

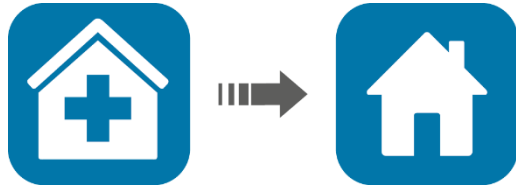
# Benchmarking and Exchange Beyond Company's Borders in MedTech

Transforming selfcare,  
Transforming Ypsomed

Lausanne, 03. September 2024

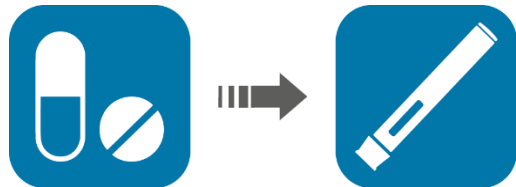


## Solutions for healthcare's biggest challenge are our growth drivers



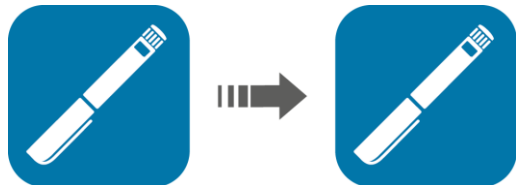
- **Selfcare**

Improving quality of life, therapy adherence and supporting affordable healthcare systems



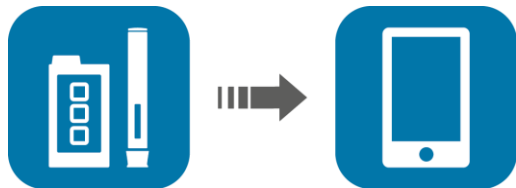
- **Biologics**

Most new-generation drugs with complex active pharmaceutical ingredients have to be injected



- **Biosimilars**

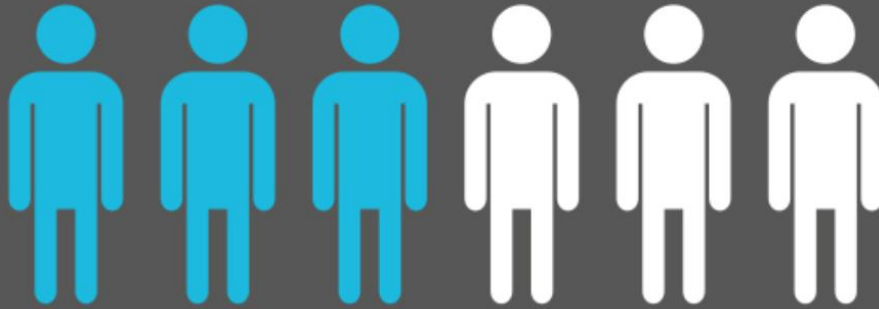
Expanding global access to affordable medical care



- **Digitization**

Enabling innovative, digital therapy management for optimal therapy outcomes and evidence-based care

## Chronic diseases - the biggest challenge for the healthcare system



Six in ten adults in the US have a chronic disease



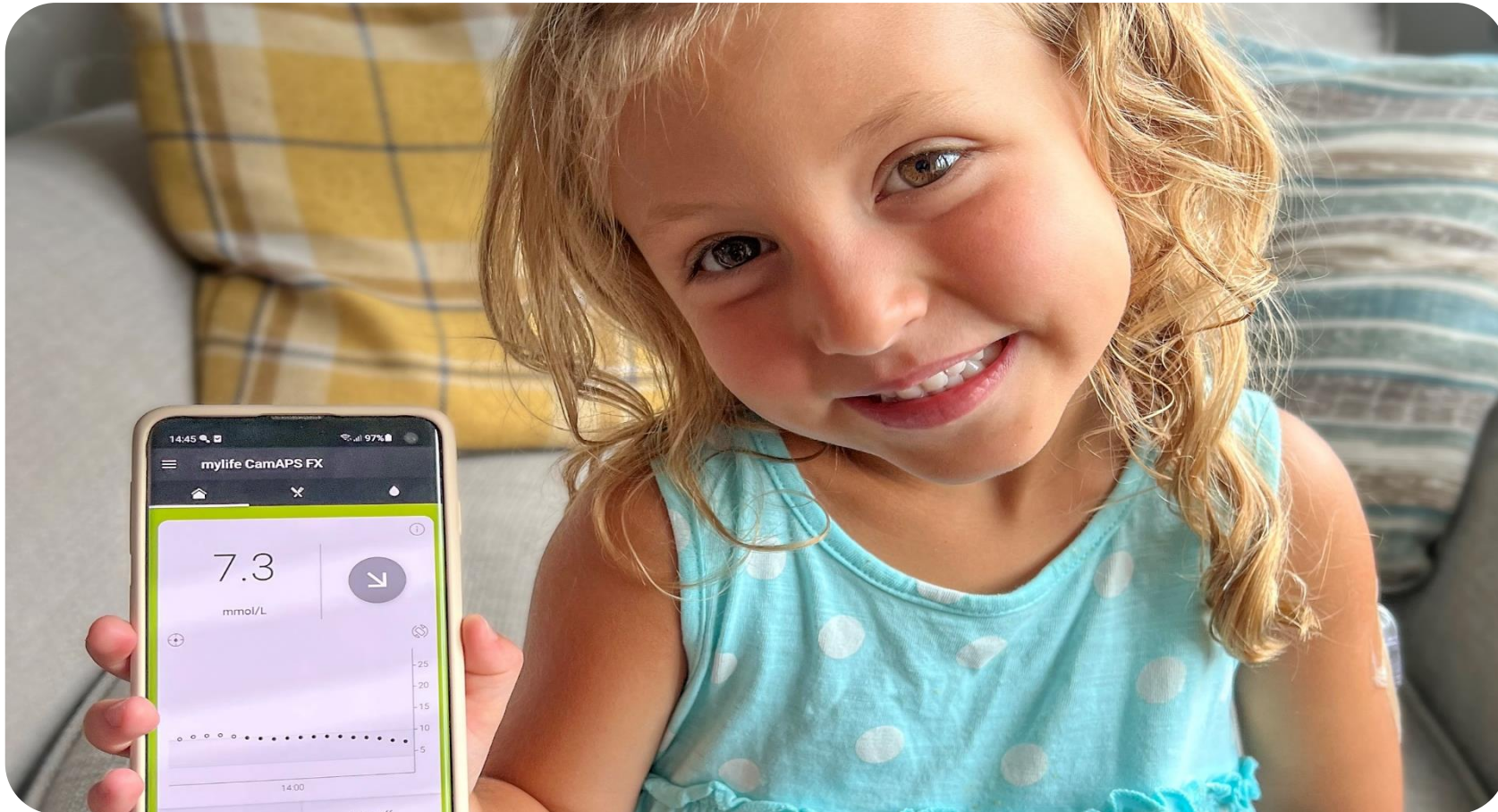
Average adherence rate of people with chronic conditions

## Ypsomed's Platform Approach – Generate standards that enable multiplication



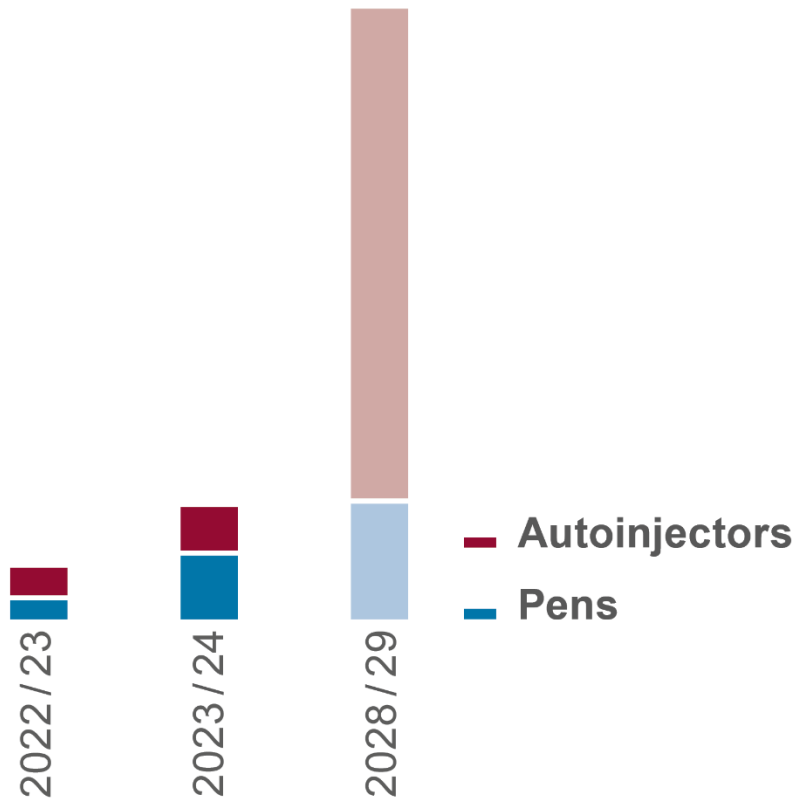
## Self-treatment becomes a matter of course

### Better therapy results for chronic diseases



## Our accelerated investment program Ypsomed 2030

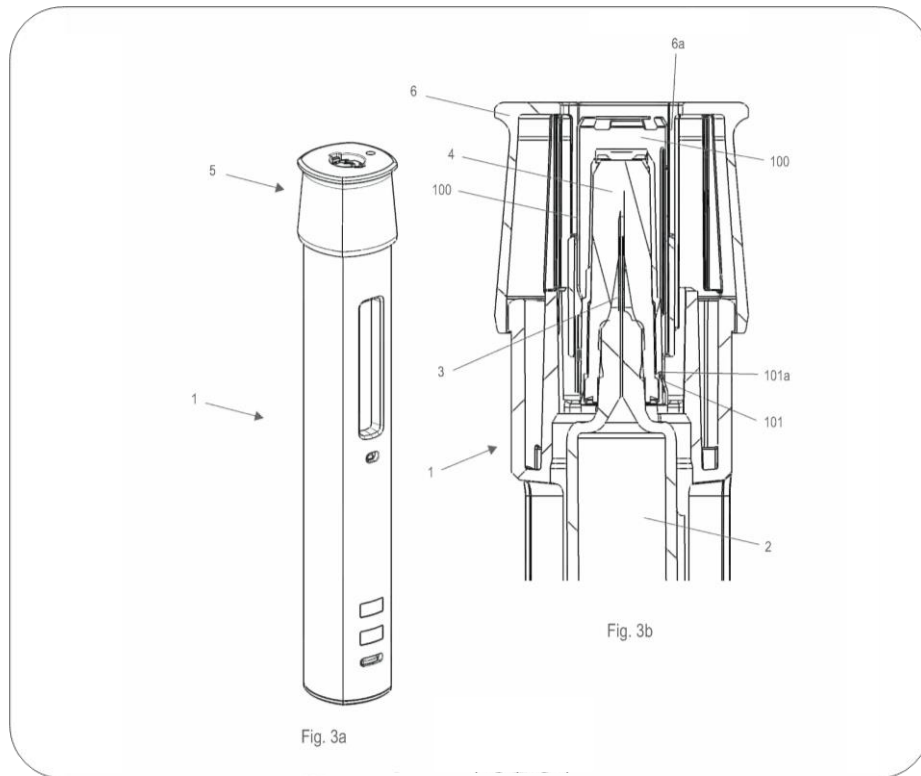
Capacity for around 1 billion devices p.a. in 2030



- Investing over CHF 1.5 billion in production infrastructure over the coming five years:
  - Expansion at the Solothurn site
  - Expansion (hall D) in Schwerin
  - Construction of new plant in China
  - Construction of new plant «Schwerin II»
  - Construction of new plant in North America
- Recruitment of >1,000 employees on the store floor by 2029

## Ypsomed is both innovation- and cost-leader

Fully automated production lines up to 220 ppm / 95% in-house production incl toolmaking, plastic and spring production



## Growth of > 25 % for continuing business per year

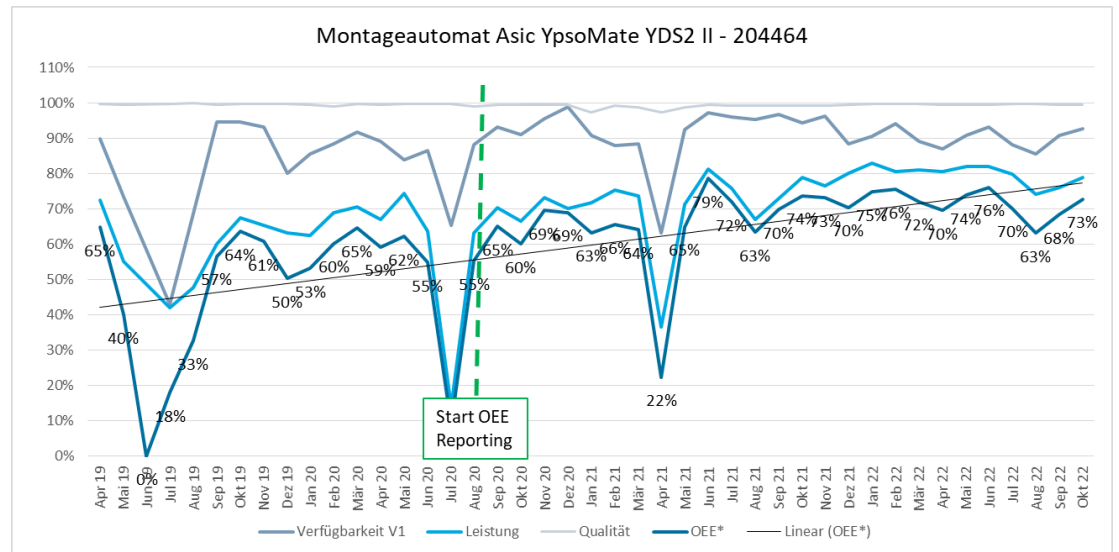


- 10 million patients worldwide with chronic diseases rely on YPSOMED products every day
- YPSOMED is the fastest growing Medtech company in Europe
- Investors expect Ypsomed to implement its growth plans without compromise

# Capacity expansion not only with new infrastructure

## Resilience and risk mitigation with efficiency improvements

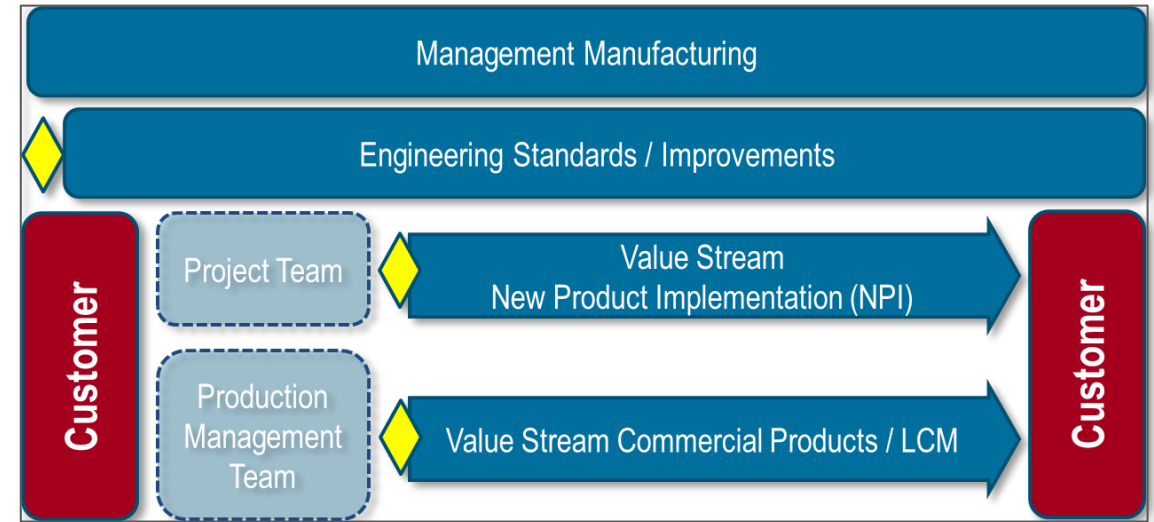
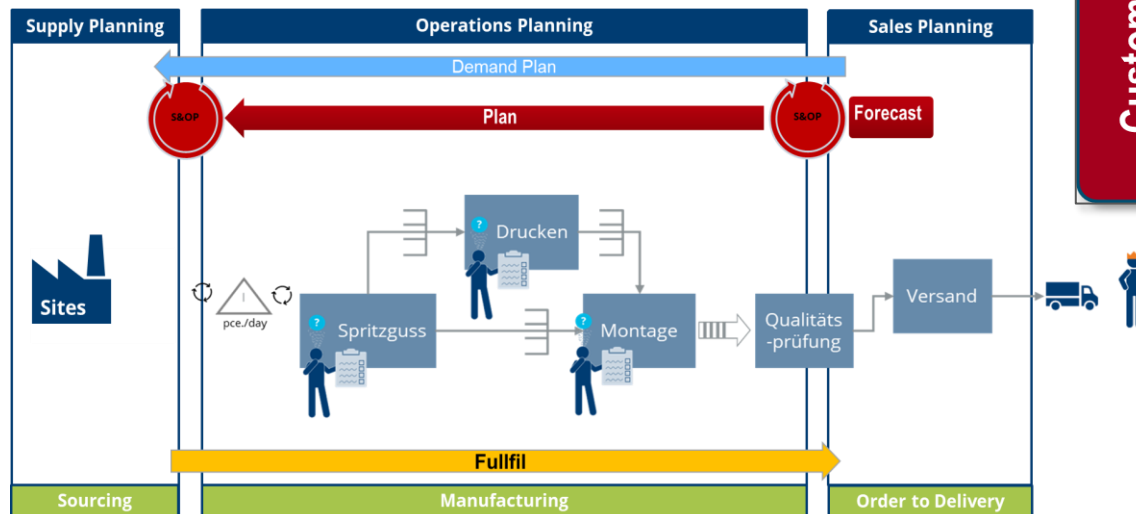
- The focus is not only on new systems, but also on increasing the efficiency of existing infrastructure
- Lean-Maintenance Program is active since 2022
- Conventional ways of improving Assembly-line stability are no longer sufficient
- **Next step – “benchmarking beyond”**



# 1. Transformation to a scalable value stream organization

Focus on ValueStreams - moving away from the functional organization

- ValueStream organization is key for benchmarking activities

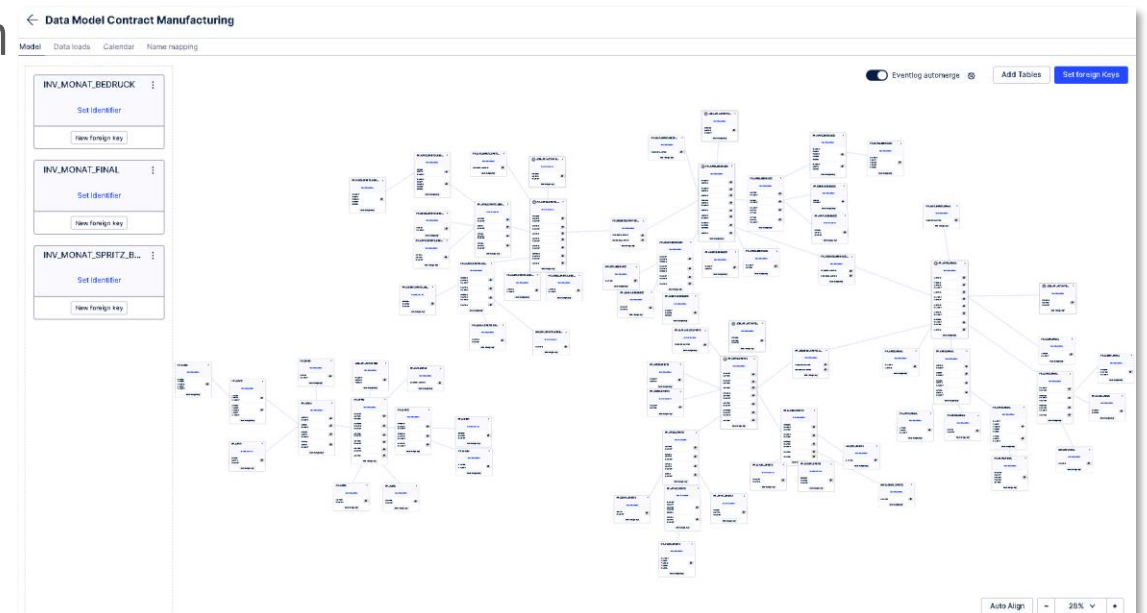


- ValueStream has all production equipment and personnel to produce from raw-material a Medical-Device on 40x50m (2'000m<sup>2</sup>)

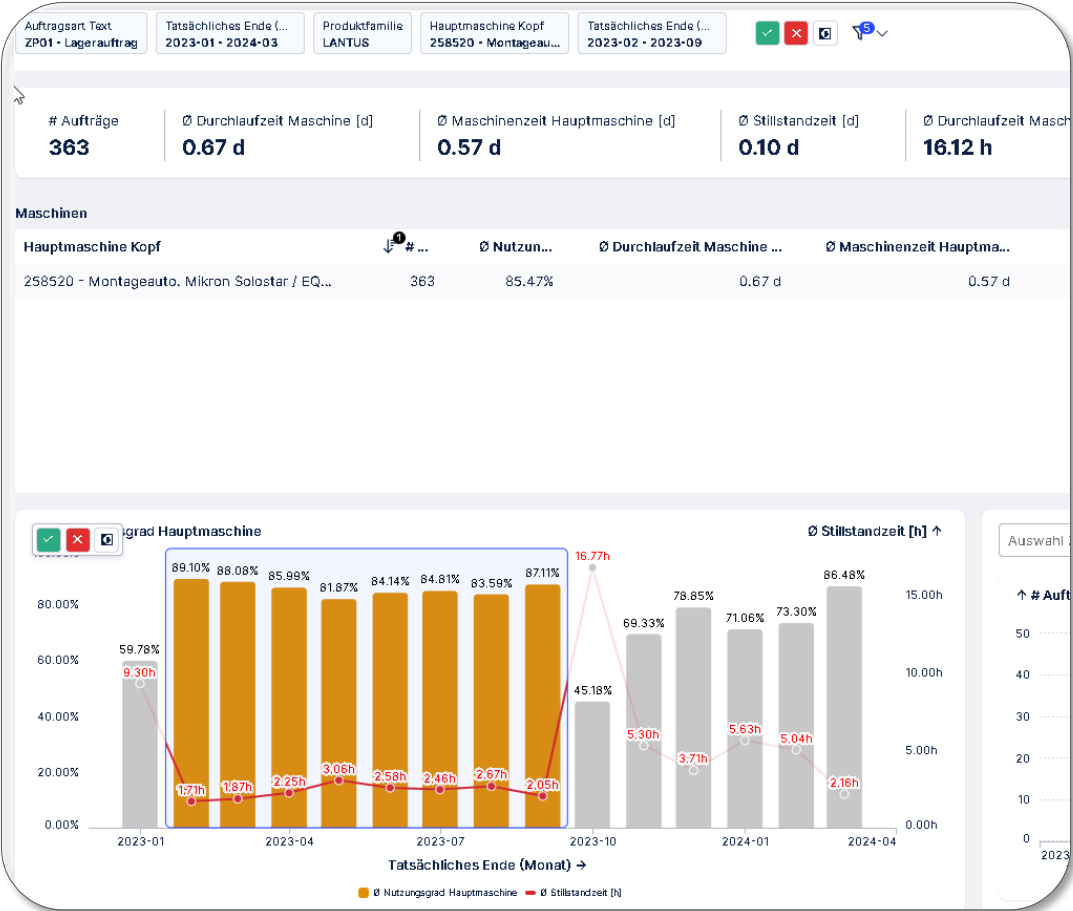
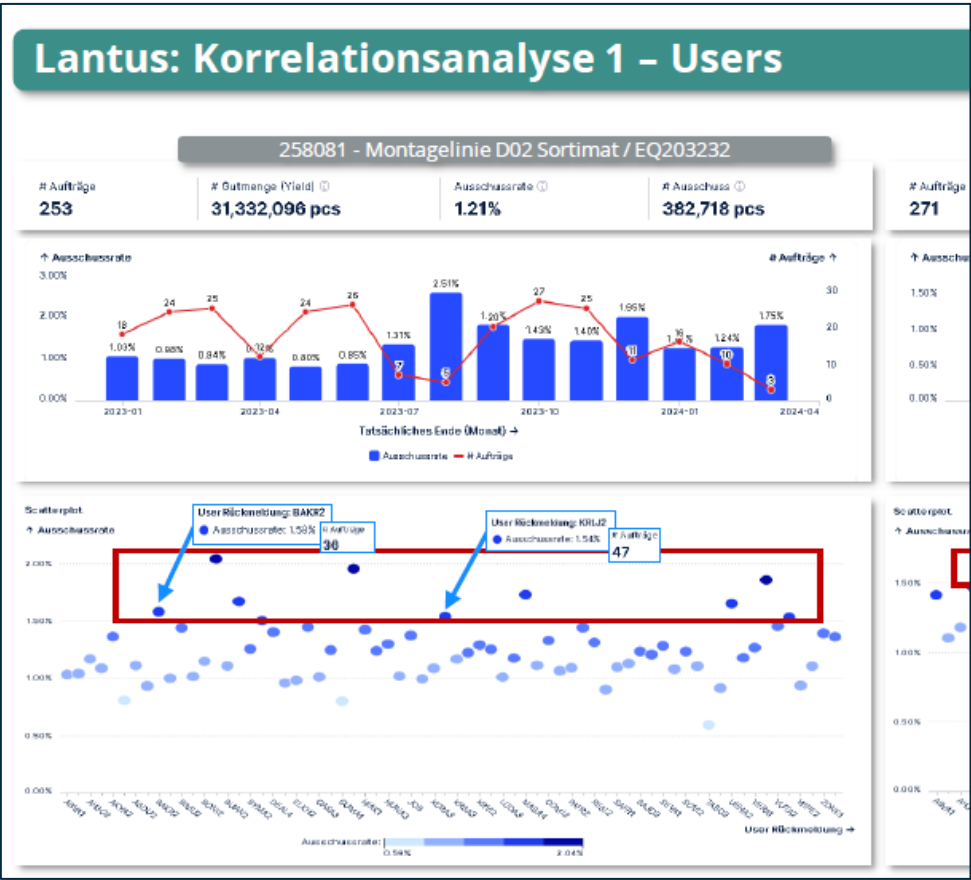
## 2. Process mapping -> complete transparency across the value chain

Process-Mining ensures that we do not scale inadequate processes, knowledge and procedures

- Process model maps the production value stream
- Production orders for 400 million pens and 8.5 bn IM-parts are analyzed
- Each process step can be used as a benchmark comparison within the process industry



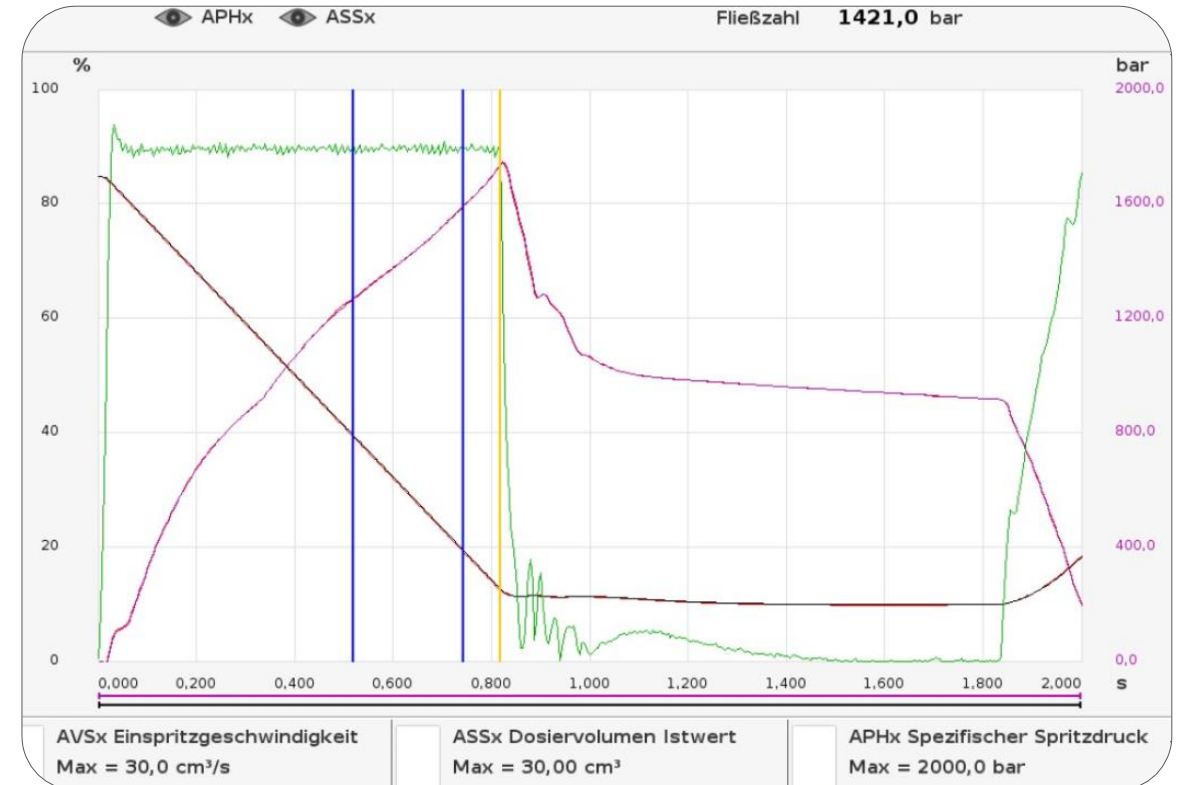
# Interesting observations made with process mining



# Data-Mining for highly dynamic thermal production processes

## 500 relevant data points per second / parallel on 400 production lines

- Experience can also blind the experts
- Optical in-process quality control also relevant for food producers in bottling plants
- Other process industries also have thermal problems with a wide variety of plastics



### 3. Process model and data mining enables benchmarking with process industry companies

- No competitive risks when comparing process data
- Different views and new opinions on old internal process problems
- Ypsomed regularly compares itself with production teams from 5 well-known companies in the process industry
  - Packaging industry
  - Food industry
  - Plumbing equipment
  - Diagnostics

## 5. Implementation: growth using the example of the Schwerin plant

New site Schwerin II – Project start in January 2024 – 55'000m<sup>2</sup>

