

2030 Long-term Vision



BEACON 2030

Illuminating Medicine for Humanity

Create a better future for people and healthcare by solving global medical issues



Prologue

In the year of its 70th anniversary, Nihon Kohden is entering an era of dramatic change. We are moving forward into a new stage of fighting disease and improving health with advanced technology.

Sustainable Development Goals have been established to solve social issues beyond national borders. In healthcare, we are facing many issues; aging populations and increasing medical costs in developed countries, and insufficient primary care and disparities in healthcare in emerging countries.

We at Nihon Kohden will apply our core strength in Human Machine Interface technology and our clinical expertise with advanced digital technology driven by data, to create unique solutions that realize the optimal care cycle for each patient.

Create a better future for people and healthcare by solving global medical issues.

In an ever-changing medical environment, we will strive to become the beacon that lights the path forward to the future of people and healthcare with the philosophy we have upheld since our founding.

With strong passion in our hearts, we have created our new long-term vision, **BEACON 2030**.

*Human Machine Interface (HMI) is the user interface that connects human and machine.
For Nihon Kohden, this refers to sensor technology, signal processing technology, and data analysis technology.

Vision Statement

BEACON
2030

Illuminating Medicine for Humanity

Create a better future for people and healthcare by solving global medical issues

1. Illuminate the future of medicine through our understanding of humanity

We will seek better patient outcomes and economy of medical care by remaining a close partner with healthcare professionals and patients around the world, and by leveraging our problem-solving capabilities rooted in clinical expertise.

2. Illuminate the lives of many by co-creating unprecedented value

We will realize the optimal care cycle for each patient, by utilizing our core strength in Human Machine Interface technology with advanced digital technology and data collected from medical sites.

3. Illuminate the potential of our people and organization by embracing new challenges

We will build an open-minded and creative team of individuals around the world who take pride in their contribution to healthcare and their mission to solve global medical issues facing humankind.



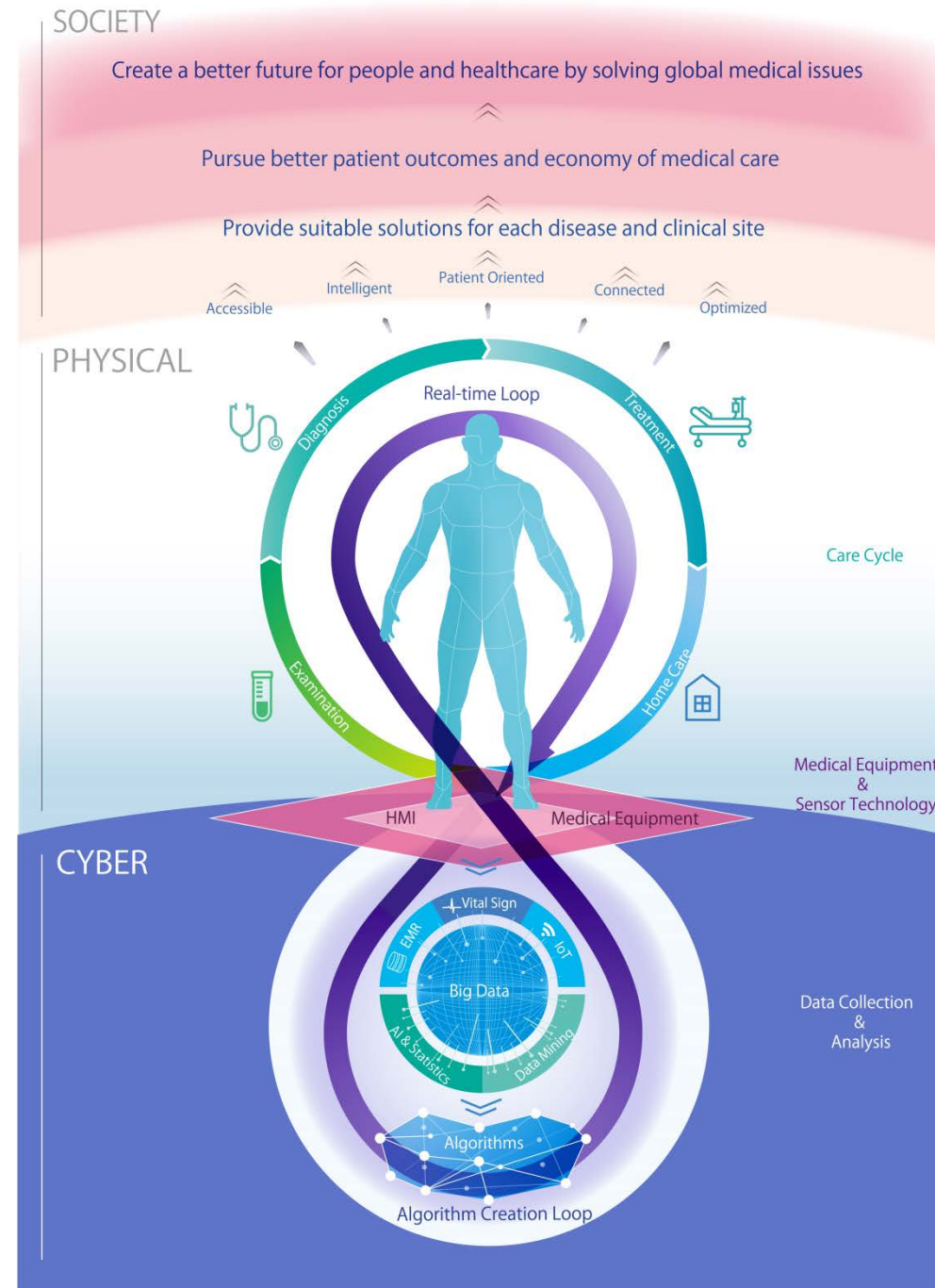
Value Creation Compass

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Value Creation Compass

Nihon Kohden will combine our original technologies and clinical expertise with advanced technology in collaboration with global partners, to create valuable solutions that help solve issues in clinical sites.

The Value Creation Compass is our new value creation model as we head toward 2030.



Value Creation Compass

Key Concept

● Patient outcomes and economy of medical care

We aim to create value that addresses global medical issues of achieving better patient outcomes and improving the economy of medical care.

● Suitable solutions for each disease and clinical site

We aim to provide the optimal care cycle solution for each patient, from examination, diagnosis, and treatment to home care.

● HMI technology and medical equipment

HMI technology is one of our core strengths and serves as an important touchpoint with patients throughout their clinical journey.

HMI technology and medical equipment give us access to patients and clinical sites which enable us to create value.

● Value creation from data gathered through clinical sites

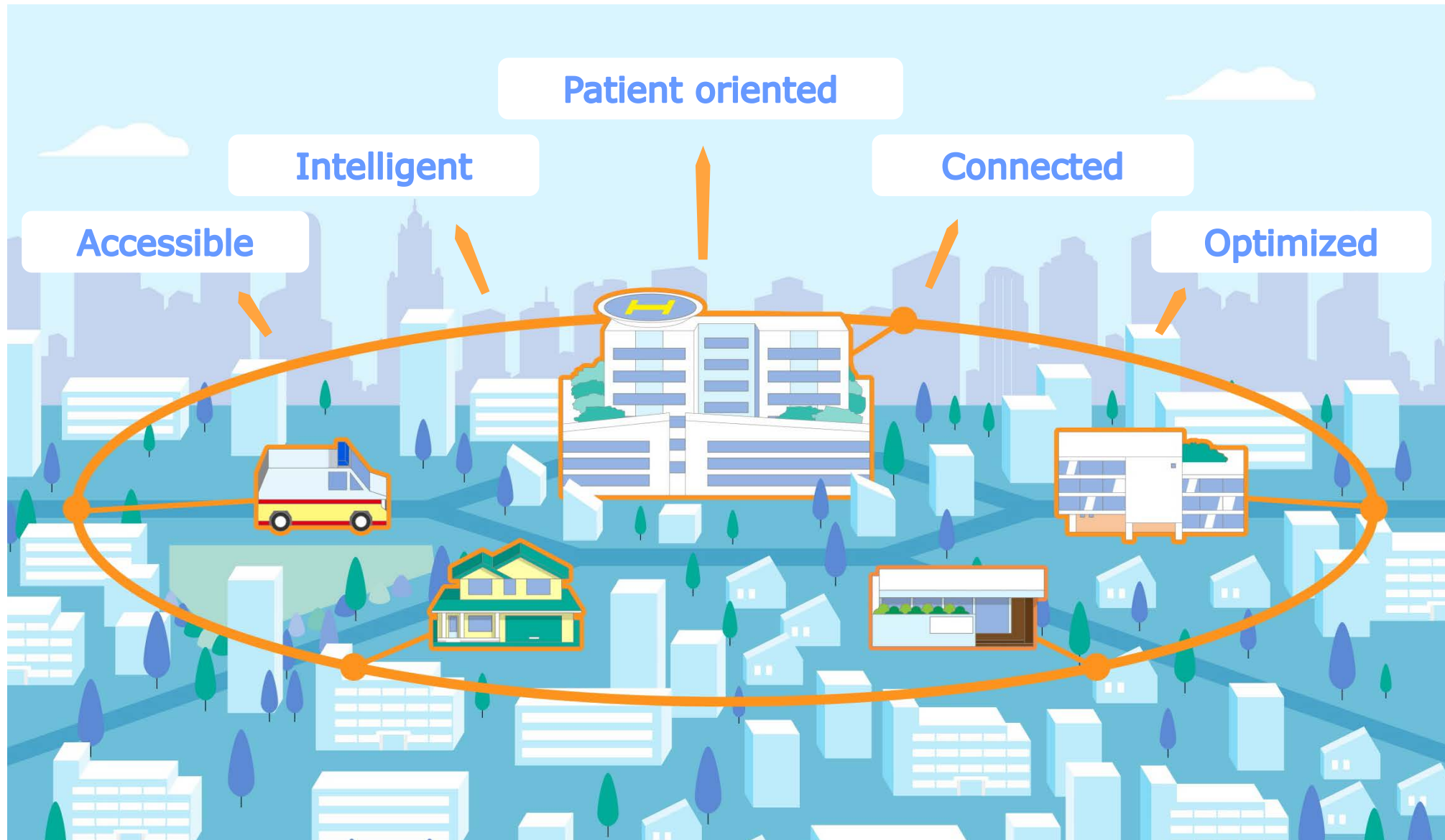
Nihon Kohden will develop a data integration platform and pioneer algorithms to create new value from information. Vital sign data, IoT data and EMR information will be integrated as a big data. Algorithms for clinical prediction models will be developed using AI and data analysis.

● Real time loop to respond to clinical needs

By combining HMI technology and medical equipment used in the medical field, and new algorithms created from big data analysis, we provide solutions that can respond to clinical needs in real time.

Create a better future for people and healthcare

Realize vision for the future through our Value Creation Compass



Accessible



How do we bridge the final distance between AEDs and people to save every life possible?

We have been working to widely deploy AEDs to improve the survival rate.

But still we have challenges to address; training for first responders, reducing fears about AED use, sensing technology for early detection of cardiac arrest, a mobile app-based volunteer first responder network, and utilization of on-scene data and vital signs. We aim for a future in which the number of sudden cardiac deaths is one-third of the current level, through step by step efforts to reduce the psychological and physical barriers to AED use.

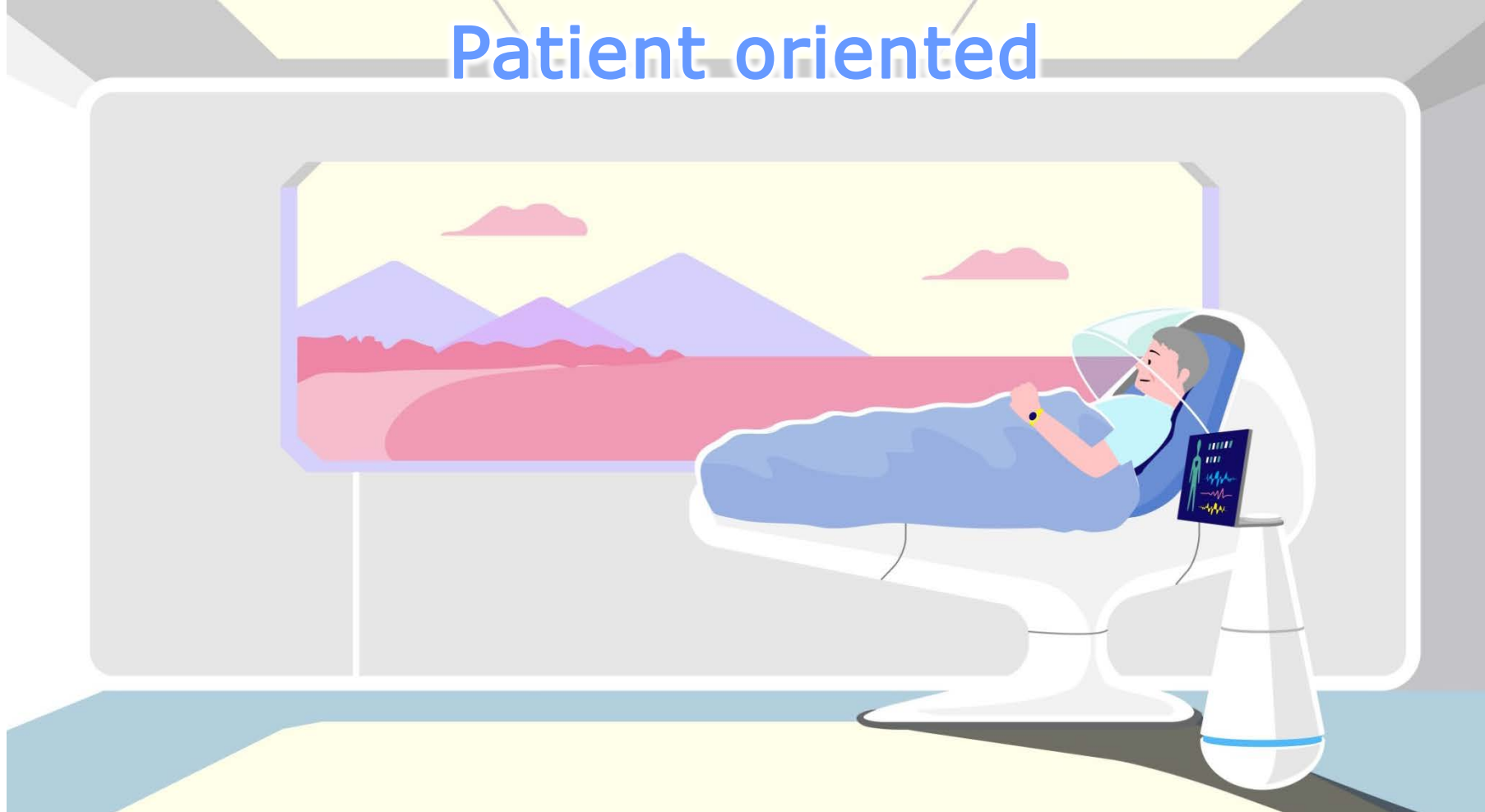
We are working hard to achieve a future where everyone can use AEDs without hesitation.



Can we eliminate human error in operating rooms with advances in technology?

Surgery is a beacon of hope for patients who want to live. However, human error in operating rooms is still a cause of death. Especially in emerging countries, the mortality rates due to human error are estimated to be 100 to 1,000 times higher than in developed countries. We believe we will be able to solve this serious issue. Utilization of patients' vital signs and stable anesthetic management may be able to reduce the mortality rate due to human error to one-hundredth of the current level.

Our aim is improving the safety of surgery by developing advances in technology and delivering these technologies beyond national borders to patients all over the world.



How do we design ICUs where patients can recover in peace and with dignity ?

ICUs are intended to save patients' lives and help them make an early recovery. However, can patients really recover in peace, surrounded by a lot of machines and tubes?

Our ideal room offers patients a place to rest not only their bodies but also their mind. The changes in patients' conditions can be appropriately monitored to provide treatment at early stages. The temperature of the bed and the room brightness can also be comfortably adjusted according to the patients' conditions. We aim to design such an optimal environment for each patient and realize ICUs that are friendly to patients, families, and medical workers.



Can we connect medicine and life, so that people can enjoy their time wherever they desire ?

Patients feel anxious even when they want to go home; "My condition may get worse because I won't be able to receive the same treatment as when I was in hospital." or "Emergency situations may cause a burden for my family." Providing homecare with the same quality as hospital care will enable the early prediction and prevention of deteriorative conditions such as heart failure. Since many people live with illnesses in aging population, we aim to reduce the burden on patients, their families and hospitals by reducing readmission rates.

We will continue to watch over the daily lives of people recovering from illness to help them enjoy their time wherever they desire.



How can we create a medical system with both quality and efficiency so that patients, families, and healthcare professionals all thrive?

Hospitals are working on improving their productivity and management. Medical workers want to spend as much time as possible for patients. Our goal is a "Win-Win" relationship in which everyone is happy. We collect and utilize the data from medical devices deployed in hospitals to allocate resources appropriately and optimize operation of the devices.

This will enable medical workers to concentrate on patients and improve patient outcomes. As a result, patients can smoothly return to their daily lives after a short hospital stay.

We aim to increase the "satisfaction with medical care" of all stakeholders by helping hospitals improve efficiency.

Initiatives for realizing BEACON 2030

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Three Transformations for BEACON 2030

Nihon Kohden has set three transformations to be realized as a company-wide management policy for the next 10 years

1 Transform into a global company creating high added value

- Promote overseas business strategies emphasizing high growth and improved profitability
- Develop sophisticated value propositions and cultivate new businesses areas in domestic business
- Create new business models by utilizing our global business foundation

2 Create a solution business providing superior customer value

- Create a business model that helps solve medical issues
- Realize a value creation model that creates value from data, by utilizing our core strength in Human Machine Interface technology

3 Establish a global organization founded on Operational Excellence

- Establish an organizational and governance system in line with our corporate strategy
- Establish a development, production and sales system based on Global Supply Chain Management
- Strengthen global business deployment capabilities by establishing a Center of Excellence

Three Phases of BEACON 2030

Nihon Kohden has set three phases to reach in our journey toward 2030. The Company aims to realize its long-term vision by steadily achieving the theme in each phase.



Management Index for BEACON 2030

Nihon Kohden gives priority to operating margin and overseas sales ratio with the aim of becoming a global company that creates high added value.

The target levels in the fiscal year ending March 2030

Operating Margin

15%

Overseas Sales Ratio

45%

Core Values of Nihon Kohden

We aim to realize our management philosophy by embodying the following core values.

- ***Integrity***

We work with duty and pride to save the lives of many.

- ***Humbleness***

We are humble in the face of challenges and act proactively to solve them.

- ***Diversity***

We are able to reach our potential by leveraging diversity with trust and understanding.

- ***Initiative***

We think and act autonomously with leadership.

- ***Customer Centric***

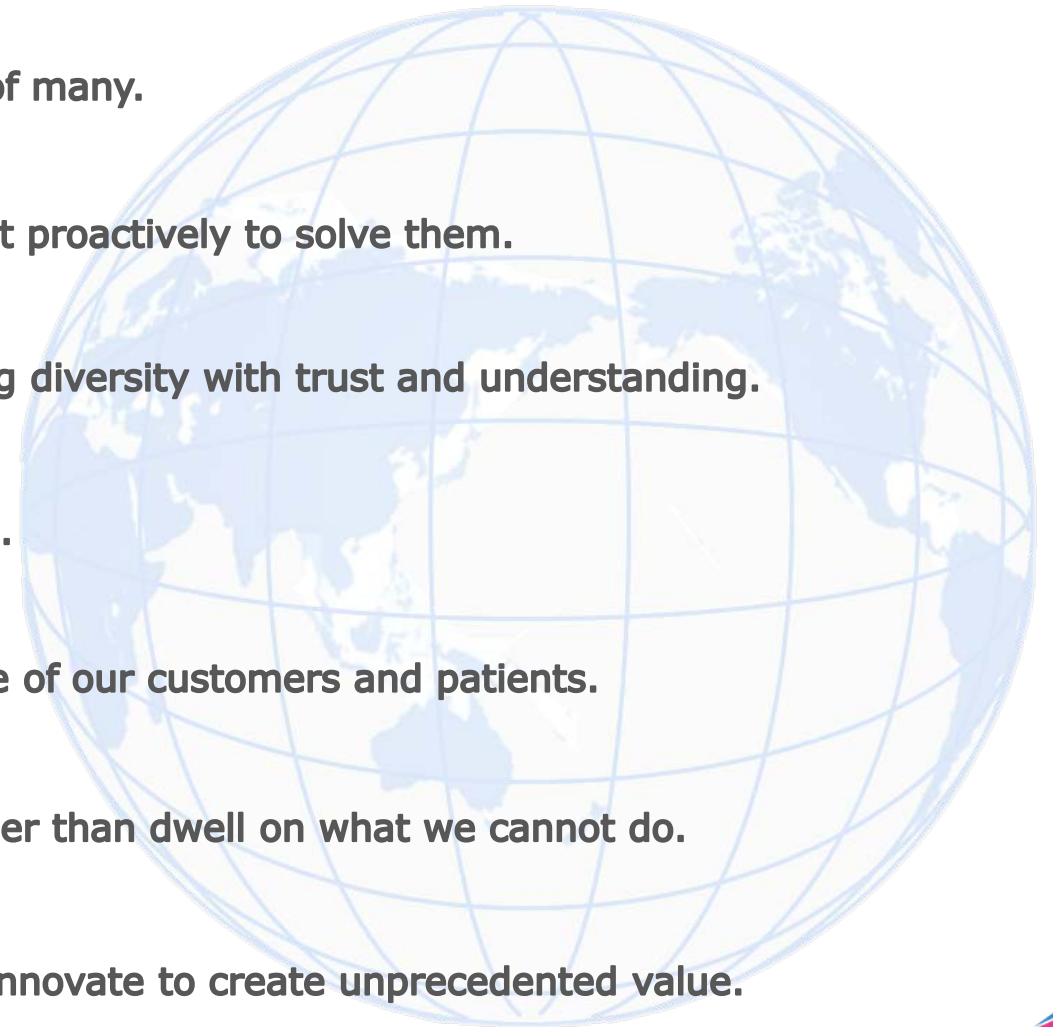
We take every action to improve the experience of our customers and patients.

- ***Goal Oriented***

We think of how we can achieve our goals, rather than dwell on what we cannot do.

- ***Creativity***

We are not bound by the past, but instead we innovate to create unprecedented value.



A better future for people and healthcare

“The number of patients one doctor can care for is limited. If we create superior medical equipment that can be used by doctors all over the world, we can serve many more people.”

“Curing disease – This transcends politics and national borders. I will never have any regrets about putting all of my passion into this goal.”

We continue to be motivated by the spirit of our foundation. In the year of its 70th anniversary, this spirit keeps resonating with people involved in healthcare around the world, and energizing them to move forward toward the future with innovations.

Create a better future for people and healthcare by solving global medical issue.

We will continue to contribute to the world by fighting disease and improving health with advanced technology.

Disclaimer:

The contents of this document are based on the Company's best judgments at the time it was prepared and do not constitute a guarantee or promise that the Company will achieve its numerical targets or implement the measures described therein.