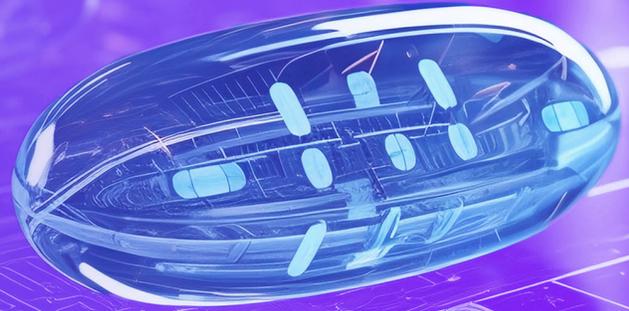


Generative AI transformation in life sciences

Executive summary



Generative artificial intelligence (GenAI) adoption is a survival imperative. Life sciences leaders play a critical role evaluating the impact of GenAI on the enterprise strategy, business model, operations, and corporate functions.

GenAI can accelerate growth and innovation improving patient outcomes.

With the ever-changing regulatory environment, **speed to market, compliance, and cost effectiveness** continue to be top priorities for all life sciences companies. GenAI technology has the potential to transform the entire value chain from drug discovery to launch and commercialization. GenAI can help deliver significant productivity gains, streamline operations, cut operational cost, and speed up the delivery of life-saving treatments.



Nearly two-thirds of executives are implementing AI (2X in 5 years)



of companies are convinced AI is key to competitive advantage



US AI spending is estimated to grow by 26% by 2025



US AI spending is estimated to grow to US\$120 billion by 2025

KPMG AI Labor Shortage Survey – May 2023



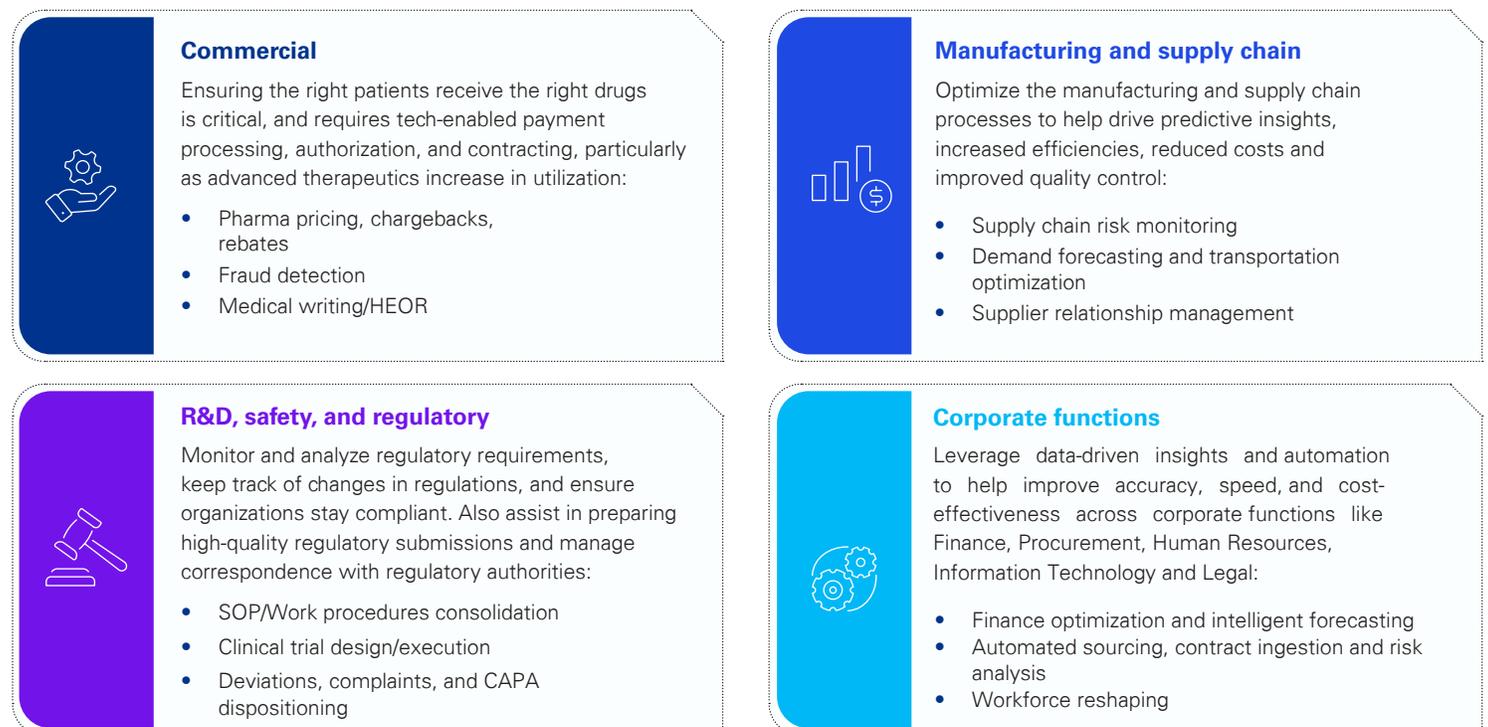
GenAI use cases exist to augment the value chain across discovery research, preclinical development, clinical trials, and commercialization



GenAI creates new opportunities for life sciences organizations to unlock value

Opportunities...

... across functions



KPMG creates significant value for companies by leveraging traditional and generative AI

Commercial



Coupon fraud detection

Client issue: The client experienced instances of pharmacy fraud in coupon program for large biopharma company.

KPMG response: KPMG built a data-driven, intelligent Domain Engine, testing more than 60 hypotheses on potential fraud using both machine learning and domain knowledge.

Value generated:

\$40M+

Loss avoidance

\$4M+

Recovered funds

200+

Blocked pharmacies

Strategy



Growth and fundraising strategy

Client Issue: Client, a real-world data company, needed KPMG experience to develop investor presentation materials to secure seed-round funding for its GenAI-powered data models.

KPMG Response: KPMG built an investor teaser presentation, investor summary packet, conducted primary and secondary research to drive go-to-market strategy, and developed a fundraising pitch packet to demonstrate market gap and customer demand.

Value generated:

- Summary of market opportunity
- Client value proposition
- CIM presentation with market landscape
- Strategic recommendation on go-to-market plan

Regulatory



Medical device label automation

Client issue: Client sought to address the time-sensitive, high-touch, high-error rate process of product label generation, review, and editing.

KPMG response: Developed a pilot to build a series of models leveraging GenAI to consume product design data and generate labels. Developed a business case and implementation roadmap to drive to production.

Value generated:

30%

Increase in FTE efficiency

>50%

Labeling lead time reductions

90%

Translation time reductions

98%

GenAI output accuracy

30-60%

Escalation, NC, CAPA and stop shipment avoidance

Corporate functions



Functional operational efficiency

Client issue: Client sought to do a competitive analysis for investor relations and market intelligence teams.

KPMG response: Developed GenAI solution to review data sources such as earnings call transcripts, peer investor reports, SEC filings, press releases, and current financial information to extract, quantify, and output insights in the form of reports and dashboards.

Value generated:

- Less time on manual information extractions; focus on added value analyses
- Relevant and accurate insights
- Scalable solution for other document types and use cases

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