



Teva Pharmaceuticals

Integrated Business Planning



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VP Supply Chain, International Markets



Teva's 120-year history

1901-1940

A new pharmaceutical industry is founded

1901

Established in Jerusalem by Chaim Salomon, Moshe Levin and Yitschak Elstein



1960-1980

Consolidation of the local pharmaceutical industry

1976

Eli Hurvitz forms Teva Pharmaceutical Industries Ltd.



1980-1990

Global expansion

1984

Hatch-Waxman Act paves way for U.S. generic entry



1990-2000

A global leader in generics/establishes specialty

1996

Teva launches COPAXONE® in the US



2000-present

Pivoting to a new era of innovative medicines, generics, and biosimilars

2017-2018

Teva launches AJOVY® and AUSTEDO® in the U.S.



2021

Teva celebrates 120 years of unwavering commitment to better health.



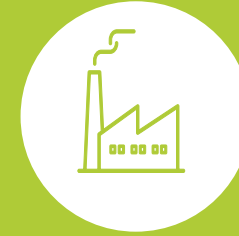
Today, Teva is a top 20 pharmaceutical company



A strong, category-defying portfolio of innovative, generic, biosimilar and OTC medicines

\$15.8

Billion in Revenues in 2023



49 Manufacturing sites



22 R&D sites

across 26 countries

58

Direct business presence in markets



Pivot to Growth Strategy
announced in May 2023

~37,000

employees

Teva Global Operations at a Glance



 **25**
Countries

 **~75**
Markets

 **~20,300**
Employees



~\$6.5B
Total Annual
Procurement Spend



~35,000
Stock Keeping
Units (SKUs)

46*
Sites

33 Pharma
13 TAPI



~500
External
Partners



~3,500
Products

~80 Bn
Tabs/Caps

Unlocking Business Value through IBP

Increased Visibility

Proactive decisions via improved data insights.

Optimized Inventory

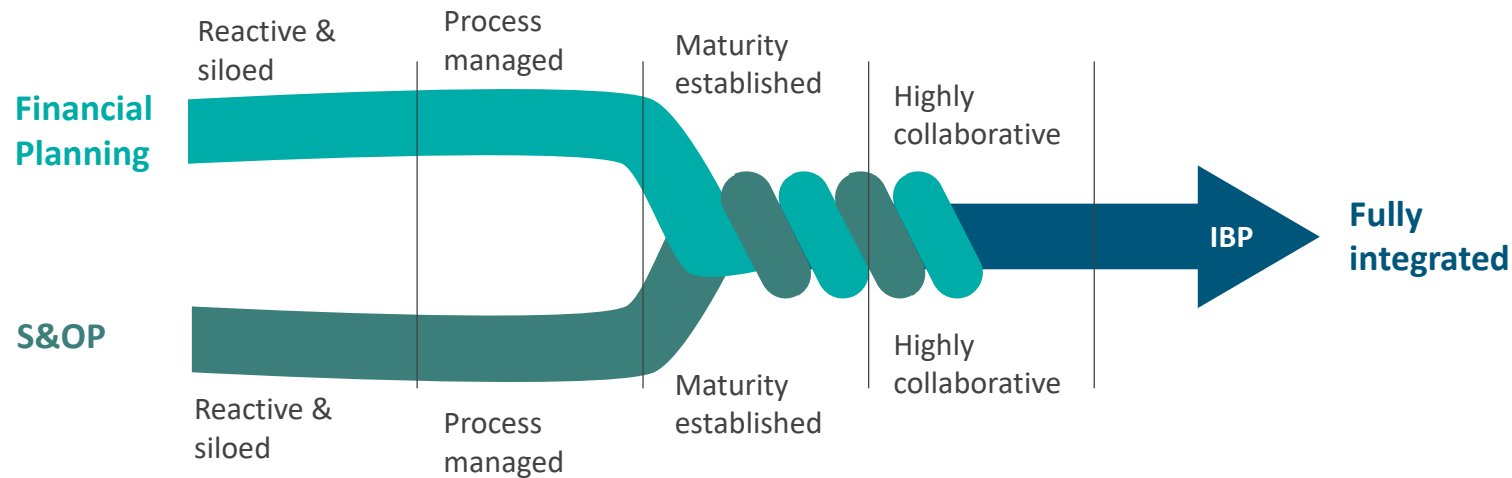
Balanced supply & demand reduces excess.

Enhanced Customer Satisfaction

Better responsiveness improves service and product availability

Greater Profitability

Optimal planning boosts efficiency & revenue.





Challenges and Roadblocks in IBP Implementation

Data Silos

Lack of consistent and reliable data across various departments, leading to inaccurate forecasting and misaligned planning.

Resistance to Change

Resistance from employees accustomed to traditional planning methods, hindering adoption and implementation.

Process Complexity

Complexity in coordinating and integrating different planning processes across multiple departments and functions.

Lack of common language

Different processes and practices across BUs and functions

Managing Change for Successful IBP Adoption

1

Communication & and roll out plan

Clear communication of IBP goals, implementation steps to address concerns and foster buy-in.

2

Change agents and early adapters

Phased implementation with pilot programs to test and refine IBP processes before full-scale deployment. Comprehensive but practical blueprint design

3

Business process training

Comprehensive training programs to equip employees with the necessary skills and knowledge to navigate IBP processes. Cross functional and business-oriented training

4

Business and technical global governance

Building global best practices with agility to make changes based on developing business needs

Leveraging Data and Analytics for Effective IBP



Sales Data

Historical sales data, market trends, and customer segmentation for accurate demand forecasting.



Inventory Data

Real-time inventory levels, stock turnover rates, and supplier lead times for optimizing inventory management.



Production Data

Production capacity, lead times, and manufacturing costs for optimizing production planning and scheduling.



Financial Data

Financial performance metrics, budgeting information, and profitability analysis for aligning planning with business goals.



Mitigating Data-related Risks in IBP at Teva

1

Data Integrity & Cleansing

Establishing clear data governance policies
Defining data ownership & validation rules to ensure data accuracy throughout its
Continuous effort to identify discrepancies and resolution

2

Data Completeness

Complete data is essential for accurate forecasting and informed decision-making.
Identifying and addressing missing data points is critical.
Procedures should be in place to ensure all relevant data is captured outcomes.

3

Enrichment of Internal Data with insights

Identify external data to improve demand latency and connect it to IBP process

4

Fact Based Decision Making

Manage risks, Opportunities, scenarios, and uncertainty in the system
Translate volume uncertainty into financial impact both in demand and supply dimension



The Crucial Role of Supply Chain in Integrated Business Planning



Accurate Data

Provides reliable information for forecasting.



Proactive Mitigation

Anticipates and reduces potential disruptions.



Agile Response

Enables quick reactions to market fluctuations.



Maximized Efficiency

Improves overall supply chain performance.

Redesigning Processes for Seamless IBP Integration

Demand Planning

Integrating sales, marketing, and customer data to create accurate demand forecasts.

1

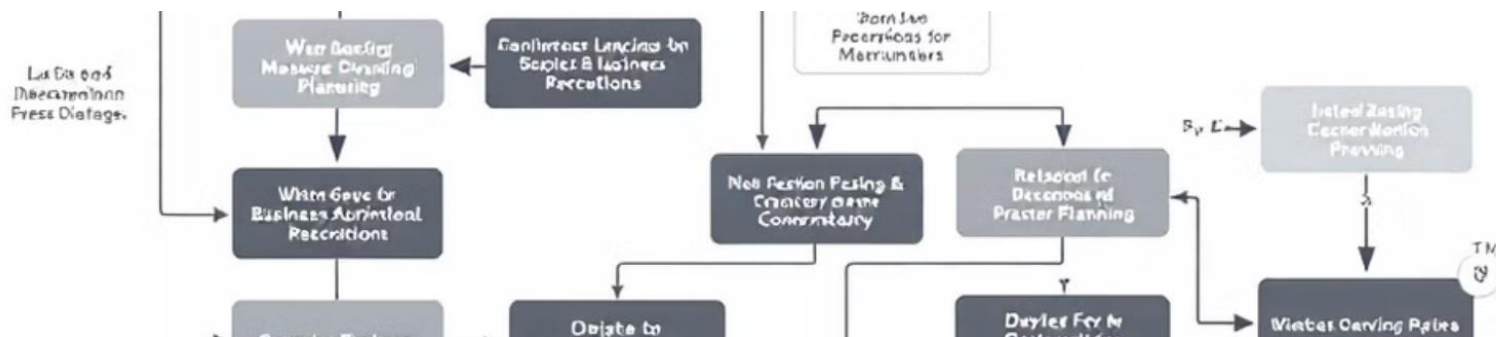
Financial Planning

Aligning financial goals with operational plans to ensure profitability and resource allocation.

3

Supply Planning

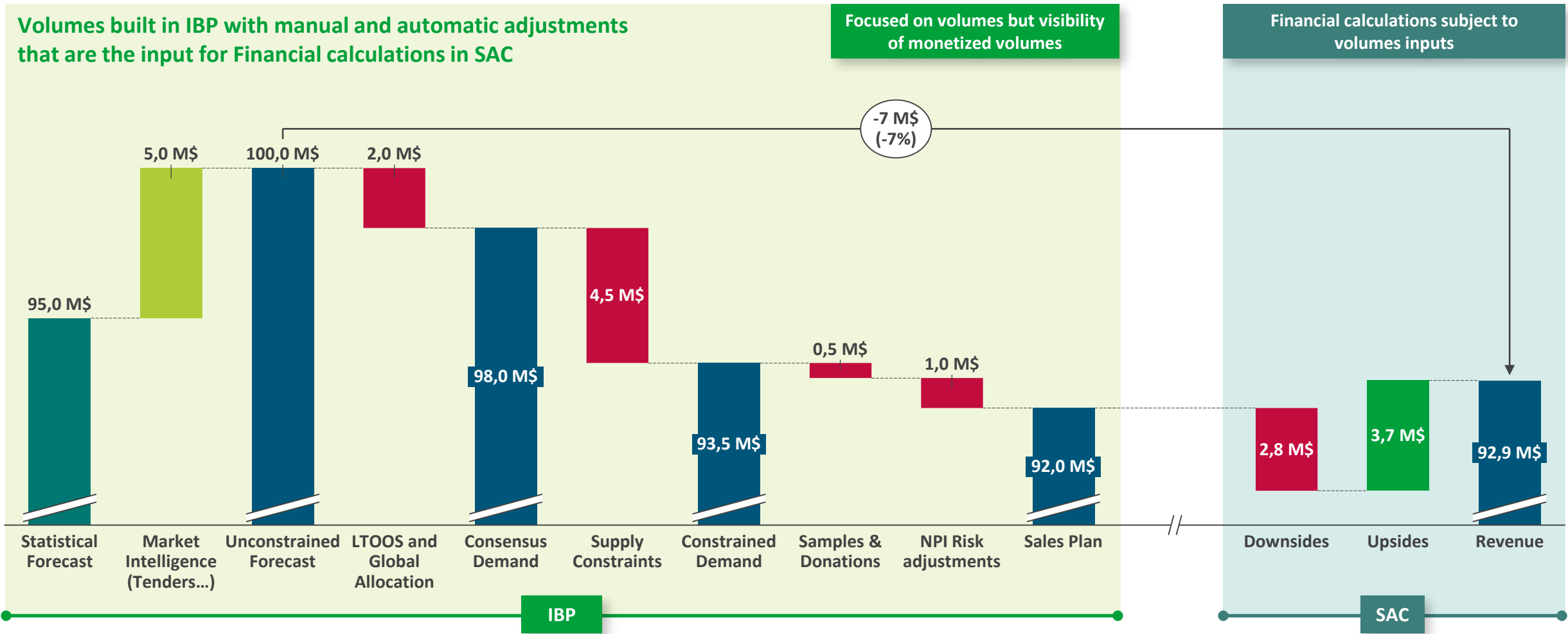
Optimizing production capacity, inventory levels, and supplier relationships to meet forecasted demand.



How is the Forecast built in IBP?

Illustrative
(Dummy numbers)

The starting point is the Unconstrained Forecast: volumes the markets are willing to sell and commit—



Rolling Forecast – IT architecture

Planning, Control & Execution

AI/ML, Analytics, Predictive, Drill Reports

Sales & Operational Planning
Demand Planning
Pricing*
Control Tower
Inventory Optimization
Risks & Opportunities
Management

SAP Integrated
Business
Planning
(IBP)

SAP Analytics
Cloud (SAC)

Profit & Loss
Balance Sheet
Pricing*
Deductions
Costing (CPU)
Cash Statement (Indirect)
COL

Operational & Source Systems

SAP APO

cFin & GR

SAP
Projects
Module (PS)

Gross to
Net

Planisware

SAP BW

SAP ECC

Key Takeaways and Next Steps

IBP provides a **strategic framework** to optimize value, improve customer service, and enhance profitability for Teva Pharmaceuticals.

