Connected Care
Winning by connecting care

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Chief Business Leader Connected Care
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Key takeaways

• In 2020, we leveraged our leadership positions to steeply grow in monitoring, hospital ventilation & informatics to successfully convert COVID-19 demand

• While this demand will taper off in 2021, our strategy in reaffirmed by the structural trends accelerated by COVID-19

• We are ready to scale solutions for patient care management, anytime/anywhere, combining monitoring, telehealth & informatics & therapeutic devices, for hospital and home

• Targeting an average annual comparable sales growth of 5-6% and 17-19% Adjusted EBITA margin by 2025
Strong leadership positions in attractive, growing segments

Monitoring & Analytics
EUR 1.9 billion sales

- #1 in patient monitoring
  300 million patients per year
- #1 in fetal monitoring
  40 million babies birthed

Sleep & Respiratory Care
EUR 2.2 billion sales

- #1 in sleep diagnostics
- #1 in home ventilation
- Leading digital services
  >10 million patients in the cloud
- Leading service solutions
  >600,000 patients managed

Connected Care Informatics and Therapeutic Care
EUR 0.5 billion sales

- #1 in eICU
  4 million patients monitored (5 years)
- #1 in clinical workflows
  3 million patients managed per year
- #1 installed base in AEDs

Build on our strengths to further consolidate market leadership in the core whilst building on market momentum to scale informatics
Portfolio structured to serve changes in healthcare delivery

**Smart devices and systems**
- Boost ICU productivity with integrated monitor and ventilator solution
- First-time-right fit for OSA masks with facial scanning software and new masks

**Solutions**
- Reduce patient complications with real-time, continuous monitoring
- Capitalize on increase in telehealth with end-to-end informatics

**Geographic expansion**
- Increase penetration in Chinese sleep market
- Increase North American market share with solutions offering

**New business models**
- Monitoring as a Service, opex models
- Sleep services that benefit physicians and DME suppliers

**Operational excellence**
- customer experience, quality, productivity

**Platforms**
- scaling our cloud investments

**Clinical expertise**
- as strategic differentiator

Reaping returns from investments in growth areas and focus on operational excellence
In Monitoring, fueling growth by real-time clinical insights to drive better patient management and improved outcomes

<table>
<thead>
<tr>
<th>Customer needs and insights</th>
<th>Solutions</th>
<th>Benefits / Why we win</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reduce preventable complications¹</td>
<td>Best-in-class sensors and monitors</td>
<td>• Continuous monitoring reduces risk of mortality by 39% and length of stay by &gt;3 days³</td>
</tr>
<tr>
<td>Increase ICU capacity in efficient and integrated manner</td>
<td>Wearable sensors and Remote Patient Management</td>
<td>• Hospital admissions reduced by 90% during COVID-19 clinical trial of patient triage</td>
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<tr>
<td>Extend monitoring architecture into home care for post-acute-care patients due to COVID-19²</td>
<td>Care management informatics</td>
<td>• ICU admission mortality reduced 41% by real-time clinical decision support⁴</td>
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Driving growth and profit by building on our monitoring base in hospital to the home - at scale

2. 25%, Deloitte “Future of Health” report 2020  
4. Subbe, et al
In Sleep Care, building our leading position globally via innovation and services in an underdiagnosed market

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| 1 in 5 adults have obstructive sleep apnea (OSA) and 80% are undiagnosed | Dream Family portfolio | • Modular mask system accommodates >95% of patients, drives efficiency  
• Preferred choice of therapy by physicians |
| First-time-right OSA diagnosis and fit to increase adherence and efficiency | Digital diagnosis and therapy | • Only clinically validated solution, 90% of patients need only one mask at initial set-up  
• 52% reduction in refits |
| High growth opportunities in underpenetrated markets | End-to-end sleep services with Care Orchestrator | • 82% 90-day adherence rate*, ensuring reimbursement  
• 3.7 million patient contacts, 200% increase in home delivery and remote set-up |

Unique capabilities and innovation to capture growth and empower caregivers to deliver solutions in the home

* with patient engagement app
In Respiratory Care, expanding our strong positions in hospital and home to offer care management across settings

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| Avoid risks and patient complications associated with invasive ventilation | Hospital ventilation portfolio | • Non-invasive ventilation (NIV) avoids intubation in 54% of treated patients\(^3\)  
• Interoperability with monitoring device and system for seamless in hospital care |
| Demand for home treatment, 40% of physician/patient encounters conducted remotely\(^1\) | Portable ventilator with Care Orchestrator | • #1 respiratory brand of pulmonary physicians  
• Expanded patient population and seamless transitions, 68% reduction in readmissions\(^4\) |
| Growing, costly COPD population, 3\(^{rd}\) leading cause of death globally\(^2\) | Chronic care management | • 88% reduction in readmissions with COPD NIV program\(^5\)  
• Leading connected ventilation for lower cost of care in home |

Profitable growth by empowering caregivers to deliver high quality solutions at lower costs of care from hospital to home

In Informatics, leveraging our global installed customer base, our modular portfolio and market momentum to scale solutions

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| Digitalization, rapid adoption of AI and cloud to drive efficiency | **Integrated workflow with enterprise care management** | • 20% revenue increase for providers  
• 200% capacity increase in oncology workflow |
| Increasing investments in virtual care to enable care across settings | **Tele-ICU for in-hospital telehealth** | • 30% reduction of length of stay in ICU\(^1\)  
• USD $6500 saved per ICU patient\(^2\)  
• 26% reduction in mortality\(^3\) |
| Efficient transition of in-hospital and out-of-hospital patients | **Patient engagement applications** | • 15% reduction in lumpectomy\(^4\) reoperation rates  
• 30% reduction in unnecessary inpatient stays\(^4\) |

Single, modular, and scalable HealthSuite platform to unlock potential with the customer

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1. Lilly CM, et al  
2. American College of Chest Physicians study featuring UMass Memorial Medical Center, 2016  
3. Lilly CM, et al  
4. BCG, “How Dutch Hospitals Make Value”
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