

(PLEASE Note: This document is an English summary of the Japanese original. The Japanese original is official, and this summary is for your reference only. Sharp does not guarantee the accuracy of this summary.)

Standards for Independence of Outside Directors

Standards for independence of outside directors are the following.

1. Sharp Corporation (the “Company”) shall regard a person as independent if he/she does not fall under any of the following items. However, this excludes cases where there is a risk of a conflict of interest with general shareholders.
 - (1) A person for whom the Company is a major business partner, in any of the last three fiscal years prior to assuming this position (if such business partner is a corporation, etc., a director, an executive officer, an auditor, an accounting advisor or other executor of operations of such corporation, etc. and its group companies)
 - (2) A major business partner of the Company in any of the last three fiscal years prior to assuming this position (if such business partner is a corporation, etc., a director, an executive officer, an auditor, an accounting advisor or other executor of operations of such corporation, etc. and its group companies)
 - (3) A person who received rewards of more than 10 million yen as an expert or consultant in law, accounting or tax, other than executive remunerations from the Company, in any of the last three fiscal years prior to assuming this position (if such compensation is paid to a corporation, etc., this includes a director, an executive officer, an auditor, an accounting advisor or other executor of operations of such corporation, etc. and its group companies that has received property from the Company exceeding 2% of those annual incomes of such corporation in any of the last three fiscal years prior to assuming this position)
 - (4) A spouse and relatives within the second degree of kinship or living together of a person listed below
 - a) A person who falls under the definition of the above (1) to (3), and (5) to (9)
 - b) A director or other executor of operations of the Company and its group companies, or a person who has held such a position in any of the last three fiscal years
 - (5) A major shareholder of the Company at present or within the past year prior to assuming office (if such major shareholder is a corporation, etc., a director, an executive officer, an auditor, an accounting advisor or other executor of operations of such corporation, etc. and its group companies, and if the major shareholder is our parent company or a group company, a director, an executive officer, an auditor, an accounting advisor or other executor thereof or a person who has held such a position within the last 10 years.)
 - (6) A person who, receives donations or assistance of more than 10 million yen per year from the Company or its group companies in any of the last three fiscal years prior to assuming this position and its group companies (if such donations are paid to a corporation, etc., this includes a director, an executive officer, an auditor, an accounting advisor or other executor of operations of the corporation or its group companies that has received a donation of assets exceeding 2% of the corporation's annual income from the Company or its group companies in any of the last three fiscal years prior to assuming this position)
 - (7) A director, an executive officer, an auditor, an accounting advisor or other executor of operations of a corporation to which directors of the Company and its subsidiaries currently belong or who has been a director, an executive officer, an auditor, an accounting advisor or other executor of operations of such corporation within the past one year prior to assuming this position
 - (8) A person whose total term of office as an outside officer of the Company exceeds 10 years.
 - (9) A person who currently serves as an accounting auditor of the Company or has served as such within the one year prior to assuming this position

< Definition provisions >

major business partner	:	In article 1-(1), a business partner whose sales to the Company account for 2% or more of the business partner's consolidated sales in any of the last three fiscal years prior to assuming this position. In article 1-(2), a business partner for whom the Company's sales to that partner exceed 2% of the consolidated sales of the Company in any of the last three fiscal years prior to assuming this position (including financial institutions that are financing more than 2% of the amount of the Company's annual consolidated total assets to the Company in any of the last three fiscal years prior to assuming this position).
corporation, etc.	:	a corporation or other legal entity, or an unincorporated organization such as a partnership
group company	:	subsidiaries of a corporation, etc., and parent company and its subsidiaries (sister companies)
executor of operations	:	an executor of operations defined in Section 2.3.6 of the Ordinance for Enforcement of the Companies Act (executive director, executive officer, employee (including executive officer who is not a director), etc.), as well as the officer and employee of such corporations (including statutory officers such as directors and those in employment or commissioned relationships)
major shareholder	:	a shareholder who owns 10% or more of total voting rights of the Company directly or indirectly, and who obtains the share issued under a special contract