

# Long-term Vision BEACON 2030    Illuminating Medicine for Humanity

Based on its Management Philosophy that we contribute to the world by fighting disease and improving health with advanced technology, and create a fulfilling life for our employees, in 2020, Nihon Kohden set out its Long-term Vision, BEACON 2030, for the next 10 years to 2030. The Company aims to create a better future for people and healthcare by solving global medical issues.

## Positioning of Management Philosophy, Long-term Vision, Three-year Business Plan, and Core Values



In its Long-term Vision toward 2030, Nihon Kohden has set three transformations to be realized as a company-wide management policy. We promote these transformations divided into three phases of three years.

## Three Transformations to realize its Long-term Vision

### 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

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

## Long-term Vision **Illuminating Medicine for Humanity**

### Value Creation Compass toward 2030

#### ■ Toward Better Patient Outcomes and Improving the Economy of Medical Care

The Value Creation Compass is our new value creation model that represents how Nihon Kohden will work to solve medical and social issues by 2030. 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.

#### ● 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

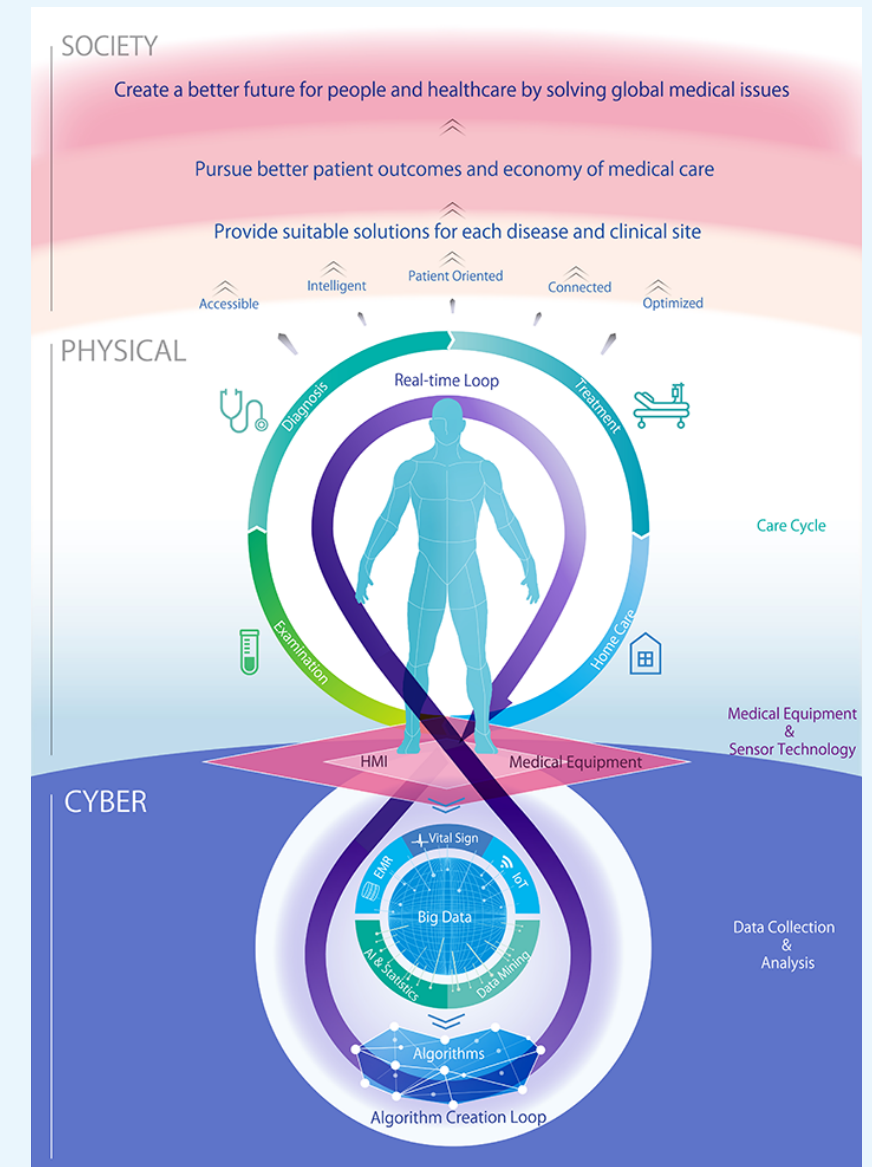
HMI technology is one of our core strengths and serves as an important touchpoint with patients throughout their clinical journey. HMI technology and medical equipment give us access to patients and clinical sites which enable us to create value.

#### ● 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.

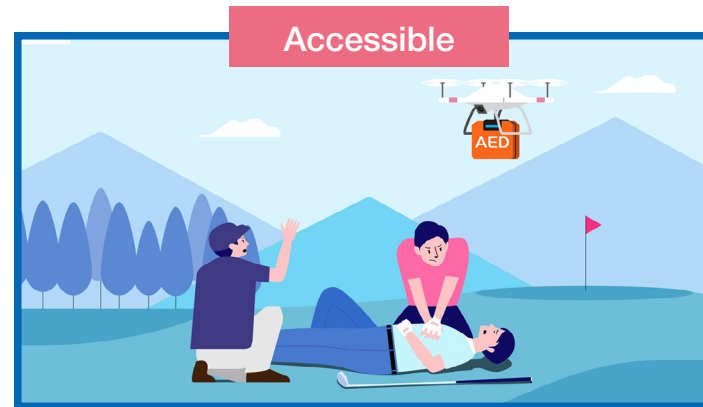


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### Vision towards 2030 for the Future

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.

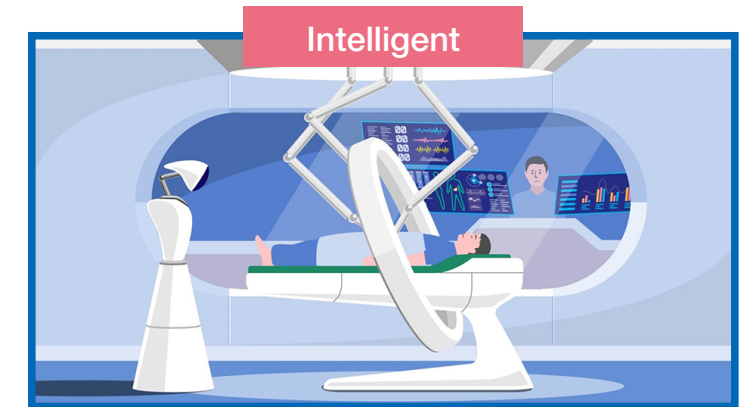


### How do we bridge the final distance between AEDs and people to save every life possible?

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.

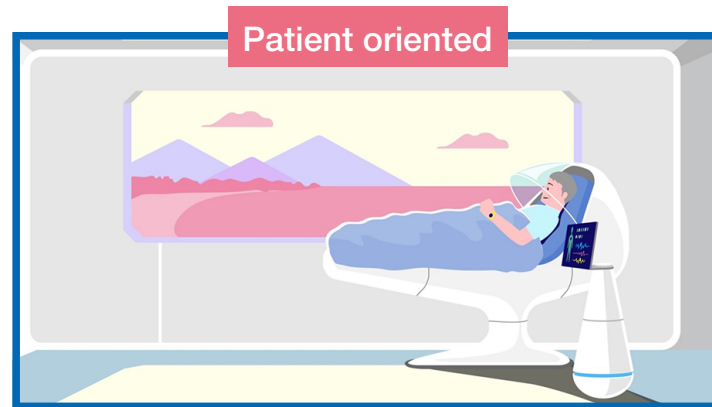
We are working hard to achieve a future where everyone can use AEDs without hesitation.



### 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.

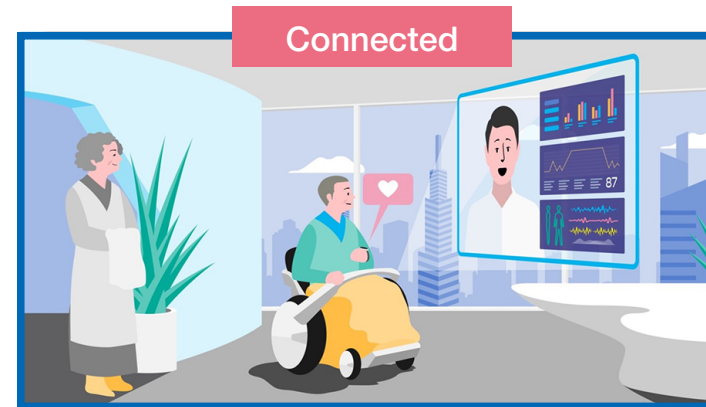
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### How do we design ICUs where patients can recover in peace and with dignity?

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.