

Contents	About SHARP	Message from the President	Medium-Term Management Plan	R&D	Sustainability Management	Financial Section	Corporate Information
Sustainability	Environmental Initiatives	Social Initiatives	Message from Outside Director	Corporate Governance	Risk Factors	Members of the Board, Executives and Chairman	



Message from Outside Director
**Contributing to Corporate Value
Enhancement through Strengthening
Global Corporate Governance**

Yasuo Himeiwa

Outside Director

Mr. Yasuo Himeiwa joined Peat Marwick Mitchell & Co. (now KPMG) in 1983. After retiring as a partner at KPMG AZSA LLC in June 2016, he opened Himeiwa Certified Public Accountant Office. He has served as an independent outside director (Member of Audit & Supervisory Committee) at Sharp since June 2017.

— Please tell us about your career.

I joined Peat Marwick Mitchell & Co. (now KPMG) in 1983 and spent about 30 years auditing numerous global companies. One of the most valuable experiences in my career was being responsible for providing audit and advisory services to Japanese companies expanding into Europe while I was stationed in London.

— Please share your thoughts on FY2024.

The Sharp Group had posted significant net losses for two consecutive fiscal years. Against this backdrop, Sharp announced the Medium-Term Management Direction in May 2024 and made the major decision to pursue Asset Light Initiatives in the Device Business and strengthen profitability in the Brand Business.

In particular, management made a major decision to halt the production of large-size displays at Sakai Display Products Corporation, one of the core businesses of Sharp, and carried this out in a very short timeframe. I think this was one that few other companies could have done easily. Sharp also achieved its committed target of returning to profitability for the fiscal year, and steadily improved the financial foundation, such as the improvement in equity ratio, significant reduction of net interest-bearing debt, and continued positive free cash flow. I believe Sharp has taken swift and thorough actions, including in administration aspects.

— Please share your thoughts on the Sharp Medium-Term Management Plan.

The current Medium-Term Management Plan defines Our Mission as, “With sincerity, we observe people’s daily lives. With creativity, we shape new experiences.” By formulating Our Mission as part of the Medium-Term Management Plan, Sharp seeks to instill its founding spirit, pursue business with strong commitment to Sharp’s Identity, and unite as one toward re-growth and future leaps.

I personally intend to maintain constructive tension with management while working closely with the internal audit division and accounting auditors to conduct audit and supervisory activities. While preserving mutual understanding and respect for each other’s roles, I intend to ensure management transparency and enhance the effectiveness of internal controls across the Sharp Group. With respect to transactions involving the controlling shareholder, I strive to remain fully mindful of protecting minority shareholders, while working to strengthen corporate governance on a global basis. I will meet the trust from shareholders and expectations of stakeholders by contributing to sound and sustainable growth and medium- to long-term corporate value creation.

— Please share your thoughts on the importance of global corporate governance.

I believe that strengthening corporate governance on a global basis and ensuring management transparency are essential for the continuous growth of companies and the enhancement of corporate value.

Sharp’s internal controls are functioning through the Finance and Administration Office, the internal audit division, and other units. However, I feel it is necessary to continuously review and improve functions, given the large size of the organization.

Leveraging my experience at the audit firm, I want to contribute to the continuous growth of the Sharp Group and corporate value enhancement by working to strengthen corporate governance on a global basis and ensure management transparency.

— Please share your thoughts on initiatives and challenges for management conscious of cost of capital and stock price.

Management that is conscious of cost of capital and stock price is extremely important in pursuing the enhancement of corporate value. However, Sharp’s balance sheet has been significantly impaired by large losses in the past, leaving capital efficiency indicators unable to function effectively.

In light of this situation, I think the immediate priority should be to complete structural reforms, including Asset Light Initiatives, and to focus on establishing a business structure capable of generating stable profits. I believe that by doing so, Sharp will reduce interest-bearing debt and improve the equity ratio, making it possible to use ROIC and ROE as stable indicators and engage in more constructive dialogue with the market.

— Please share your hopes for Sharp’s future.

I believe President Okitsu is a leader with a strong commitment to the front lines. This commitment is evident in his visits to manufacturing and sales sites, as well as in his swift actions to improve internal controls. Sharp is a large organization, so it is essential for any top management not only to set a clear management direction, but also strive to communicate that direction clearly to employees.

I believe Sharp is establishing a business structure capable of generating stable profits through major structural reforms, largely because all employees uphold the founding spirit of Sincerity and Creativity, which in turn has allowed organizational governance to function naturally. President Okitsu strives to carry forward and develop the founding spirit. I hope Sharp will build on this momentum to continue growing as a company that offers distinctive products with its unique perspective.