidates for Audit & Supervisory Board Member. After receiving a consent from Audit & Supervisory Board, the proposal is submitted to a General Meeting of Shareholders for discussion, conditional upon resolution at the Board of Directors.

Standards for Determining Independence of External Officers

In order to ensure the appropriateness, objectivity and transparency of governance at RENOVA, Inc. (hereinafter the "Company"), the following standards regarding the independence of External Directors and External Audit & Supervisory Board Members (hereinafter "External Officers") have been stipulated.

The Company deems External Officers or candidates for External Officers as being independent if they do not fall under any of the categories below, based on reasonable investigation by the Company.

1. A former employee of the Company and its consolidated subsidiaries (hereinafter collectively the "Group") (Note 1)
2. A major shareholder of the Company (Note 2)
3. A business executive in any of the following corporations, etc.
 - a) A major transactional partner of the Group (Note 3)
 - b) A major lender to the Group (Note 4)
 - c) A corporation, etc. that holds shares consisting of 10% or more of the voting rights of the Group
4. An employee of the auditing firm that is the Accounting Auditor of the Group
5. An expert such as a consultant, accountant, tax accountant, lawyer, judicial scrivener or patent attorney who receives a large amount of cash or other property from the Group that is not classified as Officer remuneration (Note 5)
6. A party that receives a large amount of donation from the Group (Note 6)
7. A business executive of a company that has mutual appointments of External Officers (Note 7) with the Company
8. A close relative (Note 8) of a person who falls under any of items 1 through 7 (limited to "important parties" (see Note 9 below) except for items 4 and 5)
9. A party who had fallen under any of items 2 through 8 in the past 5 years
10. Notwithstanding the clauses in each of the preceding items, a party under special circumstances, with whom the Company may have a conflict of interests

Note 1: This refers to current Directors and Executive Officers involved in business execution and other parties who fall under this category (collectively referred to as "business executives" in these standards), as well as business executives who were employed by the Group in the past 10 years.

Note 2: A major shareholder refers to a shareholder who holds 10% or more of the voting rights of the Group, whether personally or by proxy, at the end of the Company's previous fiscal year. In the case where the major shareholder is an association such as a corporation or union, this refers to a business executive who belongs to that association.

Note 3: A major transactional partner refers to a supplier or buyer of the Group, whereby the value of annual transactions with the Group is more than 2% of either the Company's or the transactional partner's consolidated net sales.

Note 4: A major lender refers to a financial institution that the Group borrows from, whereby the outstanding debt at the Company's fiscal year-end is more than 2% of either the Company's or the financial institution's total consolidated assets.

Note 5: A large amount is defined as follows according to the type of involvement in the services provided by the expert in question.

(1) If the expert provides services to the Group as an individual, a large amount refers to a case where a party has received, on average over the past 3 fiscal years, more than 10 million yen per year as remuneration (excluding Officer remuneration) from the Group.

(2) If the expert provides services to the Group as a member of an association such as a corporation or union, a large amount refers to a case where the said association has received, on average over the past 3 fiscal years, monetary or other forms of compensation equivalent to more than 2% of the said association's total revenue amount in the previous fiscal year.

Note 6: This refers to a party who has received, on average over the past 3 fiscal years, more than 10 million yen per year in donations from the Group.

If the receiver of the donations is an association such as a corporation or union, among the parties who belong to the association, this refers to a party who is directly involved in activities such as research and education related to the donation.

Note 7: A company that has mutual appointments of External Officers with the Company refers to a case where a business executive of the Group is an External Director or an External Audit & Supervisory Board Member of the said company and a business executive of the said company is an External Director or an External Audit & Supervisory Board Member of the Company.

Note 8: A close relative refers to a spouse, or a second-degree relative.

Note 9: An important party refers to a Director or an Executive Officer.