

Message from an Outside Director

Taking on the challenge of sustainable growth through objective support

Independent Outside Director
Koichi Ina

He was the Senior Managing Director and Chief Officer of the Strategic Production Planning Group of Toyota Motor Corporation, the Chief Officer of the Manufacturing Group at the same company, and the President of Daihatsu Motor Co., Ltd. before accepting his position as a Director of our Company in 2019.

The atmosphere at meetings of our Board of Directors is always one that allows participants to comment freely. The discussions are very good because people with many different points of view take part. The Nomination and Compensation Committee has been effectively discussing issues, clarifying the position of the company and referencing the situations at other companies. Regarding the effectiveness of the Board of Directors [P40], I appreciate the point that its administrative office clarifies the issues and future direction of the company. On the other hand, I feel that the Board of Directors has not sufficiently followed up on the progress of the management plan and the implementation of matters on which it has passed resolutions. I hope that it will more closely review and more deeply analyze the factors that caused particular situations.

The Company's strengths lies in its ability to meticulously respond to the requests of individual customers regarding power supply equipment, its SiC power semiconductors which can be flexibly used in different applications in the semiconductor field, and its familiarity with how power semiconductors are used in power supply equipment due to its in-house development, design and production of both power semiconductors and power supply equipment. However, the Company's strengths vary relative to different competitors. Customers may naturally expect us to have certain strengths and ask more of us. It is vital that we listen gratefully to customers' opinions when we receive or

fail to receive an order and when they use the Company's products. When you look back and thoroughly analyze the things that led to good or bad results on every occasion, you will clearly see the Company's strengths and weaknesses in the eyes of its customers. It is necessary to see the Company objectively from the perspective of its customers.

Our competitors are constantly evolving. The global environment is changing significantly. This includes the U.S. tariff policies. I hope that we will understand the Company's strengths in the eyes of its customers and that the Board of Directors more actively discusses growth strategies for continuously enhancing the Company's strengths.

The business circumstances that we face now are very difficult. To effectively overcome these circumstances, the Company's employees are its most significant and reliable assets. It is vital that every employee fully display their potential to energize the organization. The President and other managers of the management team are working to build an environment and mechanisms to enable every employee to display their potential to the fullest extent possible. As an Outside Director, I will do my best to support the Company.

I believe that these efforts will help ensure that investors continue to entrust their money to the Company, providing employees with careers so that they are able to contribute to society.

