CENTER OF OPERATIONAL EXCELLENCE FOR OCEAN AND AIR FREIGHT

A TAILORED SOLUTION TO GLOBALLY MANAGE PHARMA OCEAN AND AIR FREIGHT SHIPMENTS

Pharma companies that produce life-saving medicines need to coordinate the flow of materials to production and the seamless delivery of finished goods to customers. The complexities of transportation management and regulatory and quality compliance are compounded by global supply chains that involve multiple suppliers, production sites, and channels along with distribution to many markets.

TYPICAL BUSINESS CHALLENGES

• Minimizing points of contact
• Planning transportation
• Mitigating risk
• Enabling visibility
• Achieving continuous improvement
DHL SOLUTION

The DHL Center of Operational Excellence solution is jointly developed with each customer and customized to specific needs. It enables coordination and control of the inbound-to-manufacturing flows as well as the outbound-to-market flows to distribution centers and affiliate air and ocean freight shipments.

SOLVING YOUR BUSINESS CHALLENGES

✓ Minimizing points of contact – Provides a centralized team of experts as the single point of contact for the customer’s global transport management team; claim and escalation management; acts as the customer’s global ambassador

✓ Planning transportation – Improved centralized and standardized planning and quoting on ad-hoc requests; weekly capacity reviews for regular lanes

✓ Mitigating risk – For order execution excellence, quality, and on-time delivery adherence, centralized coordinated customer-specific trainings and audits

STANDARDIZING TRANSPORTATION PLANNING, VISIBILITY, RISK AND EXCEPTION MANAGEMENT

✓ Enabling visibility – Actively monitoring all shipments globally; close communication with the customer’s transport management team

✓ Achieving continuous improvement – Near-real-time data reporting and analytics to measure key performance indicators and continuously improve operations

KEY BENEFITS FOR YOUR BUSINESS

CENTRALIZED & STANDARDIZED

Processes are globally standardized and centrally managed for change and improvements

EXPERTISE FOR PEACE OF MIND

Life science-certified professionals to manage and execute your business

TRACKING & TRACEABILITY

Secure processes with full tracking visibility and traceability

COMPLIANCE & CONTROL

Compliance with regulations and industry standards; standard processes and exception handling
## Pharma Subsector:
Center of Operational Excellence for Air and Ocean Freight

<table>
<thead>
<tr>
<th>Business Scenario &amp; Key Customer Challenges / Requirement</th>
<th>DHL Solution Value Proposition</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Business Scenario:</strong> It is challenging to manage a complex global air and ocean freight transportation network for temperature-controlled and non-temperature-controlled shipments, covering critical raw materials like APIs from various suppliers to a few manufacturing sites and finished life-saving medicines from manufacturing sites to multiple distribution centers and affiliates globally. This requires accurate planning, shipment visibility, seamless communication with all stakeholders, a standardized accounts payable process, and a structured business review approach to mitigate risk and identify areas for improvement and innovation.</td>
<td>DHL provides a tailored centralized solution to address the complexity of managing pharma shipments. This fosters communication efficiency and drives continuous improvement and innovation.</td>
</tr>
<tr>
<td>1. <strong>Transport capacity:</strong> Ensuring transport capacity at needed points of time is crucial for seamless production and to avoid short-stock / out-of-stock situations for finished goods</td>
<td><strong>Our solutions provide:</strong></td>
</tr>
<tr>
<td>2. <strong>Shipment visibility:</strong> Near-real-time visibility allows manufactures to predict potential delays and adjust production planning accordingly</td>
<td>• <strong>Improving transportation planning</strong> – Centralized and standardized planning and quoting on ad-hoc requests; weekly capacity reviews for regular lanes</td>
</tr>
<tr>
<td>3. <strong>Communication</strong> across different time zones and with various stakeholders is key to ensuring the correct execution of all transport-related processes</td>
<td>• <strong>Increasing visibility</strong> – Actively monitoring all shipments globally; close communication with the customer’s in-house transport management team</td>
</tr>
<tr>
<td>4. <strong>Flexibility</strong> to cater to seasonal / regional peaks and the availability of raw materials</td>
<td>• <strong>Single point of contact</strong> – Centralized team of experts as the contact point for the customer’s global transport management team; claim and escalation management</td>
</tr>
<tr>
<td>5. <strong>Continuous improvement</strong> is key to increasing quality, reducing costs, and achieving higher customer satisfaction</td>
<td>• <strong>Mitigating risks</strong> – For order execution excellence, quality, and on-time delivery adherence, centralized coordinated customer-specific trainings and audits</td>
</tr>
<tr>
<td>6. <strong>Accounts payable:</strong> For customer with a single accounting platform, collecting and validating non-standardized invoices from various carriers causes high administrative effort</td>
<td>• <strong>Achieving continuous improvement</strong> – Near-real-time data reporting and analytics to measure key performance indicators and continuously improve operations</td>
</tr>
<tr>
<td>Pharma players compete in a <strong>sensitive, highly regulated, and cost-competitive environment</strong> where high quality and <strong>service excellence</strong> are essential for product availability and patient health.</td>
<td>• <strong>Centralized invoicing</strong> –Invoice consolidation across all countries according to customer’s requirements to support customers single accounting platform approach.</td>
</tr>
</tbody>
</table>

Click here to find out more about DHL’s Logistics Solutions for Pharmaceutical Businesses