Who we are

CEO Message

The Future We Want to Create

Shoring up the Sustainable Management Foundation

Business Strategy

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The Future We Want to Create

The Nihon Chouzai Group will continue to evolve its management to realize our vision for the kind of Group we want to become.

Viewing the constantly changing operating environment as an opportunity, we are putting in place a roadmap we formulated by means of backcasting.

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The Future We Want to Create

Long-Term Vision 2035

Three Pillars

Operating Environment, Risks and Opportunities

Roadmap

The Kind of Group We Want to Become
To be the most trusted partner in healthcare

United in its unchanging mission of giving people the closest possible support, the Nihon Chouzai Group has set out a vision of becoming the most trusted partner in healthcare.

　We also formulated three pillars that embody the kind of Group we want to become to achieve our long-term vision.

Becoming a Group that continues to innovate

By taking on the challenge of pursuing innovation, we aim to enhance customer experiences and reform operations in our existing businesses while delivering new value to customers through the creation of new businesses. We will target further growth by pursuing collaboration and co-creation with other companies, fostering a corporate culture that encourages innovation, and creating an environment in which all employees can take initiative in embracing challenges.

P.27　Digital Transformation Strategy

A corporate culture of generating ideas

Greater efficiency, improved customer experience through digital transformation

P.34　Dispensing Pharmacy Business: Capitalizing on online platforms to improve access to healthcare

Leveraging a platform that can address all kinds of needs

Continuing to explore needs with an eye to the future

Joining forces with other companies to create new value

Being closely involved in the needs of the customer at hand

Being capable of meeting an array of needs

P.26　Addressing All Kinds of Needs

P.19　Reinforcing Human Capital

Being a pharmacy customers would recommend and want to visit again

Employees who work energetically

Becoming a Group that can address all kinds of needs

As times change, healthcare needs are becoming increasingly diverse. We aim to realize our vision of giving even more people the closest possible support in even more areas by being closely involved in the needs of customers. We will provide value that exceeds expectations by building the framework, facilities, and systems needed to meet an array of needs, drawing on customer feedback and revising our services from a customer-centered perspective.

Hospitality that brings smiles to customers' faces

Fostering a vibrant corporate culture

Becoming the most vibrant and energetic Group in Japan

We aim to be a healthcare group that gains the trust of all people by closely engaging with our patients and customers and offering services that are marked by warm hospitality. To this end, we will build an organization capable of coming even more closely alongside customers, significantly expanding our non-financial human assets by offering training and education, reforming our systems, and ensuring diversity.

P.36　Dispensing Pharmacy Business: Improving the quality of pharmacy services chosen by patients

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Anticipated Operating Environment, Risks and Opportunities in Achieving the Long-Term Vision

While recognizing and responding to risks involved in achieving the long-term vision, we will also welcome opportunities as forces that can drive growth, realizing dramatic growth gains by harnessing powerful synergies between our various businesses.

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The Future
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Long-Term Vision 2035

Three Pillars

● Operating Environment, Risks and Opportunities

Roadmap

Anticipated operating environment in 2035

Political
- Balancing innovation with sustainable healthcare for everyone in Japan
- Offering incentives for providing high-quality healthcare services
- Interventions to prevent disease and treat pre-symptomatic illness

Economical
- Expansion of healthcare market due to growing health consciousness
- Rising wages due to higher value of human capital and a shrinking working-age population
- Inflation

Social
- Slowdown in spread of the separation of drug prescribing and dispensing services and the rate of generic drug use
- Diversifying customer needs and consumer behavior
- Mounting medical needs due to growth in the elderly population
- Growing need to address employee engagement, DE&I, and a shrinking workforce

Technological
- Rapid advances in AI and digital technologies
- The spread of electronic prescriptions
- Expansion of online services
- Heightened security risks

Issues

| Changes to the Healthcare System | Safety and Quality of Medical and Pharmaceutical Products | Stable Supply of Pharmaceuticals | Securing Human Capital Needed to Operate, Grow Businesses | Increasingly Sophisticated Digital Technology and Security Threats | Climate Change and Pandemics |

Risks

Changes to the Healthcare System	Safety and Quality of Medical and Pharmaceutical Products	Stable Supply of Pharmaceuticals	Securing Human Capital Needed to Operate, Grow Businesses	Increasingly Sophisticated Digital Technology and Security Threats	Climate Change and Pandemics
• Decrease in dispensing fees due to revision of medical fees and reduction of drug prices due to revision of drug prices • Entry of outside players into the pharmacy industry due to deregulation • Waning competitiveness of existing business models	• Unexpected serious drug side effects or harmful drug interactions • Greater time and effort required to meet stricter regulations on drug manufacturing and quality	• Disruptions in the supply chain and increased procurement costs due to global conditions and accelerating inflation, etc. • Increasingly acute drug shortages due to supply and demand disruptions	• Shortage, poor fits of personnel to support business strategies, declining labor productivity	• Interruption of services and business due to cybercrime, personal information leaks • Waning competitiveness of current business models	• Higher costs due to stricter environmental regulations • Expanding impact on business due to large-scale natural disasters and global pandemics

Opportunities

Changes to the Healthcare System	Safety and Quality of Medical and Pharmaceutical Products	Stable Supply of Pharmaceuticals	Securing Human Capital Needed to Operate, Grow Businesses	Increasingly Sophisticated Digital Technology and Security Threats	Climate Change and Pandemics
• Accelerating restructuring in the pharmacy industry due to revisions of dispensing fees and drug prices, deregulation, and other factors • Expansion of online medical care and digital transformation of healthcare due to healthcare system reforms • Accelerating restructuring in the generic drug industry due to the impact of drug price reductions	• Ensuring safety and enhancing reliability by promoting proper drug use • Enhancing reliability through proper manufacturing and quality control of drugs	• Expanding responsible sales and provision of drugs based on a stable, efficient supply chain • Construct a production framework to achieve both stable supply and profitability	• Business expansion drawing on strengths in human capital development and recruitment, provision of competitive services	• Stable operation and expansion of businesses and services grounded in an information security infrastructure • Leveraging digital transformation of healthcare to offer new services that address the changing needs of the times	• Expanding needs and services to address changes in consumer behavior and lifestyles • Growing demand for online medical care

Response measures

Changes to the Healthcare System	Safety and Quality of Medical and Pharmaceutical Products	Stable Supply of Pharmaceuticals	Securing Human Capital Needed to Operate, Grow Businesses	Increasingly Sophisticated Digital Technology and Security Threats	Climate Change and Pandemics
Dispensing Pharmacy Business • Develop pharmacies with a wide range of functions, collaborate with other companies, innovate **Pharmaceutical Manufacturing and Sales Business** • Continue to develop newly NHI listed drugs • Review the product lineup and expanding the weight of in-house manufactured drugs	**Dispensing Pharmacy Business** • Enhance educational programs and facilities to ensure the proper use of drugs • Introduce, expand, and ingrain quality management **Pharmaceutical Manufacturing and Sales Business** • Provide employees with rigorous quality control and manufacturing control education • Reinforce and continually monitor manufacturing and quality control framework	**Dispensing Pharmacy Business** • Achieve stable generic drug supply through tie-ups with pharmaceutical wholesalers nationwide and synergies with the Pharmaceutical Manufacturing and Sales Business **Pharmaceutical Manufacturing and Sales Business** • Secure multiple sources of drug substances and coordinate with commissioned manufacturers to ensure a stable procurement framework • Ensure a stable manufacturing framework by upgrading facilities and reviewing the product lineup	**Group** • Secure highly skilled professionals and carry out employee training programs **Dispensing Pharmacy Business** • Recruit and train high-caliber new pharmacist graduates	**Group** • Transform core businesses through digital transformation of healthcare • Develop a more robust information security framework and thoroughly train employees • Reinforce measures to prevent incidents and strengthen response capabilities	**Group** • Conduct and review of business continuity planning and augment resilience to prepare for natural disasters and other large-scale disasters **Dispensing Pharmacy Business** • Provide smart healthcare that enables medical consultation, medication guidance, and drug receipt to be carried out entirely online **Medical Professional Staffing and Placement Business** • Address medical personnel shortages in regions with insufficient medical resources

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Roadmap to Achieving the Long-Term Vision

Long-Term Vision 2035 aims to enhance capital efficiency and secure growth potential. Furthermore, we will strive to enhance corporate value by utilizing non-financial metrics such as NPS and engagement scores to realize the vision we want to become.

In achieving the long-term vision, we will continue to reinforce non-financial assets while steadily implementing initiatives throughout the first three-year phase leading up to March 2027.

Phase 1
Initiatives

Evolving management

Our first step toward achieving our lofty vision for 2035 will be for management to evolve from a focus on business growth to a focus on enhancing corporate value. Through aggressive investment and measures to reinforce our human capital and further hone our organizational strengths, we will foster greater business growth and innovation. Also, to create new value in a wider range of areas, we will move away from our former approach of self-reliance towards greater co-creation with other companies.

Shoring up existing businesses

To improve capital efficiency, we will enhance our business portfolio management and investment management. By focusing more intently on the use of AI and IT and pursuing customer-centered innovation, we will seek to expand the value we provide through existing businesses and become a healthcare Group that can address all kinds of needs.

Establishing a foundation for exploring new areas

We will adapt an approach of creating new businesses centered on healthcare and peripheral areas, considering establishing a foundation for exploring new areas to be a high priority. Phase 1 will involve establishing the organizational framework needed for business creation, exploring co-creation with companies engaged in various healthcare areas, and moving forward with our transformation into a culture that encourages taking on challenges.

Phase 2

Phase 3

Phase 4

Shoring up the sustainable management foundation

Human capital
Human capital management

Customer assets
Digital transformation of services

Organizational assets
Pursuing productivity through the use of AI and ITs

Vision for 2035
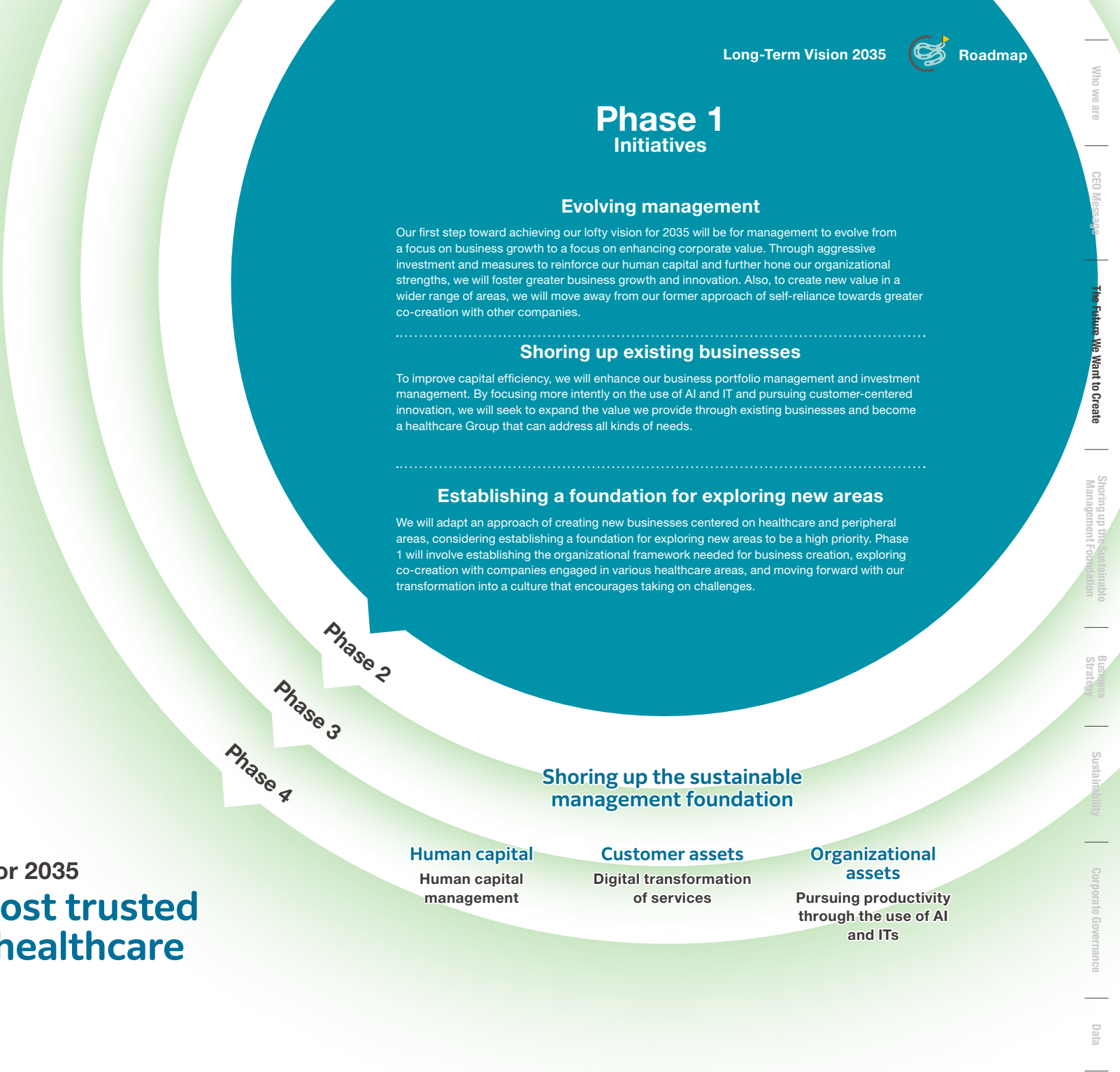## To be the most trusted partner in healthcare

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● Roadmap