**CORE VALUES** 

# Olympus' Value Creation Model

**OUR PURPOSE** Making people's lives healthier, safer and more fulfilling OUR

### Strength

#### Strong position built on basis of relationships of trust with care providers

- ▶ Global market share for gastrointestinal endoscopes approximately 70%
- ▶ Training support for doctors conducted around the world
- ▶ Entered emerging markets ahead of other companies and built relationships of trust with doctors
- Have built relationships of trust in Chinese market for about 50 years, since normalization of diplomatic relations between Japan and China in 1972
- Established representative office in Singapore in 1975

#### Global and robust management foundation

- ▶ Approximately 17 training centers with the aim of providing training opportunities for healthcare professionals
- ▶ Build an industry-leading service network among the world's medical device companies
- ▶ Established a global headquarters for the Therapeutic Solutions Business in the U.S.
- ► Credit ratings: A+ (R&I), BBB+ (S&P), Baa1 (Moody's)
- ▶ Approximately 1,080 dialogues with institutional investors and securities analysts\*1

#### Technological capabilities that produce high-quality and advanced products

- ▶ Selected as one of the top 100 most innovative companies in the world 11 times
- ▶ Olympus Group's approximately 15,000 patents\*2 to build a high-quality IP portfolio
- ▶ Strong know-how and optical technology built up since the Company's founding
- ▶ Manufacturing techniques that realize high-mix, low-volume production

#### **Diverse human resources that possess** high expertise

- ▶ Aiming to become a global MedTech company, hiring highly specialized and implementing global talent management based on the right people in the right positions
- To further grow mainly in three focus areas of GI, Urology, and Respiratory, set up a specialized business development team in the U.S., hired talented people, and carried out M&A

# Strategy

#### **Company Strategy**

Leading as a global MedTech company

#### Patient safety and sustainability



- Resolve pending commitments to the FDA, prove confidence with regulators
- 2 Lead in organization health and ESG

#### Innovation for growth



- Strengthen the Olympus brand, elevate the experience of our customers
- Grow our business through purposeful innovation and acquisitions

#### **Productivity**



- 5 Build a high performing organization focused on patient safety and product quality
- 6 Ensure simplicity and operational efficiency

#### Strategic value pools that drive long-term sustainable growth



Business and Global Expansion



Care Pathway Enhancement



Strategic M&A



Endoscopy Ecosystem

## **Materiality Topics at Olympus**

- Healthcare Access and Outcome
- Compliance, Product Quality and Safety
- Responsible Supply Chain
- Healthy Organization
- Carbon Neutral Society and Circular Economy
- Corporate Governance
  - Details on the materiality topics at Olympus are on page 38.

## **Social Outcome**

# Providing value to patients, countries, regions, and society through care providers



#### **Patients**

- Contributing to people's health around the world by always giving the highest priority to patient safety
- Improving patient outcomes by elevating the standard of care in target diseases based on early diagnosis and minimally invasive treatments

conditions treated\*

performed worldwide\*4

- Feedback on product improvements and requests
- Providing products and solutions that help improve patient outcomes by meeting abundant needs
- Support for procedure development

# **Care providers**

- of trust built by collaborating with care
  - providers

Relationships

- Contributing to the enhancement of the customer experience in the care pathway
- from early detection and diagnosis to staging, treatment, and post procedure
- Contributing to improvements in efficiency of medical care and its economic outcomes through early diagnosis and minimally invasive treatments
- Providing unique solutions to issues in the medical field



# Countries/Regions/Society

- Contributing to limiting medical expenses through early diagnosis and minimally invasive treatments
- · Contributing to the future of medicine

# **Financial KPIs**

### Revenue Growth\*5

Operating Margin\*6



ESD **5**%

**Endoscopic Solutions Business** 

Therapeutic Solutions Business

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CAGR from FY2023

**EPS Growth\***<sup>6</sup>

CAGR from FY2023

\*1 Fiscal year 2024

• Growth of

Solutions Business and

Solutions

**Business** 

Endoscopic

Therapeutic

- \*2 As of March 2024
- 3 Olympus has versatile medical devices with the ability to treat approximately 100 diseases or conditions as of April 2024. \*4 Numbers come from the Company's research. Numbers of the U.S., Canada, Poland, South Korea, Australia,
- India, and Russia (as of 2022); Japan, Germany, France, Italy, Spain, and the U.K. (as of 2021); China (as of 2019)
- \*5 Constant currency basis
- \*6 Adjusted for extraordinary Items
  Exclude "Other income / expenses
- No adjustment will be made for the impact of exchange rate fluctuations
- actual exchange rate will be used

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