2022 ESG Progress Report

Disclosures

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Global Reporting Initiative (GRI) Content Index

General Disclosures

GRI Indicator	Reference	Omissions	United Nations (UN) Sustainable Development Goals (SDGs)
GRI 1: Foundation (2021)			
2-1: Organizational details	Teva Pharmaceutical Industries Ltd. is publicly traded on the New York Stock Exchange (NYSE: TEVA) and the Tel Aviv Stock Exchange (TASE: TEVA). For more details, see page 2 of Teva's 2022 Annual Report (Form 10-K). We operate worldwide, with headquarters in Israel and a significant presence in the United States, Europe and many other markets around the world. We have 53 manufacturing facilities and 27 R&D sites across 27 countries. Our products are sold in 60 countries. For more: https://www.tevapharm.com		
2-2: Entities included in the organization's sustainability reporting	This report covers all of Teva's owned and operated facilities around the world covering all the entities included in Teva's financial reporting.		
2-3: Reporting period, frequency and contact point	The reporting period is for the 2022 calendar year. We report on an annual basis. Contact can be found on 2022 ESG Progress Report, page 64.		
2-4: Restatements of information	All restated information is indicated in the notes of tables.		
2-5: External assurance	2022 ESG Progress Report, pages 65-67		
2-6: Activities, value chain, and other business relationships	There were no significant changes in Teva's operations in 2022. 2022 ESG Progress Report, page 6. For more: Teva's 2022 Annual Report (Form 10-K), pages 2-16, 112-114.		9, 12
2-7: Employees	2022 ESG Progress Report Disclosures, pages 42-44		8
2-8: Workers who are not employees	2022 ESG Progress Report Disclosures, pages 42-44		
2-9: Governance structure and composition	Teva's Board of Directors (BOD) is comprised of 12 directors (of which 11 are independent). The average tenure for board members is 5.75 years. For more: Proxy Statement for Teva's 2023 Annual Shareholder Meeting.		16

2-10: Nomination and selection of the highest governance body	Proxy Statement for Teva's 2023 Annual Shareholder Meeting, page 5, "Election of Directors"; page 16, "Nominees for Directors"; and page 21, "Corporate Governance and Nominating Committee."	5, 16
2-11: Chair of the highest governance body	Proxy Statement for Teva's 2023 Annual Shareholder Meeting, pages 6 and 15; Teva's non-executive chairman of the board is Dr. Sol Barer.	16
2-12: Role of the highest governance body in overseeing the management of impacts	Proxy Statement for Teva's 2023 Annual Shareholder Meeting, page 13, "Board Meetings" and "Board of Directors Role in Risk Oversight"; pages 13-14 for roles and responsibilities of various board committees under "Committees of the Board." For more information, please see our 2022 ESG Progress Report, page 9.	16
2-13: Delegation of responsibility for managing impacts	2022 ESG Progress Report, page 9	
2-14: Role of the highest governance body in sustainability reporting	The BOD acknowledges the ESG report and Executive Management (EM) is responsible for reviewing and approving.	
2-15: Conflicts of interest	Proxy Statement for Teva's 2023 Annual Shareholder Meeting, page 99, "Related Party Transactions."	16
2-16: Communication of critical concerns	Proxy Statement for Teva's 2023 Annual Shareholder Meeting, page 24 ("Shareholder Engagement"), page 24 ("Human Capital Management"); Teva's Code of Conduct, page 39.	
2-17: Collective knowledge of the highest governance body	Proxy Statement for Teva's 2023 Annual Shareholder Meeting, page 14, "Director Terms and Education." For more information, please see our 2022 ESG Progress Report, page 9.	
2-18: Evaluation of the performance of the highest governance body	Proxy Statement for Teva's 2023 Annual Shareholder Meeting, page 23, "Board Evaluation Process."	
2-19: Remuneration policies	Proxy Statement for Teva's 2023 Annual Shareholder Meeting, pages 17-19, "Non-Employee Director Compensation" (for director compensation); pages 33-90 (for executive compensation); the Chief Executive Officer's variable compensation according to predefined financial metrics and relative financial metrics (e.g., relative total shareholder return).	
2-20: Process to determine remuneration	Proxy Statement for Teva's 2023 Annual Shareholder Meeting, page 47, "Role of Independent Compensation Consultant"; pages 24, 39-43, "Shareholder Engagement."	
2-21: Annual total compensation ratio	Proxy Statement for Teva's 2023 Annual Shareholder Meeting, page 84	
2-22: Statement on sustainable development strategy	2022 ESG Progress Report, page 8	
2-23: Policy commitments	Teva Corporate Governance & Policy Documents and relevant policies are communicated to employees via trainings, written policies, handbooks and more. Please see the Human Rights and Sustainable Procurement chapters of the 2022 ESG Progress Report, pages 46 and 55-57, and the 2022 ESG Progress Report Disclosures, pages 61-65.	16

2-24: Embedding policy commitments	Measures to embed each of its policy commitments are included in the 2022 ESG Progress Report, Environmental (page 15), Social (page 23) and Governance (page 48).	
2-25: Processes to remediate negative impacts	Teva is committed to preventing and mitigating all significant negative impact. The approach to manage each impact is disclosed in the Environmental, Social and Governance sections in the 2022 ESG Progress Report. Teva's Code of Conduct, page 39, includes our process to manage grievances from all stakeholders.	
2-26: Mechanisms for seeking advice and raising concerns	2022 ESG Progress Report, pages 51-53, Teva's Code of Conduct, page 39	16
2-27: Compliance with laws and regulations	2022 ESG Progress Report Disclosures, pages 59-61	
2-28: Membership associations	Teva engages with several industry and trade associations at the local or national level to support responsible business practices and improve access to medicines and healthcare quality for patients. Notably, Teva is a member of the Pharmaceutical Supply Chain Initiative (PSCI), the Antimicrobial Resistance (AMR) Industry Alliance (AMRIA), Biopharma Sustainability Roundtable (BSRT), Responsible Health Initiative (RHI), Medicines for Europe (MfE) (Board position), International Federation of Pharmaceutical Manufacturers and Associations (IFPMA) and the European Federation of Pharmaceutica Industries and Associations (EFPIA) (Board position). As part of the Supplier Diversity Program, Teva ha a membership with the following organizations: New York New Jersey Minority Supplier Development Council (NYNJ NMSDC), Women's Business Enterprise Council—New York (WBEC Metro NY), National Gay and Lesbian Chamber of Commerce (NGLCC) and Diversity Alliance for Science, Inc. (DA4S)	17
2-29: Approach to stakeholder engagement	2022 ESG Progress Report, page 14	
2-30: Collective bargaining agreements	We respect the right of our employees to organize or join associations, and bargain collectively, if they choose to do so. We aim to engage collaboratively with employee representatives and reach agreements that serve both the needs of our employees and our business. As of 2022, 43% of our employees globally are covered by collective bargaining agreements. This information includes only employees where there is a signed CBA/Union agreement. Note: there may be other situations in which employees are represented by collective organizations but there is no official agreement signed.	8
3-1: Process to determine material topics	2022 ESG Progress Report, page 13	
3-2: List of material topics	2022 ESG Progress Report, page 13 and 2022 ESG Progress Report Disclosures, page 19.Changes to the list of material topics: • Topics moved to the Very High material category: Employee Health and Safety and Pharmaceuticals in the Environment • New topic in the Very High material area: Risk Management • Topics moved out from the Very High material category: Cybersecurity and Information Security, Data Privacy and Sustainable Procurement	

Topic Disclosures

GRI Indicator	Topic Disclosures	Reference	Omissions	UN SDGs
Economic Impact				
GRI 3: Management of material topics (2021)	3-3 Management of material topics	2022 ESG Progress Report, pages 44-45		
GRI 201: Economic performance (2016)	201-2: Financial implication and other risks and opportunities due to climate change	2022 ESG Progress Report Disclosures, page 20-25		13
GRI 203: Indirect economic impacts (2016)	203-1: Infrastructure investments and services supported	2022 ESG Progress Report Disclosures, page 38		
	203-2: Significant indirect economic impacts	2022 ESG Progress Report, pages 44-45		1, 2, 3, 8, 10, 17
Compliance and Ethics*				
GRI 3: Management of material topics (2021)	3-3: Management of material topics	Teva's Global Prevention of Corruption Policy; Teva's Code of Conduct; 2022 ESG Progress Report, pages 51-54		
GRI 205: Anti-corruption (2016)	205-1: Operations assessed for risks related to corruption	2022 ESG Progress Report Disclosures, page 56		16
	205-2: Communication and training about anti-corruption policies and procedures	2022 ESG Progress Report Disclosures, pages 57-58		16
	205-3: Confirmed incidents of corruption and actions taken	2022 ESG Progress Report Disclosures, page 58		16
GRI 206: Anti-competitive behavior (2016)	206-1: Legal actions for anti-competitive behavior, anti-trust and monopoly practices	Teva's 2022 Annual Report (Form 10-K), pages 134-141		
Climate Action and Resilience				
GRI 3: Management of material topics (2021)	3-3: Management of material topics	Teva's Position on Environmental Sustainability; 2022 ESG Progress Report, pages 16-18		

GRI 302: Energy (2016)	302-1: Energy consumption within the organization	2022 ESG Progress Report Disclosures, page 26	7, 12, 13
	302-3: Energy intensity	2022 ESG Progress Report Disclosures, page 27	7, 12, 13
GRI 305: Emissions (2016)	305-1: Direct (scope 1) greenhouse gas (GHG) emissions	2022 ESG Progress Report Disclosures, page 27	13
	305-2: Energy indirect (scope 2) GHG emissions	2022 ESG Progress Report Disclosures, page 27	13
	305-3: Other indirect (scope 3) GHG emissions	2022 ESG Progress Report Disclosures, pages 27-28	
Responsible Use of Natural Resources			
GRI 3: Management of material topics (2021)	3-3: Management of material topics	Teva's Position on Environmental Sustainability; 2022 ESG Progress Report, page 19	
GRI 303: Water and effluents (2018)	303-1: Interactions with water as a shared resource	2022 ESG Progress Report Disclosures, page 29	6, 12
	303-3: Water withdrawal	2022 ESG Progress Report Disclosures, page 30	6, 12
	303-5: Water consumption	2022 ESG Progress Report Disclosures, page 31	6, 12
Effluents and Waste**			
GRI 303: Water and effluents (2018)	303-1: Interactions with water as shared resource	2022 ESG Progress Report Disclosures, page 29	
	303-2: Management of water discharge-related impacts	2022 ESG Progress Report Disclosures, page 31	
	303-3: Water withdrawal	2022 ESG Progress Report Disclosures, page 30	
	303-4: Water discharge	2022 ESG Progress Report Disclosures, page 32	6, 12
	303-5: Water consumption	2022 ESG Progress Report Disclosures, page 31	
GRI 306: Waste (2020)	306-1: Waste generation and significant waste-related impacts	2022 ESG Progress Report Disclosures, page 32	

	306-2: Management of significant waste-related impacts	2022 ESG Progress Report Disclosures, page 33	
	306-3: Waste generated	2022 ESG Progress Report Disclosures, page 34	12
	306-4: Waste diverted from disposal	2022 ESG Progress Report Disclosures, page 34	12
	306-5: Waste directed to disposal	2022 ESG Progress Report Disclosures, page 35	12
Sustainable Procurement			
GRI 3: Management of material topics (2021)	3-3: Management of material topics	Teva's Position on Responsible Supply Chain; 2022 ESG Progress Report, page 55-57	12
GRI 308: Supplier environmental assessment (2016)	308-1: New suppliers that were screened using environmental criteria	All suppliers that participate in RFPs through the Global Procurement sourcing platform (Ariba) participate in disclosing information via Risk/ESG Questionnaire for Suppliers, which allows us to screen them on ESG topics related to sustainability performance, GHG emissions and compliance with the AMR Industry Alliance Common Antibiotic Manufacturing Framework. Additionally, Global Procurement engages suppliers in sustainability assessments conducted by EcoVadis and PSCI for EHS and Ethics and Labor audits. See Teva's Position on Responsible Supply Chain for more details.	12
	308-2: Negative environmental impacts in the supply chain and actions taken	2022 ESG Progress Report Disclosures, page 64	12
GRI 414: Supplier social assessment (2016)	414-1: New suppliers that were screened using social criteria	All requests for proposals conducted through Ariba include a Risk/ESG Questionnaire for Suppliers, which allows us to screen them on ESG topics related to sustainability performance. Additionally, Global Procurement engages suppliers in sustainability assessments conducted by EcoVadis and PSCI for EHS and Ethics and Labor audits. See Teva's Position on Responsible Supply Chain for more details.	12

	414-2: Negative social impacts in the supply chain and actions taken	2022 ESG Progress Report Disclosures, page 64	12
Inclusion and Diversity*, Employee Engagement and Talent Recruitment, Development and Retention			
GRI 3: Management of material topics (2021)	3-3: Management of material topics	Teva's Code of Conduct; Teva's Position on Diversity and Inclusion; Teva's Position on Talent Recruitment and Development; 2022 ESG Progress Report, page 34-40	
GRI 401: Employment (2016)	401-1: New employee hires and employee turnover	2022 ESG Progress Report Disclosures, page 46	3, 8
	401-2: Employment	Benefits or offerings for full-time and part-time employees are compliant with legal requirements for each country and local market. There is no separate offering depending on the time spent at work or contract type—unless stipulated by law. For more information on benefits, see 2022 ESG Progress Report Disclosures, page 53.	
GRI 402: Labor/ management relations (2016)	402-1: Minimum notice periods regarding operational changes	We follow the legal requirements in the countries or collective labor agreement, at the minimum. Depending on the scenario, sometimes, advance notice in addition to the notice period is provided to ensure employees have more time to find alternatives. The notice period can range from one month to several months depending on the country or the collective labor agreement. We consult and provide a heads up to the unions based on the terms specific in the collective bargaining agreements.	
GRI 404: Training and education (2016)	404-2: Programs for upgrading employee skills	2022 ESG Progress Report, pages 38-40	4, 8
	404-3: Performance reviews	2022 ESG Progress Report, page 39; 2022 ESG Progress Report Disclosures, page 46	4, 8
GRI 405: Diversity and equal opportunity (2016)	405-1: Diversity of governance bodies and employees	2022 ESG Progress Report Disclosures, page 43	5, 8

Employee Health, Safety and Well-being*			
GRI 3: Management of material topics (2021)	3-3: Management of material topics	Teva's Position on Occupational Health and Safety; 2022 ESG Progress Report, pages 47-53	
GRI 403: Occupational health and safety (2018)	403-1: Occupational health and safety management system	2022 ESG Progress Report Disclosures, page 47	3, 8
	403-2: Hazard identification, risk assessment and incident investigation	2022 ESG Progress Report Disclosures, page 48	3, 8
	403-3: Occupational health services	2022 ESG Progress Report Disclosures, page 49	3, 8
	403-4: Worker participation, consultation and communication on occupational health and safety	2022 ESG Progress Report Disclosures, page 49	3, 8
	403-5: Worker training on occupational health and safety	2022 ESG Progress Report Disclosures, page 50	3, 8
	403-6: Promotion of worker health	2022 ESG Progress Report Disclosures, page 50	3, 8
	403-7: Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	2022 ESG Progress Report Disclosures, page 51	3, 8
	403-8: Workers covered by an occupational health and safety management system	2022 ESG Progress Report Disclosures, page 48	3, 8
	403-9: Work-related injuries	2022 ESG Progress Report Disclosures, page 51	3, 8
	403-10: Work-related ill health	2022 ESG Progress Report Disclosures, page 51	3, 8
Responsible Lobbying			
GRI 3: Management of material topics (2021)	3-3: Management of material topics	Teva's Position on Government Affairs; 2022 ESG Progress Report, page 54	
GRI 415: Public policy (2016)	415-1: Political contributions	2022 ESG Progress Report Disclosures, page 67	16
Quality Manufacturing and Patient Safety*			

GRI 3: Management of material topics (2021)	3-3: Management of material topics	Teva's Position on Quality Manufacturing; 2022 ESG Progress Report, page 58	3
GRI 416: Customer health and safety (2016)	416-1: Assessment of the health and safety impacts of product and service categories	100% of products (Teva portfolio and clinical trial pipeline) are assessed for health impacts.; 2022 ESG Progress Report Disclosures, page 66	3
Data Privacy and Security			
GRI 3: Management of material topics (2021)	3-3: Management of material topics	Teva Global Data Privacy Policy; 2022 ESG Progress Report, page 61	
GRI 418: Customer privacy (2016)	418-1: Substantiated complaints concerning breaches of customer privacy and losses of customer data	Teva had no reportable substantiated complaints of data privacy breaches and no losses of personal data, including customer data.	
Access to Health and Medicines*			
GRI 3: Management of material topics (2021)	3-3: Management of material topics	Teva's Position on Access to Medicines; 2022 ESG Progress Report, page 24	3
Risk Management*			
GRI 3: Management of material topics (2021)	3-3: Management of material topics	Teva's Position on Enterprise Risk Management; 2022 ESG Progress Report, page 49	
Corporate Governance*			
GRI 3: Management of material topics (2021)	3-3: Management of material topics	Statement of Corporate Governance Principles; 2022 ESG Progress Report, page 49	16

*Very high material topics disclosed according to the 2022-2023 materiality exercise.

**Pharmaceuticals in the Environment is a very high material topic.

Sustainability Accounting Standards Board (SASB) Content Index

Biotechnology and Pharmaceutical Standard

SASB Code	SASB Metric	Disclosure	UN SDGs
Safety of Clinical Trial Participants			
HC-BP-210a.1	Discussion, by world region, of management process for ensuring quality and patient safety during clinical trials	2022 ESG Progress Report, page 47 and 2022 ESG Progress Report Disclosures, pages 53-55	3, 9
HC-BP-210a.2	Number of FDA Sponsor Inspections related to clinical trial management and pharmacovigilance that resulted in: (1) Voluntary Action Indicated (VAI) and (2) Official Action Indicated (OAI)	In 2022, there was one FDA Sponsor Inspection related to clinical trial management. There was one inspection of investigations related to clinical trials conducted for the entity or on behalf of the entity (such as at a clinical research organization). Pharmacovigilance had zero FDA Sponsor Inspections, none of which resulted in Voluntary Action Indicated (VAI) or Official Action Indicated (OAI).	9
HC-BP-210a.3	Total amount of monetary losses as a result of legal proceedings associated with clinical trials in developing countries	None	
Access to Medicines			
HC-BP-240a.1	Description of actions and initiatives to promote access to healthcare products for priority diseases and in priority countries as defined by the Access to Medicine Index	Teva's organizational capabilities include increasing access to our broad generics portfolio with a focus on vulnerable populations. Teva has an expanding affordable generics portfolio, including quality-assured, reliable generics from global manufacturing sites around the world. 2022 ESG Progress Report, pages 24-33, and 2022 ESG Progress Report Disclosures, page 39.	3
HC-BP-240a.2	List of products on the WHO List of Prequalified Medicinal Products as part of its Prequalification of Medicines Programme (PQP)	We do not have any medicines on the WHO List of Prequalified Medicinal Products.	
Affordability and Pricing			
HC-BP-240b.1	Number of settlements of Abbreviated New Drug Application (ANDA) litigation that involved payments and/or provisions to delay	There were no settlements of ANDA litigation that involved payments and/or provisions to delay bringing an authorized generic product to market in 2022.	

	bringing an authorized generic product to market for a defined time period		
HC-BP-240b.2	Percentage change in: (1) average list price and (2) average net price across US product portfolio compared to previous year	2022 ESG Progress Report Disclosures, page 41	
HC-BP-240b.3	Percentage change in: (1) list price and (2) net price of product with largest increase compared to previous year	Not disclosed	
Drug Safety			
HC-BP-250a.1	List of products listed in the Food and Drug Administration's (FDA) MedWatch Safety Alerts for Human Medical Products database	MedWatch: The FDA Safety Information and Adverse Event Reporting Program.	3
HC-BP-250a.2	Number of fatalities associated with products as reported in the FDA Adverse Event Reporting System	Not disclosed	
HC-BP-250a.3	Number of recalls issued; total units recalled	2022 ESG Progress Report Disclosures, page 65	3
HC-BP-250a.4	Total amount of product accepted for takeback, reuse or disposal	2022 ESG Progress Report Disclosures, page 65 for total batches recalled and page 34 for takeback schemes.	3
HC-BP-250a.5	Number of FDA enforcement actions taken in response to violations of current Good Manufacturing Practices (cGMP), by type	2022 ESG Progress Report Disclosures, page 66	3
Counterfeit Drugs			
HC-BP-260a.1	Description of methods and technologies used to maintain traceability of products throughout the supply chain and prevent counterfeiting	2022 ESG Progress Report, page 59	3
HC-BP-260a.2	Discussion of process for alerting customers and business partners of potential or known risks associated with counterfeit products	Teva is committed to combatting counterfeit medicines through a multipronged approach, which includes securing the supply chain, detecting and rapidly responding to counterfeit activity and raising public and stakeholder awareness of the dangers of counterfeit medicines. For counterfeit or illegitimate products, the appropriate health or regulatory authority is notified according to any required directive or regulation. All immediate trading partners that may have received illegitimate product are notified. In response to confirmed counterfeit medicine incidents, Teva has established a Counterfeit Event Response Team to coordinate and document	3

		all activities. The team includes representation from Global Security, Quality Assurance (QA), Legal, Supply Chain, Operations, Public Relations and Marketing. The QA unit will quarantine any suspect or illegitimate product within Teva's possession or control until it is cleared or removed from the supply chain. Teva takes reasonable and appropriate steps to assist trading partners in removing illegitimate products not in Teva's possession or control. For more details, please see our 2022 ESG Progress Report, pages 59-60.	
HC-BP-260a.3	Number of actions that led to raids, seizure, arrests and/or filing of criminal charges related to counterfeit products	2022 ESG Progress Report Disclosures, page 66	
Ethical Marketing			
HC-BP-270a.1	Total amount of monetary losses as a result of legal proceedings associated with false marketing claims	None	
HC-BP-270a.2	Description of code of ethics governing promotion of off-label use of products	We do not communicate publicly with the intent of promoting products for use before the product is approved for use under applicable laws. However, we may engage in a proper exchange of scientific information that is nonpromotional in nature and intent, and is not communicated by our sales representatives. Our promotional efforts to healthcare professionals must be "on-label," and everything a sales representative says is considered promotional. Therefore, sales representatives who receive an inquiry about off-label use are obligated to refer the healthcare professional's question(s) to our Medical Affairs department, allowing medical professionals to communicate medical information directly.	16
Employee Recruitment, Development and Retention			
HC-BP-330a.1	Discussion of talent recruitment and retention efforts for scientists and research and development personnel	Teva has a consistent, global recruitment solution that is managed through our platform, Success Factors. It has been implemented in all countries where Teva employs permanent members of staff. The process is governed by a Global Recruitment policy that is followed in all countries—the only adjustments allowed are for local legal requirements. The service is delivered via three Recruitment Process Outsource providers who are managed through detailed governance and reporting structures, including specific key performance indicators (KPIs).	3, 8

		Our hiring manager satisfaction survey shows that we achieved a global score of 4.2 (with 1 being poor and 5 being excellent). Each year Teva recruits more than 5,500 people (internal and external). This talent allows Teva as a business to effectively meet its business goals. Note: it is only possible to become a Teva employee through the requisition process managed through the Success Factors process (contracts of employment cannot be produced without an open requisition being created). For more details, please see our 2022 ESG Progress Report, pages 38-40, and Teva's Position on Talent Recruitment and Development, which further describe our retention efforts for all employees.	
HC-BP-330a.2	(1) Voluntary and (2) involuntary turnover rate for: (a) executives/senior managers, (b) mid-level managers, (c) professionals, and (d) all others		8

	2021*		2022**	
	Voluntary Turnover	**Involuntary Turnover**	**Voluntary Turnover**	**Involuntary Turnover**
Executives/senior managers	8.4%	4.9%	6.2%	4.9%
Middle managers	8.8%	4.2%	8.1%	3.4%
Junior mangers	8.5%	4.8%	7.9%	3.0%
Total management position	8.4%	4.9%	7.9%	3.1%
Professionals	8.5%	7.6%	8.8%	4.4%
Entry level positions	6.7%	10.0%	6.5%	8.4%
Total employees	**8.0%**	**7.7%**	**7.9%**	**5.2%**

*0.6% attrition is related to other reasons, including death, health reasons and retirement.

**0.8% attrition is related to other reasons, including death, health reasons and retirement.

Supply Chain Management			
HC-BP-430a.1	Percentage of (1) entity's facilities and (2) Tier I suppliers' facilities participating in the Rx-360 International Pharmaceutical Supply Chain Consortium audit program or equivalent third-	Teva is an active member of the Rx-360 International Pharmaceutical Supply Chain Consortium. Most of our audits related to integrity of supply chain and ingredients are performed by Teva Global Quality Audit (GQA).	12

	party audit programs for integrity of supply chain and ingredients	1) Teva GQA group performed 46 audits in Teva's manufacturing operations in 2022, which represents approximately 85% of Teva's manufacturing facilities. Every three years we audit 100% of our facilities. 2) Teva GQA group audited 747 suppliers in 2022. Additionally, GQA procures audits performed by Rx-360 through upcoming GxP audits or library audit reports of Teva vendors. Rx-360 list of library audit reports contains approximately 250 vendors. If a Teva Tier 1 vendor is available in the Rx-360 library, Teva evaluates whether to procure the audit report or perform the vendor audit with Teva resources. Approximately 1% of Teva vendor audits (~10 reports) are procured through Rx-360 annually.	
Business Ethics			
HC-BP-510a.1	Total amount of monetary losses as a result of legal proceedings associated with corruption and bribery	None	16
HC-BP-510a.2	Description of code of ethics governing interactions with healthcare professionals	Teva interacts appropriately with healthcare professionals by following applicable laws, industry codes of conduct, and internal governance documents, policies and procedures including Teva's Position on Marketing and Promotional Practices and Teva's Code of Conduct.	
Activity Metrics			
HC-BP-000.A	Number of patients treated	Nearly 200 million each day	
HC-BP-000.B.2	Number of drugs (1) in portfolio and (2) in research and development (Phases 1–3) and (3) number of new entries for clinical pipeline	(1) 2,319 total drugs in portfolio (2) As of January 24, 2023, 10 biosimilar products are in development (six in clone, one in Phase 1 and three in Phase 3), and 13 specialty products are in development (six in pre-clinical, three in Phase 1, one in Phase 2 and three in Phase 3) (3) No new investigational new drugs	

UN Global Compact Principles

The United Nations Global Compact (UNGC) is a strategic policy initiative that encourages companies around the world to adhere to 10 principles of responsible business, relating to human rights, labor standards, environmental protection and anti-corruption. Teva has participated in the UNGC since 2010 and confirmed our signatory status in 2021. We have been recognized at an **"advanced"** level by UNGC.

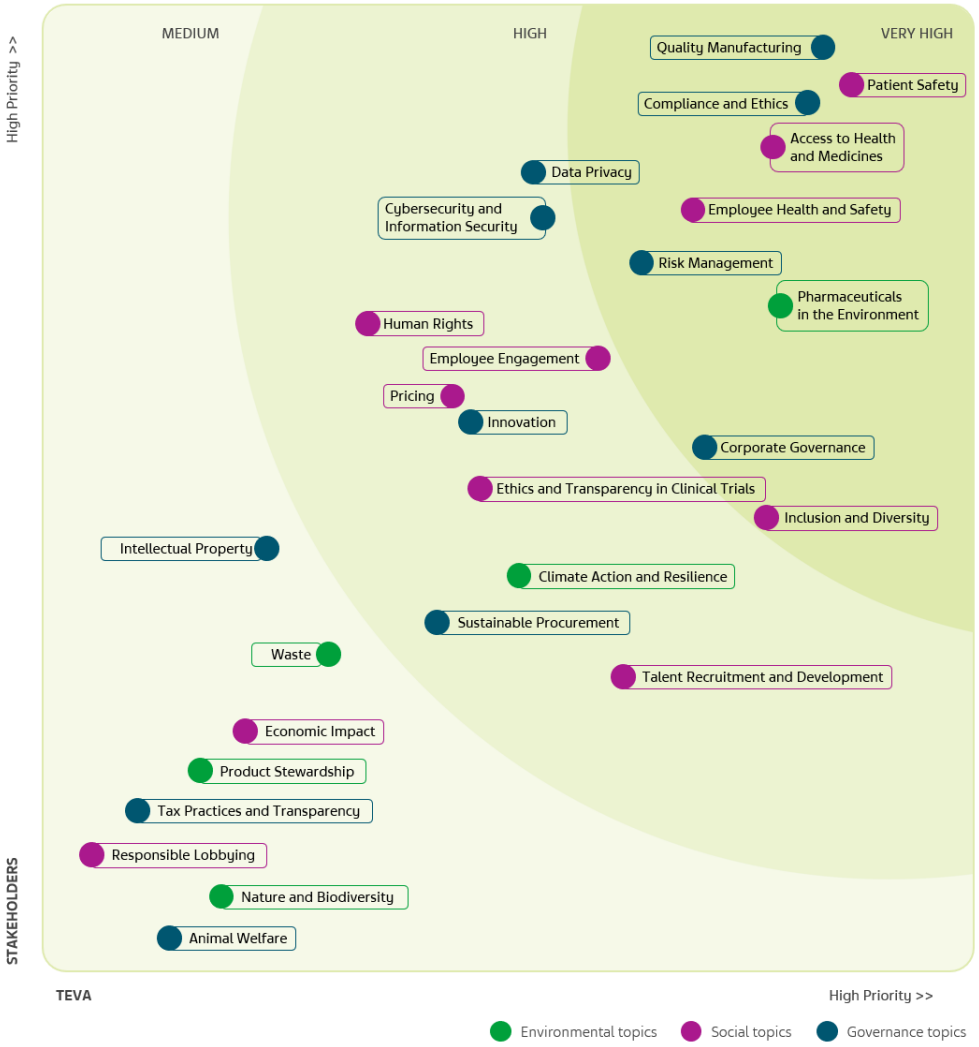
Global Compact Principles		Our Position
1	Businesses should support and respect the protection of internationally proclaimed human rights.	2022 ESG Progress Report, pages 51-57
2	Businesses should make sure that they are not complicit in human rights abuses.	
3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	2022 ESG Progress Report Disclosures, page 4
4	Businesses should support the elimination of all forms of forced and compulsory labor.	2022 ESG Progress Report, pages 46 and 51-54
5	Businesses should support the effective abolition of child labor.	2022 ESG Progress Report, pages 46 and 51-54
6	Businesses should support the elimination of discrimination in respect of employment and occupation.	2022 ESG Progress Report, pages 34-37
7	Businesses should support a precautionary approach to environmental challenges.	2022 ESG Progress Report, pages 16-22
8	Businesses should undertake initiatives to promote greater environmental responsibility.	
9	Businesses should encourage the development and diffusion of environmentally friendly technologies.	
10	Businesses should work against corruption in all its forms, including extortion and bribery.	2022 ESG Progress Report, pages 51-54

Task Force on Climate-Related Financial Disclosures (TCFD) Content Index

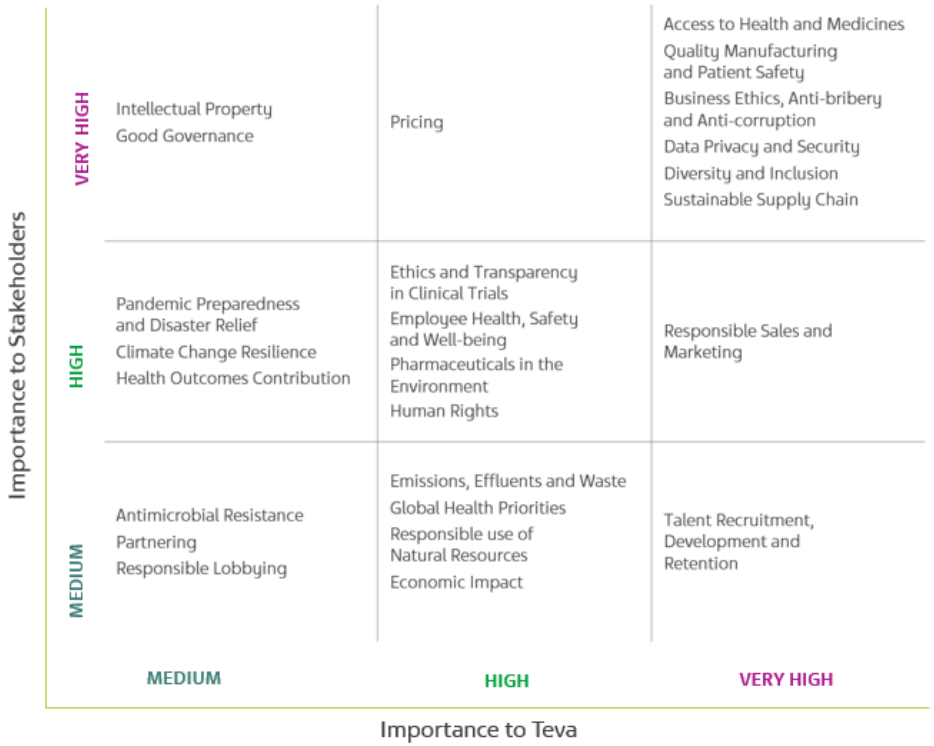
Core Element		Recommended Disclosure	Reference
Governance	a	The Board's oversight of climate-related risks and opportunities	2022 ESG Progress Report Disclosures, page 20
	b	Management's role in assessing and managing climate-related risks and opportunities	2022 ESG Progress Report Disclosures, page 20
Strategy	a	Climate-related risks and opportunities Teva has identified over the short-, medium- and long-term	2022 ESG Progress Report Disclosures, page 21
	b	The impact of climate-related risks and opportunities on Teva's businesses, strategy and financial planning	2022 ESG Progress Report Disclosures, page 22
	c	The potential impact of different scenarios, including a 4°C, a 2°C and a 1.5°C scenario, on Teva's businesses, strategy and financial planning	2022 ESG Progress Report Disclosures, pages 21-23
Risk Management	a	How processes for identifying, assessing and managing climate-related risks are integrated into Teva's overall risk management	2022 ESG Progress Report Disclosures, page 23
	b	Teva's processes for identifying and assessing climate-related risks	2022 ESG Progress Report Disclosures, page 23
	c	Teva's processes for managing climate-related risks	2022 ESG Progress Report Disclosures, page 23
Metrics and Targets	a	The metrics used to assess climate-related risks and opportunities in line with strategy and risk management process	2022 ESG Progress Report Disclosures, page 25
	b	Scope 1, scope 2 and, if appropriate, scope 3 GHG emissions, and the related risks	2022 ESG Progress Report Disclosures, page 25
	c	The targets used to manage climate-related risks and opportunities, including use of science-based targets and performance against these targets	2022 ESG Progress Report Disclosures, page 25

Materiality

2022 Materiality



2020 Materiality



Environmental Disclosures

Climate Action and Resilience

Task Force on Climate-Related Financial Disclosures

This represents Teva's third annual report that provides information according to the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations.

Governance

Climate-Related Risks and Opportunities Governance and Management

Board Oversight:

Teva's Board of Directors provide strategic guidance and direction for Teva's Environmental, Social and Governance (ESG) strategy including climate change. The Board Compliance Committee has been delegated primary responsibility for ESG strategy, targets and performance and is chaired by our ESG Board Ambassador. Teva's decarbonization targets were endorsed by the Board of Directors in 2021. Climate change was also covered in various sessions of the Board in 2022 relating to the ESG regulatory landscape, their implications for Teva and Teva's targets and performance. Topics related to ESG and climate change are discussed in various board committees as follows:

- **Compliance Committee:** Reviews emerging best practices, trends and key issues related to ESG, oversees ESG strategy and receives periodic updates from ESG team. Progress against our climate action targets is presented quarterly.
- **Audit Committee:** Receives updates on ESG reporting trends and oversees our Enterprise Risk Management (ERM) process. The committee reviews the company's short-term risk management matrix twice a year and long-term risk matrix annually. Climate change is a risk topic that has been monitored since 2021 and in 2022 appeared on our risk map and shared with this committee. However, at present, climate change is not considered a High-Risk topic (see additional information in the strategy and risk management section on page 22).
- **Finance Committee:** Receives updates on sustainable finance instruments and approves financial transactions linked to ESG, including climate change. This committee approved our 2021 Sustainability-Linked Bond (SLB), which is tied to our scope 1 and 2 GHG emission reduction targets.
- **Human Resources (HR) and Compensation Committee:** Oversees ESG-linked remuneration, including related to climate change. Since 2020, we have tied executive compensation to ESG performance for executives; in 2022, this was expanded to cover all executive officers. ESG targets, including climate-related targets, were included in individual performance goals, which represented 25% of the variable bonus performance achievement.

Management Oversight:

Climate change risks and opportunities are overseen by various roles and committees:

- Teva's Executive Vice President (EVP) of Global Operations, reports directly to the President and CEO and is responsible for Teva's Environmental, Health, Safety and Sustainability (EHS&S) Policy and is the executive sponsor for all EHS&S matters, including those related to climate change.

- The Chief Financial Officer (CFO) holds the dedicated responsibility for Enterprise Risk Management (ERM), along with Executive Management and other risk leaders, who review Teva's top risks and report to the Board and Audit Committee twice a year, including on risk trends and main mitigation actions in addition to related initiatives.
- Teva's ESG Steering Committee, chaired quarterly by the President and CEO, and Teva's ESG Forum, chaired quarterly by the Head of ESG, monitor climate change projects such as climate risk assessments, decarbonization commitments and performance. Teva's climate risk and opportunity results were shared with the ESG Steering Committee in 2022.
- Teva's Corporate EHS&S Committee, chaired quarterly by the EVP of Global Operations, assesses climate-related risks and opportunities and provides management, oversight and direction on EHS&S (including climate change) policies and coordinates Teva's EHS&S team's implementation of relevant programs. This committee is composed of senior-level executives from key business units and is responsible for EHS&S and climate change—related strategy, compliance and performance, public policy and trends, communications and establishing technical advisory committees, as required. They escalate any specific material matters and/or issues to Teva's Executive Management for further action. The EHS&S Committee formally reviews company EHS&S and climate change matters and performance with the EVP and Teva's Global Operations on a regular basis (minimum quarterly). The EHS&S Steering Committee reviewed the results of Teva's Climate Risk and Opportunities assessment in 2022 and, in 2021, approved Teva's decarbonization targets.
- Teva's Global Sustainability Task Force, composed of EHS&S, ESG, Global Engineering, Global Procurement, Finance and Global Facilities Management, coordinates the dissemination of Teva's energy and GHG emission-related targets throughout the business and develops the framework for their execution.

Strategy

Climate-Related Risks and Opportunities

Climate change risks and opportunities assessment projects are a collaborative effort managed by Teva's EHS&S, corporate Risk Management and ESG teams. In 2021, we conducted a physical climate risk screening assessment covering 80 of Teva's key facilities, seven key climate change physical hazards (flood, water stress, heat wave, cold wave, hurricane, sea-level rise and wildfire) and three climate scenarios (Representative Concentration Pathway [RCP]: 2.6, 4.5 and 8.5) across short-, medium- and long-term horizons (2020, 2030 and 2050). Results indicated Teva's composite risk is 'Moderate,' with insignificant change at the composite level in the risk across the various scenarios and time horizons assessed. Yet, efforts are taken to reduce certain climate risks, as warranted.

Between 2021 and 2022, Teva extended the previous work and conducted an additional assessment project covering physical and transition risks and opportunities. For physical risks, it considers the same time horizons and scenarios as the previous project and for transitional risks and opportunities, Paris aligned 1.5°C scenario, Nationally Determined Contributions (NDC; 2.5°C)[1] and business-as-usual 3°C climate scenarios, projected to 2030 and 2050 time horizons. This project was overseen by a dedicated steering committee with input from various functions and endorsement from senior leaders. Teva is integrating learnings from this exercise into the business and addressing risks identified. In 2023, Teva intends to further strengthen its climate-risk processes and capabilities, including but not limited to, defining a financial materiality threshold for climate risks and building competency among senior leaders and relevant employees on climate risks and opportunities.

Our latest physical climate risk assessment covered 10 key manufacturing sites—responsible for approximately 30% of Teva's 2021 revenue. We evaluated and quantified nine physical risks (coastal inundation, soil subsidence, surface water flood, riverine flood, extreme wind, forest fire,

[1] Scenario used for "increased operating costs due to the introduction of carbon pricing schemes" risk.

extreme heat, freeze-thaw and water stress). This quantitative assessment was supplemented by qualitative interviews with site leadership to contextualize potential risks.

To identify transition risks and opportunities, Teva used the TCFD taxonomy as a starting point, utilizing input from interviews with internal stakeholders and industry reviews that resulted in the identification of 30 climate risks and opportunities. Through a short-listing process using pre-defined criteria, these were reduced to three transition risks and three opportunities that have a potential impact on Teva and for which data were readily available. Climate scenario analysis and financial quantification of these risks and opportunities were modeled with the use of robust climate scenario datasets (e.g., Network for Greening the Financial System and International Energy Agency). The summary of risks and opportunities identified as part of the above assessment is outlined below.

Risk/Opportunity Description	Potential Impact	Management Approach
Physical Climate Risks		
Site damage and business interruption	Aligned with the physical climate risk screening assessment conducted in 2021, findings from the assessment indicate the assessed sites may show a low-to-moderate exposure to physical hazards assessed across all three scenarios for site damage and business interruption. None of the assessed sites demonstrated high exposure to any assessed physical risks. The cumulative financial impact by 2030 could be up to $8 million for site damage and $46 million cumulative for business interruptions under the worst-case scenario assessed, not considering adaptation measures.	Extreme weather risks, such as hurricane and flood, are considered during sites' contingency and business continuity planning, while water stress is managed through Teva's Environment Health and Safety Management System (EHSMS).
Transition Climate Risks		
Increased operating costs due to introduction of carbon pricing schemes	Some of Teva's European sites are subject to the European Union (EU) Emissions Trading Scheme (ETS) due to their energy consumption. As such, they are exposed to carbon pricing. Teva recognizes other carbon pricing instruments and regulations could impact other regions where Teva operates and markets products. Additionally, carbon prices are expected to rise, particularly under a Paris-aligned 1.5°C scenario. By 2030, costs related to carbon pricing schemes on scopes 1 and 2 GHG emissions could range from $12 to $67 million per year in the NDC 2.5°C and Paris aligned 1.5°C scenarios, respectively. Currently, we are not considering the impact of carbon pricing on scope 3 GHG emissions since it is unclear if or how such costs may be passed on to Teva.	Teva's scope 1 and 2 science-based target and actions to reduce GHG emissions across Teva's operations are a key component of managing this risk.
Increased operating costs related to propellant-based inhalers	Teva's current propellant-based inhaler portfolio could be exposed to a range of potential regulatory changes, including carbon pricing and tax on propellant gas procurement. Teva's propellant-based inhaler portfolio constitutes a scope 3 emissions hotspot.	Teva's scope 3 science-based target and research and development of a "low-carbon" inhaler are key strategies to manage this risk.
Changing costs of raw materials in response to the low-carbon transition	Teva could be exposed to increasing costs of raw materials. This is due to volatile supply and demand caused by climate change or other passed-on costs from climate change measures and policies. The price of three assessed key raw materials—lactose, aluminum and methanol—could rise in a Paris-aligned 1.5°C scenario, increasing costs by 2050 compared to Teva's base procurement growth on a fixed price.	We manage this risk through Teva's scope 3 science-based target and accompanying supplier engagement program (incorporating our Supplier Code of Conduct and ESG assessments of

		critical suppliers) and through our multiple supplier sourcing network.
Transition Climate Opportunities		
Cost savings related to low-carbon transportation	Fossil fuel prices are anticipated to rise, which could increase costs related to in-house and third-party logistics. In this context, the transition to low-carbon transportation, such as electrified fleets, could be an opportunity for Teva to avoid potential increased costs with, in particular, third-party logistics suppliers, which are a main contributor to Teva's transportation emissions.	To facilitate this opportunity, use of low-carbon fleets and other sustainable logistic practices (e.g., load, routes and freight-mode optimization) are expected to reduce costs in the future.
Cost savings due to transition to low-emission sources of energy	Renewable energy costs are expected to decrease as compared to fossil fuels. In this context, transitioning to renewable energy across Teva's business could be an opportunity for Teva to reduce potential electricity costs.	Teva is actively implementing measures to increase the proportion of electricity procured or generated from renewable sources for its operations. We continue to expand our use of renewable electricity in Europe, and in 2021, this was supplemented by the procurement of renewable electricity at our site in Chile and in 2022 at our sites in Hungary.
Cost savings due to low-carbon inhaler	While increasing regulation related to Teva's propellant-based inhaler portfolio could be a risk, investing in an alternative low-carbon inhaler could reduce potential costs. The assessment analyzed the substitution of current propellant gas with two alternatives and showed savings could range from $10 to $121 million, depending on the propellant used and climate change scenario selected (business-as-usual and Paris aligned, respectively).	Teva's scope 3 science-based target and research and development of a "low-carbon" inhaler are key strategies to realize this opportunity

Risk Management

Teva's Processes for Identifying, Assessing and Managing Climate-Related Risks

Teva's risk management processes are integrated into a multidisciplinary, company-wide ERM program focused on direct operations, as outlined in our ERM Position. Each Teva business unit (BU) identifies risks by performing risk assessments at operating locations based on a standard risk assessment framework, which can include some climate-related risks when they are identified. Identified risks are assessed by aggregating them at the corporate level. Risks are prioritized for materiality according to a standard framework approach, which includes, among other aspects, probability, impact and preparedness level.

To provide response to certain physical risks (e.g., extreme weather impacts like hurricanes and floods), which are identified through loss prevention surveys and emergency response planning and preparedness measures, these are integrated into the risk evaluations performed by our sites as part of their Risk Register which is a component of our integrated EHSMS. Relevant risks raised are considered during contingency and business continuity planning. Teva's EHSMS is installed across more than 98% of Teva facilities. Mitigating factors, such as having adequate emergency power generation capacity (relevant in case of natural disasters), are put in place, where warranted, to reduce the risk of impact to manufacturing operations.

Physical risks are also considered in Teva's supplier management processes, with mitigating factors put in place such as multiple supplier networks and systems to manage internal supply. Other mitigating factors include a broader property loss prevention program (including provision of physical protections, back-up services and business continuity planning) and a Supplier Code of Conduct, which requires suppliers to operate in an environmentally responsible manner and emergency preparedness and response measures. Teva conducts ESG assessments of suppliers through EcoVadis, and currently, 74% of our suppliers assessed through EcoVadis have actions on energy consumption and GHG emissions, and 16% of our 840 suppliers included on our "ESG suppliers list" (defined as our critical suppliers, direct suppliers of antimicrobial products and top suppliers that contribute to our scope 3 GHG emission) have either committed to or had their GHG targets validated by the Science Based Target initiative (SBTi). We also use the EcoVadis assessments to drive improvements in ESG measures through corrective and preventive actions. Moreover, Teva is a sponsor of the Energize Program—a collaboration between 10 global pharmaceutical companies to engage hundreds of suppliers in climate action and decarbonization of the pharmaceutical value chain—and is one of only two Energize sponsors to join a virtual power purchase agreement cohort.

Regarding transition risks and opportunities (which we consider as policy and legal, reputational, market and technological risks related to our direct and indirect emissions), all process and product development, capital or technology transfer projects include an assessment of EHS&S to reduce negative impacts and ensure sustainable operations. This integrates elements of green chemistry, such as design for energy efficiency.

Scope 1 and 2 Decarbonization Plan and Roadmap

Our decarbonization plan and roadmap were established to support us in achieving our scope 1 and 2 GHG emission reduction targets. It is overseen by our Sustainability Taskforce and disseminated through the organization to various business functions and teams by applying specific year-over-year GHG reduction targets (2022-2027), along with potential actions and initiatives that could achieve required GHG reductions.

Our scope 1 and 2 decarbonization plan is based on three key levers: energy and process efficiencies, renewable electricity generation and procurement and network optimization.

In 2022, our Sustainability Task Force launched an Energy Champions community. Each facility has a nominated Energy Champion with clearly defined roles and responsibilities to manage energy consumption and lead decarbonization efforts with periodic reporting to site management. A training roadmap and a knowledge sharing portal of tools with education and competencies on their duties are available.

Several of Teva's sites participated in a globally coordinated program to perform detailed energy inspections, audits and surveys to identify and evaluate energy and GHG reduction opportunities and projects; some of the sites from previous phases of this project have already realized significant energy reductions. Teva provides capital investment for energy reduction, conservation and decarbonization projects based on feasibility assessments, and in 2022, we provided $1.5 million for such initiatives. Overall, in 2022, approximately 100 individual energy projects were implemented resulting in $3.6 million in energy reduction savings. Various decarbonization projects implemented at Teva in 2022 were funded through alternative financing models (e.g., an energy service company). Teva further identified opportunities and explored alternative procurement approaches for renewable energy in North America and Europe.

Metrics and Targets

In January 2021, we shared 2030 environmental targets as part of our renewed ESG strategy. Later that year, as part of defining our sustainability-linked bond (SLB), we reevaluated our climate targets and published new, more ambitious targets; in December 2022, these targets were validated by the SBTi.

As validated by the SBTi, our scope 1 and 2 target is aligned with international efforts to achieve 1.5°C, and our scope 3 target to well below 2°C. These targets were approved by Teva's Executive Management and the Board of Directors and are part of the Executive Management variable remuneration.

The table below outlines our main targets and KPIs according to physical and transition risks and opportunities.

Target	KPI	Performance
Transition Risks		
Reduce absolute scope 1 and 2 GHG emissions by 25% by 2025 and by 46% by 2030 (vs. 2019)	Scope 1 and 2 GHG emissions	• 2022 scope 1 emissions: 254,632 metric tons carbon dioxide equivalent (CO_2e) • 2022 scope 2 emissions, market-based: 244,009 metric tons CO_2e • Total 2022 scope 1 and 2 emissions: 498,641 metric tons CO_2e • 2022 reduction relative to baseline (2019): 24.1%
Reduce absolute scope 3 GHG emissions by 25% by 2030 (vs. 2020)	Scope 3 GHG emissions	• 2022 scope 3 emissions: 6,112,490 metric tons CO_2e • 2022 reduction relative to baseline (2020): -11.6%
Increase energy efficiency by 10% by 2030 (vs. 2020)	Kilowatt-hour (kWh)/USD revenue	• 2022: 0.139 kWh/USD • 2022 increase in energy efficiency relative to baseline (2020): 10%
Increase total proportion of electricity purchased or generated from renewable sources to 50% by 2030	% electricity purchased or generated from renewable sources	• 2022 electricity purchased or generated from renewable sources: 41% (8% increase on the previous year)
Physical Risks		
Reduce total water withdrawal by 10% at sites in areas projected to be in water stress by 2030 (vs. 2020)*	Water withdrawal at sites in areas projected to be in water stress	• 2022 water withdrawal: 1,338 milliliters (mL) • 2022 reduction relative to baseline (2020): 17%

*Considers 80% of the water withdrawal in 2020 (target baseline year) at sites projected to be in areas of water stress by 2030.

In some instances, these targets are supplemented by additional division/regional level targets covering specific topics and initiatives. Teva scope 1 and 2 GHG emissions are verified in accordance with the GHG Protocol and ISO 14064-3:2006 standard by SGS, to a limited assurance level. The full verification statement can be found here. Teva's scope 3 GHG emissions are verified in accordance with International Standard on Assurance Engagement (ISAE) 3000 standard by DNV, with limited assurance. The full verification statement can be found here (pages 65-67). See Teva's CDP Climate Change disclosure for further information.

Forward Looking Statements Disclaimer:

This document contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, which are based on management's current beliefs and expectations and are subject to substantial risks and uncertainties, both known and unknown, that could cause our future results, performance or achievements to differ significantly

from that expressed or implied by such forward-looking statements. Important factors that could cause or contribute to such differences include risks relating to: changes in climatic, economic, operational, sectoral, political or other circumstances; new or amended legislative or regulatory requirements relating to environmental or climate change or climate risk-related laws or the interpretation thereof; our ability to successfully compete in the marketplace; our substantial indebtedness; our business and operations in general; the effects of reforms in healthcare regulation; compliance, regulatory and litigation matters, including environmental and climate risks and the impact of ESG issues including climate change; other financial and economic risks; and other factors discussed in this document in our Quarterly Report on Form 10-Q for the first quarter of 2023 and our Annual Report on Form 10-K for the year ending December 31, 2022, including in the sections titled "Risk Factors" and "Forward Looking Statements." Forward looking statements speak only as of the date on which they are made, and we assume no obligation to update or revise any forward-looking statements or other information contained herein, whether as a result of new information, future events or otherwise. You are cautioned not to put undue reliance on these forward-looking statements.

GRI 302-1: Energy Consumption Within the Organization

Energy Consumption (MWh)	2018	2019	2020	2021	2022
Natural gas (scope 1)	1,132,334	1,092,938	1,093,577	1,077,990	932,081
Fuel oil (scope 1)	161,255	63,650	59,953	59,291	49,970
Diesel fuel (scope 1)	42,662	61,323	35,375	23,832	25,656
LPG (scope 1)	81,811	47,234	46,302	41,678	43,102
Propane (scope 1)	5,557	5,202	15,206	11,372	14,923
Petrol: Mobile (scope 1)	171,286	93,191	63,115	76,706	76,576
LNG: Mobile (scope 1)	–	0	380	1,018	761
CNG: Mobile (scope 1)	–	27	86	0	0
Diesel: Mobile (scope 1)	105,755	72,804	67,421	51,338	45,540
Renewable electricity produced (scope 1)	554	28	166	1,193	1,619
Biomass (renewable) (scope 1)	13,694	12,822	4,200	1,459	4,024
Electricity purchased from grid (scope 2)*	876,037	715,409	718,505	648,044	540,289
Heating purchased (scope 2)	2,665	11,720	10,937	15,405	16,385
Steam purchased (scope 2)	69,968	67,007	71,276	71,494	58,586
Renewable electricity purchased (scope 2)	381,913	413,483	298,196	302,209	377,888
Scope 1 direct: Non-renewable fuels	1,700,660	1,436,369	1,381,415	1,343,226	1,188,610
Scope 1 direct: Renewable fuels	14,248	12,850	4,366	2,652	5,643
Scope 1— % of renewable energy	1%	1%	0%	0%	0%
Scope 2 indirect: Non-renewable	948,670	794,135	800,718	734,943	615,260
Scope 2 indirect: Renewable	381,913	413,483	298,196	302,209	377,888

Scope 2— % of renewable energy	29%	34%	27%	29%	38%
Total energy consumption (scopes 1 and 2)	3,045,491	2,656,836	2,484,695	2,383,030	2,187,400
Total renewable energy (scopes 1 and 2)	396,161	426,332	302,562	304,861	383,530
Scopes 1 and 2— % of renewable energy	12%	14%	11%	11%	15%
% of renewable electricity**			29%	33%	41%

* Excluding purchased renewable electricity.

** The indicator relating to renewable electricity purchased and generated as a proportion of the total is calculated based on electricity purchased and generated prior to accounting for structural changes, e.g., divestments, that may have occurred in that given year.

Note: 2019—2021 energy and GHG emission data (scopes 1 and 2) were readjusted to reflect the following changes to ensure a more relatable and truthful base for emission comparison in accordance with the GHG Protocol. The changes relate to structural changes to the Teva network, e.g., divestments.

GRI 302-3: Energy Intensity

	Unit	2020	2021	2022
Energy intensity	kWh/revenue (USD)	0.154	0.146	0.139
Change in intensity	%	–	–6%	–10%

Note: Energy consumption data relate only to facilities (e.g., excludes transportation). Energy consumption data used for intensity calculation differ from the published data as they include the energy consumption of divested sites. This is to provide a fair comparison, as the published energy consumption data have been adjusted to consider business divestments, while the published revenue data (our denominator) have not.

GRI 305-1: Direct (Scope 1) GHG Emissions
GRI 305-2: Energy Indirect (Scope 2) GHG Emissions
GRI 305-3: Other Indirect (Scope 3) GHG Emissions

GHG Emissions	Units	2018	2019	2020	2021	2022
Scope 1 emissions	tons CO_2e	372,604	301,171	292,495	283,546	254,632
Scope 2 emissions	tons CO_2e	454,598	355,475	339,797	288,575	244,009
Total GHG emissions (scopes 1 and 2)	tons CO_2e	827,202	656,646	632,292	572,121	498,641
Outside of scopes*	tons CO_2e	–	4,435	1,453	505	1,392
Scope 1 and 2 GHG emissions cumulative change from baseline 2019 (SLB SPT #2a)	%	–	–	–3.7%	–12.9%	–24.1%
Scope 3 emissions	tons CO_2e	–	–	6,915,858	6,568,881	6,112,490

*Outside of scopes includes biogenic carbon dioxide (CO_2) factors that should be used to account for the direct CO_2 impact of burning biomass and biofuels, including when reporting emissions for electricity consumption. Biogenic CO_2 emissions are one of several activities labeled "outside of scopes" by the GHG Protocol Corporate Accounting and Reporting Standard because the scope 1 impact of these fuels has been determined to be a net "0" (since the fuel source itself absorbs an equivalent amount of CO_2 during the growth phase as the

amount of CO_2 released through combustion). Full reporting of any fuel from a biogenic source, including electricity, should have the biogenic CO_2 value document to ensure complete accounting of the emissions created. Scope 3 categories are according to the GHG Protocol.
Note: 2022 represents the eighth consecutive year Teva's scope 1 and 2 GHG emission data have undergone external assurance, and the second year for our full scope 3 emissions. The level of assurance for all three scopes is classed as "limited". The GHG emission inventory that is presented for external assurance accounts for 100% of Teva's known GHG emissions across the entire business, operations and value chain. Our scope 1 and 2 external assurers typically assess between 70% and 80% of the source data as part of their process. The scope of our external assurance also includes verification of our performance against our GHG emission reduction targets, as compared to our stated baseline and its readjustment. Teva scope 1 and 2 GHG emissions are verified against the GHG Protocol according to the ISO 14064-3:2006 standard by SGS. Teva's scope 3 GHG emissions are verified in accordance with ISAE 3000 standard by DNV. 2019-2021 energy and GHG emission data (scope 1 and 2) were readjusted to reflect the following changes to ensure a more relatable and truthful base for emission comparison in accordance with the GHG Protocol. The changes relate to structural changes to the Teva network (e.g., divestments). Teva applies the Operational Control approach for its GHG data. Source of the emission factors used: **Scope 1:** UK DEFRA (2022), IPCC AR5 (2014) and IPPC AR6 (2023). **Scope 2:** IEA (2022, year 2020), US EPA GRID (2022, year 2020), UK DEFRA (2022) and Final Rule (40 CFD 98). The emission data refers to the total amount of emissions resulting from various sources, including energy consumption (which accounts for approximately 90% of Teva's GHG emissions) and other sources, including but not limited to, process and fugitive emissions (which account for the remaining approximately 10%).

Direct (Scope 1) GHG Emissions

Emission by Gas (tons CO_2e)	Unit	2022
CO_2	tons CO_2e	231,478
CH_4	tons CO_2e	314
N_2O	tons CO_2e	218
HFCs	tons CO_2e	22,623

GRI 305-3: Indirect (Scope 3) GHG Emissions

GHG Emissions	Units	2020	2021	2022
Scope 3 emissions	tons CO_2e	6,915,858	6,568,881	6,112,490
Category 1: Purchased goods and services	tons CO_2e	5,262,000	5,037,791	4,394,074
Category 2: Capital goods	tons CO_2e	317,000	338,865	351,137
Category 3: Fuel- and energy-related activities (not incl. in scope 1 or 2)	tons CO_2e	165,000	196,457	178,495
Category 4: Upstream transportation and distribution	tons CO_2e	220,796	205,891	205,946
Category 11: Use of sold products	tons CO_2e	728,801	589,453	762,873
Other categories (combined)	tons CO_2e	222,261	200,425	219,965

Scope 3 GHG emissions cumulative from baseline 2020 (SLB SPT #2b)	%	–	–5.0%	–12%

Note: Our calculation methodology is based on the hybrid approach, meaning a spend-based-method in line with the GHG Protocol for categories 1, 2, 4, 5, 7, 9, 10, 12, 13 and 15, for which we use the GHG Protocol, a recommended and co-developed tool by Quantis Scope 3 Evaluator, and an inventory approach for categories 3, 6 and 11. Methodology used for inventory approach: Category 3 – based on energy consumption (emission factors - DEFRA and IEA); Category 6 – based on distance traveled (emission factors - DEFRA) and Category 11 –based on volume of gas inserted in inhalers (GWP - IPCC). Category 14 is not applicable for Teva.

Responsible Use of Natural Resources

GRI 303-1: Interactions With Water as a Shared Resource

Access to clean and reliable water supplies is essential to Teva's continued business. By and large, water is withdrawn from third-party water suppliers, such as municipality-owned water networks. The remainder may be sourced from on-site borewells and surface water where available and permitted. Most of the water usage at our manufacturing facilities occurs during drug substance and product manufacturing, with a significant proportion of this usage associated with the utilities and auxiliary equipment needed to create the right production environments.

Teva's EHSMS includes a Water Conservation and Management Standard that outlines a strategic and systematic approach to promoting the efficient use and management of water. This standard involves various expectations, such as maintaining a water balance and creating plans to reduce and eliminate the unnecessary use of water.

Most of the wastewater from our facilities is discharged to municipal wastewater networks, with some of this wastewater first receiving on-site treatment to meet wastewater quality parameters. One water impact associated with the pharmaceutical industry relates to concentrations of active pharmaceutical ingredients (APIs) that can be discharged in manufacturing wastewaters and also from patient use of our medicines (both contributors to pharmaceuticals in the environment (PiE)). Teva has a robust EHSMS in place to support compliance and business continuity, which includes standards on emissions management that specify Teva's requirements for managing and minimizing the discharge of APIs from our manufacturing operations. Teva is actively working to assess our impact and implement solutions to appropriately manage API discharges, including discharges containing antimicrobials, in a coordinated approach with other pharmaceutical companies and stakeholders. In 2021, we successfully achieved our voluntary target to minimize antimicrobial discharges by assessing 100% of the 33 Teva sites that handle antimicrobial drug substances and drug products. In 2022, we began assessing sites that handle drug substances and drug products containing non-antimicrobial "priority" APIs and we have continued to work with all sites where initial assessments of antimicrobials and priority API drug substances and products indicate refined assessment, or corrective action to reduce the risk, is warranted. Finally in 2020, Teva supported the AMR Industry Alliance effort that led to the publishing of the Antibiotic Manufacturing Discharge Standard as well as on effort to develop a 3rd Party Independent Certification Program that is expected to be published in 2023.

Another impact Teva and others in the industry focus on is water scarcity. In 2019 Teva worked to screen and evaluate sites using the World Resources Institute (WRI) Aqueduct Water Risk Atlas, facilities in a water-scarce area are required to set annual goals on water conservation and management as part of Teva's EHSMS.

In 2022, Teva reduced water withdrawal by 17% (vs. 2020) at sites in areas projected to be in water stress, achieving its target to reduce total water withdrawal by 10% by 2030. This target includes sites selected because they accounted for 80% of total volume of water withdrawals among Teva's sites in 2020 (target baseline) projected to be in water-stressed areas. Since 2020, Teva has undergone a limited external assurance for our water datasets and associated collection, verification and reporting processes.

GRI 303-3: Water Withdrawal

Water Withdrawal		2019		2020		2021		2022	
	Units	All areas	Areas with water stress	All areas	Areas with water stress	All areas	Areas with water stress	All areas	Areas with water stress
Surface water (Total)	**mL**	**446**	**1**	**446**	–	**391**	**–**	**377**	**–**
Freshwater (≤1,000 mg/L Total Dissolved Solids)	mL	446	1	446	–	391	–	377	–
Other water (>1,000 mg/L Total Dissolved Solids)	mL	–	–	–	–	–	–	–	–
Groundwater (Total)	**mL**	**1,728**	**427**	**1,720**	**398**	**1,675**	**406**	**1,411**	**355**
Freshwater (≤1,000 mg/L Total Dissolved Solids)	mL	1,587	427	1,546	364	1,460	364	1,206	327
Other water (>1,000 mg/L Total Dissolved Solids)	mL	141	–	174	34	215	42	205	28
Third-party water (Total)	**mL**	**6,215**	**1,875**	**5,520**	**1,626**	**4,623**	**1,494**	**4,517**	**1,308**
Freshwater (≤1,000 mg/L Total Dissolved Solids)	mL	6,215	1,875	5,520	1,626	4,623	1,494	4,517	1,308
Other water (>1,000 mg/L Total Dissolved Solids)	mL	–	–	–	–	–	–	–	–
Total third-party water withdrawal by withdrawal source across areas with water stress									
Surface water	mL		393		615		857		807
Groundwater	mL		373		145		373		266
Seawater	mL		413		243		264		234
Unknown	mL		697		623		–		–
Water withdrawal total	mL	**8,389**	**2,303**	**7,687**	**2,024**	**6,689**	**1,900**	**6,305**	**1,663**

Water withdrawal total among areas projected to be in water stress (considered for Teva's target)*	mL	**1,607**	**1,483**	**1,338**

*Considers 80% of the total volume of water withdrawal among Teva sites in 2020 (target baseline) projected to be in areas of water stress by 2030.

GRI 303-5: Water Consumption

Water Consumption		2019		2020		2021		2022	
	Units	All areas	Areas with water stress	All areas	Areas with water stress	All areas	Areas with water stress	All areas	Areas with water stress
Water consumption	mL	1,827.29	1,380.48	1,696.10	1,099.98	1,509.28	759.08	1,394.02	685.62
Water intensity consumption	mL/revenue ($ Billions)	108.19		101.81		95.04		93.40	

Effluents and Waste

GRI 303-2: Management of Water Discharge-Related Impacts

Teva is fully committed to complying with all applicable regulatory requirements, including those related to local, state, regional and national effluent discharge quality. Each of our sites has an EHSMS in place, aligned with Teva's global EHSMS, which provides standards and specifications for identifying and complying with all regulatory and internal EHS requirements. All sites are required to meet applicable regulatory requirements, including permit limits and conditions, as well as EHSMS requirements for emission management that includes internal specifications for managing active pharmaceutical ingredients (APIs), including antimicrobials in site wastewater effluents. Our internal Environmental Health and Safety (EHS) Standards drive us to control and reduce our environmental emissions in most cases beyond what the local regulations require. EHS Standards are revised and updated every three years.

With support from Teva and other member companies, the AMRIA, working with the British Standards Institute (BSI), published the Antibiotic Manufacturing Discharge Standard, establishing limits for antibiotics discharged to the environment. Teva conducted a gap assessment of the Manufacturing Discharge Standard (MDS) against its internal standard and practices for establishing antibiotics wastewater discharges and determined its internal practices were, for the most part, fully aligned with it. In the area that is not fully aligned, Teva has revised its internal practices to fully conform to the MDS. Teva is an active member of the AMRIA working group that, with the support of BSI, is developing a third party certification scheme for companies to use independently to demonstrate an antibiotic product is manufactured in a manner that meets the MDS.

In assessing environmental risks, when Predicted Environmental Concentrations (PEC) are identified above established Predicted No-Effect Concentration (PNEC), Teva is working towards implementing improvement measures to reduce discharge levels below the PNEC. For APIs that do not have a published PNEC, Teva works with environmental toxicologists to derive a PNEC following recognized industry and regulatory procedures. For

antimicrobials, Teva considers both the PNEC established to protect ecological species such as algae, crustaceans and fish and the PNEC established by the AMRIA to protect against selection for resistance in bacteria and fungi. The waterbody is carefully assessed to understand low flow conditions and estimate the PEC based on very conservative worst case low-flow conditions. We currently are focused on antimicrobials and also on APIs that we have defined as priority APIs (including hormones, cytotoxins and other APIs on the EU Water Framework Watch List). Global EHS&S is supporting sites, where warranted, in evaluation of added wastewater controls to reduce or remove APIs from manufacturing wastewaters. Where necessary, mitigation actions are undertaken to reduce production losses of APIs including dry equipment cleaning and collection of first rinses of equipment wash.

Our site activities are governed by our EHSMS, and our operations are internally audited every three years.

GRI 303-4: Water Discharge

Wastewater Discharge			2019		2020		2021		2022	
		Units	All areas	Areas with water stress	All areas	Areas with water stress	All areas	Areas with water stress	All areas	Areas with water stress
Wastewater discharge by destination	Surface water	mL	2,259.46		2,033.37		1,661.07		1642.00	
	Groundwater	mL	79.43		188.88		349.82		240.00	
	Evaporation pond	mL	137.52		135.95		128.34		149.00	
	Seawater	mL	–		–		–		–	
	Third-party water (Total)	mL	4,085.40		3,632.31		3,040.24		2880.00	
	Third-party water sent for use to other organizations	mL	–		1.55		1.45		1.41	
Wastewater discharge by freshwater and other water	Freshwater (≤1,000 mg/L Total Dissolved Solids)	mL	3,154.80	695.14	2,748.67	695.14	2,603.25	713.28	2,252.82	561.89
	Other water (>1,000 mg/L Total Dissolved Solids)*	mL	3,407.00	227.13	3,241.84	228.70	2,576.22	427.51	2,657.89	415.49
Total wastewater discharge	**Surface water + groundwater + seawater + third-party water + evaporation ponds***	**mL**	**6,561.80**	**922.27**	**5,990.51**	**923.85**	**5,179.47**	**1140.79**	**4,910.70**	**977.38**
Total wastewater discharge (excluding evaporation pond)			**6,424.28**		**5,854.56**		**5,051.13**		**4,762.00**	

*2021 figures updated

GRI 306-1: Waste Generation and Significant Waste-Related Impacts

Teva's 2030 environmental commitments include a goal to continue to minimize waste generated from operations and the environmental impact of its disposal. As a large manufacturer and supplier of pharmaceutical products, the material inputs to our business include various raw materials required to produce drug substances and drug products, packaging materials and all additional materials required to operate and maintain a facility.

The outputs from production, research and distribution processes in our facilities are predominantly these same materials in waste format (either processed or in their original format if they were not utilized).

GRI 306-2: Management of Significant Waste-Related Impacts

Teva's facilities are responsible for ensuring compliance with all required regulations related to waste management as required by our EHSMS. Teva's EHSMS includes a Waste Minimization and Management standard, which sets expectations for how our facilities and business handle and manage waste beyond simple compliance. This includes, but is not limited to, adopting a waste hierarchy, identifying opportunities to reduce waste on a continual basis and setting reduction goals to ensure wastes are managed in accordance with Teva's minimum expectations for waste management, which classify waste methods for acceptable, conditional and unacceptable waste management methods. These efforts have resulted in large reductions of both hazardous and non-hazardous wastes from our sites. Moreover, our global Sustainability Task Force includes a workstream on waste that aims to identify waste reduction opportunities.

Teva's EHSMS has specifications for research and development (R&D) activities and provides guidance for our R&D colleagues in employing green chemistry techniques during the development process for the target product. Our EHSMS specifies requirements for new operations and major modifications to evaluate opportunities to minimize the generation of waste.

In our EHSMS, we include contractual provisions for waste management vendors and details on how they are to be assessed. We are continuing efforts to increase the robustness of our waste vendor approval process to provide an additional level of oversight.

As part of Teva's routine environmental data collection process, waste data are provided from each of the assigned facilities to Teva Corporate, where they are analyzed, consolidated and validated.

Hazardous Waste

Teva expects all sites to comply with the various regulations around the world for labeling, storing, handling and transporting hazardous waste. Our sites are assessed for compliance by the Global EHS Audit on a scheduled basis. Teva's Global EHSMS establishes standards and specifications for sites to minimize waste generated by operations, and many sites recycle organic solvents generated as waste from processes for reuse. Some sites sell used organic solvents to third parties for use as raw materials in commercial products.

Transport of hazardous materials is handled on an operational level, not by central processes.

Packaging Waste

Teva has a formal sustainability packaging program with KPIs to reduce product packaging waste. The initial focus is on reducing the weight and increasing recycled content of secondary packaging. This has positive benefits upstream in our value chain including, less virgin material used resulting in lessened pressures on non-renewable and stressed renewable resources and expected lower carbon emissions. Downstream benefits include lower carbon emissions associated with product transport (less weight per unit of product) and less waste generated from end users of our products. Our focus is in this area since primary packaging is highly regulated by drug regulatory agencies and opportunities are not as great in the area of secondary packaging.

Take-back Schemes

Teva supports medicine take back programs that have been established under law or voluntarily across the world. Many of the take-back programs are managed by the commercial organization. In The Netherlands, the Teva Retourbox program is implemented in approximately 25% of all pharmacies and is managed by our commercial team out of the Haarlem site. Teva Retourbox provides a collection box at pharmacies for customers to drop off unused medicines. Similar initiatives are ongoing in Spain through the SIGRE program, a nongovernmental organization (NGO) that supports medicine take-back efforts in Spain. In the US, Teva is a member of the Pharmaceutical Product Stewardship Working Group (PPWSG) that coordinates the pharmaceutical industry's efforts to respond to household pharmaceutical products and sharps take-back laws.

Actions in Place Regarding Local Pollution

Teva's EHSMS include specifications that apply to all operating sites to prevent spills and accidental releases, as well as the appropriate response in case of the event of a spill or release of a hazardous material to ensure any potential impact on the environment is minimized or avoided. Our standards include specifications for hazardous material storage containers, tanks and conveyance systems to minimize their environmental releases. Our Environmental Health and Safety (EHS) standards also require sites to develop and implement hazardous materials emergency preparedness and response plans to properly manage events. The standards require sites to promptly make required notifications to regulatory agencies and to the Global EHS&S team. Global EHS&S supports the sites in situations when the spill or release has impacted, or can potentially impact the environment. In these rare situations, Teva's EHS standards require the spill or release to be fully investigated (e.g., soil, groundwater sampling) to determine the actual impact and, if necessary, remediation to meet recognized regulatory standards. Teva's Emission Management Standard requires sites to identify potential sources of dust/particles from operations and to control these emissions in line with regulatory requirements or recognized industry practices.

GRI 306-3: Waste Generated
GRI 306-4: Waste Diverted from Disposal

Waste by Composition, in Metric Tons	2020			2021			2022		
Waste composition	Waste generated	Waste diverted from disposal	Waste directed to disposal	Waste generated	Waste diverted from disposal (recovery treatment types)	Waste directed to disposal (disposal treatment types)	Waste generated	Waste diverted from disposal (recovery treatment types)	Waste directed to disposal (disposal treatment types)
Hazardous	106,064	39,666	66,399	87,055	30,521	56,535	68,593	26,578	42,014
Nonhazardous	58,442	27,099	31,343	63,649	27,705	35,944	42,601	22,411	20,191
Total	**164,506**	**66,764**	**97,742**	**150,705**	**58,226**	**92,478**	**111,194**	**48,989**	**62,205**

GRI 306-5: Waste Directed to Disposal

Waste by Composition, in Metric Tons		2020			2021			2022		
	Units	Onsite	Offsite	Total	Onsite	Offsite	Total	Onsite	Offsite	Total
Waste diverted from disposal by recovery operation (recovery treatment types)										
Hazardous waste										
Preparation for reuse	Metric tons	–	103	103	–	71	71	0	2,080	2,080
Recycling	Metric tons	8,918	30,645	39,563	7,869	22,581	30,450	5,562	18,937	24,499
Total	**Metric tons**	**8,918**	**30,748**	**39,666**	**7,869**	**22,652**	**30,521**	**5,562**	**21,017**	**26,579**
Nonhazardous waste										
Preparation for reuse	Metric tons	11	212	223	47	1,083	1,130	231	1,023	1,254
Recycling	Metric tons	–	26,876	26,876	1	26,575	26,576	1	21,156	21,157
Total	**Metric tons**	**11**	**27,088**	**27,099**	**48**	**27,658**	**27,705**	232	22,179	22,411
Waste directed to disposal by disposal operation										
Hazardous waste										
Incineration (with energy recovery)	Metric tons	–	5,113	5,113	–	3,630	3,630	–	4,213	4,213
Incineration (without energy recovery)	Metric tons	–	25,533	25,533	–	23,573	23,573	–	16,684	16,684
Landfilling	Metric tons	–	3,451	3,451	–	3,848	3,848	–	2,560	2,560
Other disposal operations	Metric tons	–	32,302	32,302	40	25,444	25,484	–	18,557	18,557
Total	**Metric tons**	**–**	**66,399**	**66,399**	**40**	**56,495**	**56,535**	–	42,014	42,014
Nonhazardous waste										
Incineration (with energy recovery)	Metric tons	–	9,511	9,511	–	5,534	5,534	–	5,505	5,505
Incineration (without energy recovery)	Metric tons	–	2,027	2,027	–	1,392	1,392	–	1,006	1,006
Landfilling	Metric tons	–	6,506	6,506	–	16,334	16,334	-	5,870	5,870
Other disposal operations	Metric tons	–	13,299	13,299	–	12,684	12,684	-	7,810	7,810
Total	**Metric tons**	**–**	**31,343**	**31,343**	**–**	**35,944**	**35,944**	-	**20,191**	**20,191**

	2020	2021	2022
Non-hazardous total waste intensity (per Revenue in Millions of US $)	3.51	4.01	2.85
Hazardous total waste intensity (per Revenue in Millions of US $)	6.37	5.48	4.60
Total waste intensity (per Revenue in Millions of US $)	9.87	9.49	7.45

Other Environmental Topics

Teva's Environmental Management System

Teva's global EHSMS was developed in line with recognized international standards (e.g., ISO 14001) to support third-party certification. Our EHSMS includes an internal audit program that uses technical experts from within our global EHS&S team to verify that expectations are met. Individual corporate EHS standards that are a part of Teva's EHSMS are reviewed on a regular cycle and updated as needed to address changes in EHS risk and to incorporate lessons learned. Eighty-eight percent of employees are in sites which the EHSMS have internally audited in the last three years. Nine of our manufacturing facilities hold either ISO14001 or EMAS certification. The site's that hold certifications at the end of 2022 include the following:

Site	Country	2022	Date of Certification (DD/MM/YY)	Certification Valid Until (DD/MM/YY)
Bulebel	Malta	ISO 14001	12/01/21	12/01/24
Dupnitsa	Bulgaria	ISO 14001	26/11/19	25/11/25
Gajraula	India	ISO 14001	21/02/20	20/02/23
Krakow	Poland	ISO 14001	15/03/10	14/03/25
Munro	Argentina	ISO 14001	14/10/21	21/04/24
Nerviano	Italy	ISO 14001	09/03/21	08/03/24
Opava	Czech Republic	ISO 14001	08/04/22	07/04/25
Ulm	Germany	ISO 14001 and EMAS	05/11/20	08/10/23
Waterford	Ireland	ISO 14001	19/10/12	18/10/24

REACH (Registration, Evaluation, Authorization and Restriction of Chemicals)

Teva's sites are being surveyed to determine their registration status. Content of products with substances of very high concern is also being determined. Safety data sheets are updated appropriately as needed for REACH.

Lifecycle Assessments

Teva is committed to conducting lifecycle assessments on its key products. These assessments will be designed to evaluate the upstream and downstream environmental impacts of materials used for the product as well as the final disposal of the product.

Social Disclosures

Access to Health and Medicines

Regulatory Submissions in Low- and Middle-Income Countries (LMICs) of Products on the World Health Organization (WHO) Essential Medicines List (EML) Across Six Therapeutic Areas (TAs) in Teva International Markets*

	2017	2018	2019	2020	2021	2022
Submissions in cardiovascular diseases	5	–	4	–	6	7
Submissions in pediatric oncology	1	3	1	4	5	9
Submissions in respiratory disease	2	–	2	3	3	4
Submissions in diabetes	2	1	–	–	–	0
Submissions in pain/palliative care	1	1	–	–	2	1
Total number of regulatory submissions across six TAs LMICs	**11**	**5**	**7**	**7**	**16**	**21**

*Our sustainability-linked bond (SLB) is tied to three targets, including this KPI. The testing date to determine whether we have achieved each of these targets is December 31, 2025. Shortly after we issued our bond, we began developing the processes to achieve the targets. In 2022, we had 21 submissions, which represents 28% of our 2025 target (75 submissions within the scope). Further information on our work towards achieving each target is available in the 2022 ESG Progress Report, pages 24-27.
Note: Teva international markets include Central and South America, Africa, Asia-Pacific and part of Eastern Europe. The European countries in this region are the ones that were part of the former Soviet Union. LMICs include those designated by the World Bank and as referenced here. No submissions have been made for mental health TA.

Products Provided Through Access to Medicines Programs in LMICs on the WHO EML Across Six TAs in Teva International Markets in 2022

Donation/Social Business Receivers	Type of Program	Therapeutic Areas	Number of Products	Amount of Medicine Provided (Tablets/Doses)*	Amount of Medicine Provided ($)	Number of Patients Reached/Treated
Global HOPE	Donation	Pediatric oncology	14	193,762	$4,566,034	2,013
Breast Care International	Donation	Breast cancer	8	158,574	$1,055,059	400
Pediatric Care Tender	Social Business (Ukraine)	Pediatric oncology	1	9,375	$436,594	Unknown
Total			**23**	**361,711**	**$6,057,687**	**1,400**

*Our sustainability-linked bond (SLB) is tied to three targets, including the "Amount of Medicine Provided" disclosed above. The amount reported has no impact on this target achievement as it is not cumulative and the testing date is December 31, 2025. Further information on our work toward achieving each target is available in the 2022 ESG Progress Report, pages 24-27.

Note: Teva international markets include Central and South America, Africa, Asia-Pacific and part of Eastern Europe. The European countries in this region are the ones that were part of the former Soviet Union. LMICs include those designated by the World Bank and as referenced here. The amount of medicine provided is represented in wholesale acquisition cost (WAC).

Total Access to Medicines Programs in 2022

Receiver	Type of program	Therapeutic Area	Number of Products	Amount of Medicine Provided (Tablets/Doses)	Amount of Medicine Provided ($)	Number of Patients Reached/Treated
Global HOPE	Donations	Pediatric oncology	20	290,832	$5,025,789	2,013
Breast Care International	Donations	Breast cancer	9	165,054	$1,080,115	400
Israel access program	Donations	Chronic disease medicines for migrants and asylum seekers	69	60,037	$16,897	550
US access program	Donations	Mental health	43	3,177,960	$1,708,184	To be reported in 2023
French access program	Social Business	Chronic disease medicines for migrants and homeless people	129	1,648,525	$70,916	100,000
Global Health Tender	Social Business	Anti-opioids; vitamins for tuberculosis and central nervous system	4	65,207,400	$985,933	–
Pediatric cancer tender, Ukraine	Social Business	Pediatric oncology	1	9,375	$436,638	–
Total			**275**	**70,559,183**	**$9,324,472**	**101,950**

Note: The amount of medicine provided is represented in wholesale acquisition cost (WAC) or the local market equivalent.

Local Capacity Building in 2022

Programs supported by Teva's medicines include a strong direction to improve local capacities in countries in the scope of the Access to Medicines Index 2020, with the goal of improving access. While our contribution to these efforts is through product delivery, we do our utmost to partner with organizations who focus on local capacity building, community health promotion and health system strengthening to ensure maximum impact through our programs.

Name of Program, Partnership or Activity	Type of Activity	Description of Local Capacity Improvement Initiatives	Duration of Initiative
Global HOPE (Hematology-Oncology Pediatric Excellence)	Supply chain management	The Global HOPE program was expanded from Malawi in 2020 to Uganda and Botswana in 2021 and to Tanzania in 2022. Our NGO partner, Direct Relief, ensured storage of the medicines in a safe way. In collaboration with Direct Relief and Texas Children's Hospital, the Pediatric Hematology Oncology drug refrigerator at the Botswana site has been readied for Teva donations of cold storage medications, including installation of refrigerator locks, configuration of the refrigerator temperature monitoring system and installation of data loggers. Direct Relief invested roughly $1 billion in the construction of an advanced medicines storage center, where medicines are kept before they are transported to communities in need.	Long-term
Global HOPE	Provider education	In 2020, we launched a partnership with Global HOPE—a program of the Texas Children's Hospital and Direct Relief—to provide treatments for children with cancer and blood disorders in LMICs, specifically in Sub-Saharan Africa. After piloting the program in Malawi in 2020, it has been further expanded to Uganda and Botswana in 2021 and to Tanzania in 2022. Our support has helped treat patients, improve survival and train healthcare workers. In the scope of this partnership, Teva's role is to supply the required medicines. As part of the overall program, led by Global HOPE, various other partners come together to support capacity building activities. In 2022, 1,567 people were trained in the context of this program.	Long-term
Direct Relief and Breast Care International	Patient education	Teva launched the breast cancer program in partnership with Direct Relief and Breast Care International (BCI) in Ghana. Early diagnosis is crucial for improving survival rates among women with breast cancer. Over the past 12 years, BCI, in collaboration with Peace and Love Hospitals, has been conducting outreach programs in deprived communities by educating and screening the public for signs of breast cancer while increasing community awareness.	Long-term

Pandemic Preparedness and Disaster Relief in 2022

Case	Donation/Social Business Receivers	Number of Units Donated	Value of Products Donated to Support Disasters
Kentucky flooding	Catastrophic flooding in Kentucky upended the lives of thousands of people and created great barriers in access to care.	1,536	$230,400
Ukraine relief	The war in Ukraine that broke out in early 2022 required quick action in order to face mounting health needs and lack of access to basic medicines for the citizens of Ukraine.	30,359,669	$11,563,456

Through our ongoing US product donation program, Teva and our NGO partners support additional disasters and emergencies including Hurricane Fiona, Hurricane Ian in the US, Sri Lanka's economic collapse, Haiti's earthquake, Tropical Storm Ana in Malawi, floods in Pakistan, refugees in Poland and wildfires in Greece.

Countries reached through our ongoing US donation program include: Afghanistan, Bangladesh, Belize, Benin, Bolivia, Brazil, Cambodia, Central African Republic, Chad, Colombia, Comoros, Congo (Kinshasa), Dominican Republic, Ecuador, El Salvador, Eritrea, Eswatini, Ethiopia, Fiji, Gambia, Ghana, Guatemala, Guyana, Haiti, Honduras, India, Jamaica, Kenya, Liberia, Malawi, Mali, Mauritania, Mexico, Morocco, Namibia, Nicaragua, Nigeria, Panama, Peru, Philippines, Romania, Rwanda, Sri Lanka, St Lucia, Senegal, Sierra Leone, Somalia, South Sudan, Tanzania, Togo, Uganda and Ukraine.

Donations

Teva is committed to improving the health and well-being of people in communities across the globe. We believe that investing in communities is not merely a choice, but our responsibility. Our community contributions are part of our ESG strategy and reflect our commitment to increasing access to healthcare, particularly for those in developing countries or crisis zones.

Teva's Global Donations Policy and Procedure provides the standards for us to provide consistent and impactful donations. It establishes Teva's decision making and administration of donations, ensures it is in alignment with our ESG strategy and values, reduces risk and upholds compliant and ethical standards. Teva provides donations to organizations for legitimate scientific, educational or philanthropic purposes and not to reward or influence prescriptions, purchases or recommendations of Teva products. Our donation activities independently address programmatic and educational gaps.

On December 15, 2022, we launched a donation policy training that applies to all Teva employees, including directors, executives, employees and subsidiary and affiliated companies involved in making donations. The training consists of two elements—a document of overall procedural guidance and a video training about cash donation. We have begun the process of implementing software that will align global donations with our donation policy. The Grants Connect online platform, to be launched in early 2023, will bring all grantmaking into one place and make it easier to execute, automate and assess the impact of using a global database.

Teva avoids, identifies and discloses all conflicts of interest. Teva does not donate to organizations or programs that discriminate against individuals based on, but not limited to, gender, gender identity, sexual orientation, race, ethnicity, religion, disability, age or parental status.

Teva is accurate and transparent in its books and records for all donations provided. We ensure that:

- Donation value is aligned with the identified project/need
- Funds are used entirely for the intended purpose of said specific activity
- Donations are transferred directly to the recipient organization and never to an individual
- A fully executed written agreement is with the recipient before commencing the activity and/or providing anything of value

We notify all requesting organizations with approved donations requests. Organizations must complete an impact form (e.g., use of funds report) at the end of the year, detailing the amount of money received, the cause and the impact of the donation.

GRI 203-1: Infrastructure Investments and Services Supported

	2020	2021	2022
Cash contributions	$2,078,252	$2,059,875	$2,392,323

Volunteering

On November 1, 2022, Teva Gives—a new platform to support employee volunteering and giving back to our local communities—was launched on a CSRConnect software. Through the Teva Gives online platform, employees are able to find Teva-organized activities, record volunteering hours, measure their impact and see how colleagues are making a difference. We launched first in the US and plan to launch globally by 2023. A short, internal introduction video is available to help onboard employees.

Pricing

HC-BP-240b.2 Percentage Change in: (1) Average List Price and (2) Average Net Price Across US Product Portfolio Compared to Previous Year

	2019	2020	2021	2022
Change (%) in average list price across US specialty product portfolio compared to previous year	3.78	2.12	3.24	3.74
Change (%) in average net price across US specialty product portfolio compared to previous year	–	–	–0.32	1.07

Inclusion and Diversity

GRI 2-7: Employees
GRI 2-8: Workers Who Are Not Employees

Global Workforce	2019	2020	2021	2022
Permanent employee full-time equivalent (FTE)	38,542	37,919	35,531	34,848
Permanent employee (headcount)	39,288	38,372	35,979	35,125

Note: Precise data on the number of temporary workers is not available since definitions of temporary vary from region to region and according to legislations. Hiring temporary workers is not a common practice, and therefore, the number is considered not relevant compared to the total number of permanent employees disclosed. Using non-guaranteed-hour employees is also not a common practice for Teva.

Employees by Region (Headcount: Teva's Permanent Employees)	2019	2020	2021	2022
Israel	4,337	3,675	3,600	3,240
Europe	18,207	18,569	18,122	17,834
North America	7,336	6,918	6,302	6,099
International markets	9,408	9,210	7,955	7,952
Total	**39,288**	**38,372**	**35,979**	**35,125**

Note: Teva international markets include Central and South America, Africa, Asia-Pacific and part of Eastern Europe. The European countries in this region are the ones that were part of the former Soviet Union.

Employees by Type (Headcount: Teva's Permanent Employees)	2019			2020			2021			2022		
	Women	Men	Total	Women	Men	Total	Women	Men	Total	Women	Men	Total
Full-time	16,774	21,356	38,130	16,364	20,736	37,100	15,541	19,170	34,711	15,303	18,701	34,004
Part-time	960	198	1,158	1,013	259	1,272	1,029	239	1,268	927	194	1,121
Total	**17,734**	**21,554**	**39,288**	**17,377**	**20,995**	**38,372**	**16,570**	**19,409**	**35,979**	**16,230**	**18,895**	**35,125**

Supervised Workers	2019	2020	2021	2022
Supervised workers FTE	1,497	1,798	1,506	1,672
Supervised workers (headcount)	1,497	1,844	1,558	1,701

Note: Teva uses two types of supervised workers: 1) Professional Consultant (individual who performs service requiring specialty and skills that are not available internally; used for a specific time and scoped project supporting Teva's business); and 2) Operational Outsourced (typically a long-term solution for noncore activity performed by a third-party).

	2021	2022
Number of R&D positions	2,569	2,589

Trend of Employee Engagement

Teva's Employee Engagement Surveys cover many metrics such as care and respect (e.g., being able to freely express views), purpose and values (e.g., company's positive impact on society and communities) and leadership (e.g., having trust and confidence in senior leaders).

	2020	2021	2022
Employee engagement	75%	72%	71%
Enablement	75%	73%	73%
Participation	86%	86%	83%

GRI 405-1: Diversity of Governance Bodies and Employees

Employees by Gender (%)	2019		2020		2021		2022	
	Women	Men	Women	Men	Women	Men	Women	Men
Executives/senior managers	29%	71%	27%	73%	29%	71%	27%	73%
Middle managers*	41%	59%	41%	59%	42%	58%	43%	57%
Junior managers*	49%	51%	48%	52%	50%	50%	50%	50%
Total management positions*	**47%**	**53%**	**46%**	**54%**	**47%**	**53%**	**48%**	**52%**
Professionals	51%	49%	51%	49%	51%	49%	51%	49%
Entry-level positions	37%	63%	37%	63%	37%	63%	37%	63%
Total non-management positions	**45%**	**55%**	**45%**	**55%**	**45%**	**55%**	**46%**	**54%**
Total employees	**45%**	**55%**	**45%**	**55%**	**46%**	**54%**	**46%**	**54%**

*Data reviewed due to new category definitions included for 2022.

Employees by Age Group (%)	2019			2020			2021			2022		
	<Age 30	Age 30–50	>Age 50	<Age 30	Age 30–50	>Age 50	<Age 30	Age 30–50	>Age 50	<Age 30	Age 30-50	>Age 50
Executives/senior managers	0%	38%	62%	0%	36%	64%	0%	39%	61%	0%	39%	61%
Middle managers*	0%	61%	39%	0%	59%	41%	0%	56%	44%	0%	55%	45%
Junior managers*	3%	71%	26%	2%	70%	28%	2%	70%	28%	2%	68%	30%
Total management positions*	**2%**	**68%**	**30%**	**2%**	**67%**	**31%**	**2%**	**66%**	**32%**	**2%**	**65%**	**33%**
Professionals	14%	65%	21%	13%	65%	22%	12%	64%	24%	13%	62%	25%
Entry-level positions	17%	54%	29%	17%	54%	29%	16%	53%	31%	17%	52%	31%
Total employees	**12%**	**62%**	**26%**	**12%**	**61%**	**27%**	**11%**	**61%**	**28%**	**11%**	**60%**	**29%**

*Data reviewed due to new category definitions included for 2022.

% of Women in Specific Areas	2019	2020	2021	2022
Information technology (IT)	24%	24%	24%	24%
Revenue-producing roles (sales)	53%	53%	53%	54%
R&D	46%	46%	46%	47%
STEM-related positions (e.g., R&D, engineering, IT)	27%	27%	28%	29%
% of employees promoted during the fiscal year that were women	48%	46%	49%	47%

Board of Directors, 2022	By Gender		By Age		
	Women	Men	<Age 30	Age 30–50	>Age 50
Directors	25%	75%	0%	0%	100%

Equal Pay and Gender Pay Parity

GRI 405-2: Ratio of Basic Salary and Remuneration of Women to Men

Pay Ratio Per Category	2022
Executives/senior managers	86%
Middle managers	90%
Junior managers	94%

Total management positions	84%
Professionals	99%
Entry-level positions	103%

Note: This assessment includes 100% of Teva's workforce. Gender pay differences can be attributed to a higher representation of males in the upper grade levels within the relevant category.

Women Pay Gap	2022
Considering level, function/profession and location	–0.4%
Without considering level, function/profession and location	4%

Pay Gap by Percentile

	2021	2022
% of the company's top 10% compensated employees that are women	40%	42%
% of the company's women in the top pay quartile globally	47%	48%
% of the company's women in the upper middle pay quartile globally	51%	49%
% of the company's women in the lower middle pay quartile globally	49%	52%
% of the company's women in the lower pay quartile globally	41%	42%

Talent Recruitment, Development and Retention

Transparent and Inclusive Recruitment at Teva

Teva's global careers site provides as much relevant information to candidates as possible, including details about us as a company, what we do and an easy search function of all our opportunities. Our "How We Hire" section provides further insights and explains our hiring process to potential candidates, outlines hints and tips on how to best prepare and helps set expectations. Our internal Global Recruitment policy outlines our process so all hiring managers follow the same approach. We also have training that supports hiring managers and explains their role, and have had 87% of our employees complete the unconscious bias training.

We have a number of programs and partnerships that help us identify suitable opportunities for those with different abilities and help us reach more diverse candidates. In the US, we partner with Integrate Advisors, an organization supporting the placement of neurodivergent individuals. Through this partnership, we have placed individuals who have very successfully brought their skills to help us with compliance with the digitization of

documents. In Israel, we partner with a number of providers, including The Israeli Center for Supported Employment and the National Institute of Neuropsychological Rehabilitation, to ensure our opportunities are available to all.

GRI 404-3: Performance Reviews

In 2022, 100% of eligible employees received feedback. The 360-degree feedback tool is part of both first-line manager (FLM) and senior-line manager (SLM) programs. Annual coverage of these programs is 26% for the FLM program and 21% for the SLM.

GRI 401-1: New Employee Hires and Employee Turnover

New Hires and Leavers by Age	2019			2020			2021			2022		
	<Age 30	Age 30–50	>Age 50	<Age 30	Age 30–50	>Age 50	<Age 30	Age 30–50	>Age 50	<Age 30	Age 30–50	>Age 50
New hires	1,677	2,133	378	1,406	1,837	434	1,243	1,990	355	1,597	2,414	585
Leavers	1,133	3,853	1,609	823	2,607	1,277	1,048	3,609	1,327	828	2,862	1,214
Hires rate*	35%	9%	4%	31%	8%	4%	32%	9%	3%	41%	12%	6%
Turnover rate*	24%	16%	16%	16%	11%	12%	29%	16%	12%	21%	14%	12%

*Rates are based on yearly FTE average.

New Hires and Leavers by Gender	2019			2020			2021			2022		
	Women	Men	Total	Women	Men	Total	Women	Men	Total	Women	Men	Total
New hires	2,077	2,112	4,189	1,652	2,025	3,677	1,710	1,878	3,588	2,165	2,431	4,596
Leavers	3,109	3,486	6,595	2,273	2,434	4,707	2,477	3,507	5,984	2,153	2,751	4,904
Hires rate*	12%	10%	11%	10%	10%	10%	10%	10%	10%	13%	13%	13%
Turnover rate*	17%	16%	16%	11%	12%	12%	15%	18%	16%	13%	14%	14%

*Rates are based on yearly FTE average.

New Hires and Leavers by Region	2019				2020				2021				2022			
	Israel	Europe	North America	Inter-national Markets	Israel	Europe	North America	Inter-national Markets	Israel	Europe	North America	Inter-national Markets	Israel	Europe	North America	Inter-national Markets
New hires	286	1,967	922	1,014	185	1,738	895	847	225	1,447	671	1,245	359	1,963	1,082	1,193
Leavers	1,184	2,656	1,464	1,291	803	1,368	1,307	954	310	1,869	1,303	2,502	684	1,930	1,181	1,109
Hires rate	7%	11%	13%	11%	5%	9%	13%	9%	6%	8%	11%	16%	11%	11%	17%	15%
Turnover rate	27%	15%	20%	14%	21%	8%	18%	10%	9%	10%	20%	30%	21%	11%	19%	14%

Note: Teva international markets include Central and South America, Africa, Asia-Pacific and part of Eastern Europe. The European countries in this region are the ones that were part of the former Soviet Union. Rate calculations use the average number of employees. Rates are based on yearly FTE average.

In the last three years, there were no major layoffs. In case of layoffs, Teva offers adequate severance payments and ensures compliance with legal requirements. Outplacement services are typically provided.

Career Mobility

	2021	2022
Positions filled by internal candidates	2,106	2,286
Percentage of open positions filled by internal candidates	38%	33%

We hold a robust Talent Review and Succession Planning for Vice President (VP) positions and above. The process includes identification of critical positions and a comprehensive review of successors for critical positions to strengthen Teva's pipeline and promote growth from within. We ensure development planning for all successors, with a specific focus on accelerating readiness of women successors. The process takes place over several months and includes talent reviews within each business unit as well as cross-business units. Criteria for critical positions and successors' potential and readiness are being used consistently across Teva.

Employee Health, Safety and Well-being

GRI 403-1: Occupational Health and Safety Management System

Teva has a formal global EHSMS, which comprehensively deals with all aspects of occupational health and safety. The system is structured such that implementation will enable Teva sites to ensure regulatory compliance and Teva expectations and, if they wish, certification to external standards such as ISO 45001. The management system is applicable to all Teva employees, contingent workers and contractors, and all locations are included in scope. The sites below have valid Health and Safety ISO 45001 certification in place.

Site	Country	Date of Certification (dd/mm/yy)	End of Certification (dd/mm/yy)
Waterford (Operation & R&D)	Ireland	05/11/21	02/11/24
Krakow	Poland	15/03/22	14/03/25
Opava (TAPI & Pharma)	Czech Republic	06/04/20	07/04/25
Dupnitsa	Bulgaria	21/10/22	24/11/25
Gajraula	India	21/02/20	20/02/23
Nerviano	Italy	20/04/19	19/04/25

Although our management system is applicable to all Teva employees, contingent workers and contractors and all locations, we recognize that, in practice, penetration and implementation of the management system at low risk office locations where a direct Employee Health and Safety (EHS) resource is not provided, are sub-optimal. A new office safety standard will be deployed during 2023 after a successful test phase in 2022 with some of our largest offices.

GRI 403-8: Workers Covered by an Occupational Health and Safety Management System

	2021				2022			
	Teva Employees		Contingent		Teva Employees		Contingent	
	Number	%	Number	%	Number	%	Number	%
Workers covered by Teva's Occupational Health and Safety (OHS) system	35,979	100%	1,558	100%	35,125	100%	1,701	100%
Workers covered by Teva's OHS system that have been internally audited*	28,986	81%			31,091	85%		
Workers covered by Teva's OHS system that have been audited or certified by an external party	4,920	14%			13,632	38%		

*Internal Global EHS Audit in the last three years (2020-2022). The system includes Environmental and Sustainability aspects.

GRI 403-2: Hazard Identification, Risk Assessment and Incident Investigation

Risk assessment is a foundational element of Teva's EHSMS to meet local, legal and Teva global requirements. It includes the following program elements for its various programs:

- Inventory of applicable areas/equipment/materials
- Definition of standard hazard control expectations
- Documented risk assessment for each item on the inventory using a standardized risk matrix
- Identification of safeguards and integration into site preventative maintenance programs
- Risk assessments and improvement plans for risks that exceed predetermined thresholds

- Periodic program effectiveness and risk assessment reviews with associated action planning for identified improvement opportunities

Non-routine activities are also subject to risk assessment and, depending on the nature of the activity, safe work permits may also be required to ensure work proceeds in a safe manner.

Teva has established a standardized approach in every site to investigate each EHS event in order to determine its most probable causes, including root causes. Our investigations have to be conducted by an individual and/or team with the appropriate level of skill and understanding of the circumstances surrounding the event and effective investigation techniques. To ensure the quality and completeness of the investigation for significant EHS events, these are approved by Regional EHS&S leaders through the EHSMS. In addition, Teva Global EHS&S is assigning a subject matter expert to lead or support local facility investigations for material EHS events or severe events as appropriate. Following the investigation, each facility identifies appropriate corrective and preventive actions and communicates findings and corrective actions, including changes to programs, procedures, work instructions, risk assessments or training programs, to all affected persons. All elements are documented and retained in compliance with our management system and regulatory requirements.

In addition to the above, all site areas are subject to periodic inspections to identify and address conditions that arise outside of expected norms. Teva also defines change control expectations and has developed several standards to ensure design of new processes, equipment and/or facilities considering the hierarchy of control and best available technology to eliminate or control hazards in a robust and reliable manner.

Teva encourages all sites to operate an EHS observation system, which provides a mechanism to capture employees' concerns, suggestions or recommendations relating to their working environment or conditions. Where employees identify an immediate risk, our code of conduct guides employees not to proceed with work. Teva also operates an Office of Business Integrity, where employees can raise concerns, including safety concerns. Teva will not tolerate any form of retaliation for making a good faith report of a potential violation.

GRI 403-3: Occupational Health Services

Our internal standard on occupational health and medical surveillance requires medical services to be provided for staff, including contingent workers, to support the following programs: fitness for duty, return to work, medical surveillance, health promotion, injury and illness prevention, care and management. Depending on the location, health services are provided by Teva employees and/or third parties and vetted according to our guidance document, *Assessing Qualifications of Occupational Healthcare Providers*. Healthcare providers are familiar with the sites they support, consulted about significant changes or specific recommendations for controls and informed of workplace measurement results (e.g., chemical exposure monitoring, noise monitoring).

GRI 403-4: Worker Participation, Consultation and Communication on Occupational Health and Safety

Teva requires all facilities to encourage active participation in the EHS&S program by employees of all levels and their elected labor representatives. Teva requires facilities to ensure workforce involvement and participation in the design, development, implementation and continuous improvement of its process safety program. Minimally, this includes appropriate participation in hazard assessments, procedure development, inspections, incident

investigations, operational readiness reviews and training evaluations. Sites tend to extend this program to other EHS&S programs. Most sites have EHS councils, especially if required by local regulation. Specifics of these councils are managed locally.

GRI 403-5: Worker Training on Occupational Health and Safety

Teva's training and competency standard requires sites to identify competencies for all employees and contingent workers. According to this identification, a wide range of trainings are provided, including hazard awareness, risk assessment outcomes, job-specific risks and control measures and use of personal protective equipment. Teva's EHS training program includes training modules for all global EHS standards and for the EHS policy.

All global EHS department members, site leaders and new employees are assigned this training. Site EHS leaders are responsible for assigning their EHS team members, as well as other site contacts, to select modules as appropriate for their responsibilities. These training modules are maintained in a global learning management system (Studium) where assignments and completions are tracked. In addition to the mandatory training modules, a selection of voluntary modules have been added to Studium so that interested parties can self-assign topics of interest. The EHSMS training modules in the global learning management system represent only the high-level EHS Standards and expectations. Each site has a detailed training plan, whereby all regulatory and job-specific EHS aspects are fully addressed to the needed level of detail. Local training systems are used at the sites to manage and track this training program and this information is not rolled up globally. In 2022, 928 individual training events were recorded in Studium, our learning management system. Each event represents an individual training session taken by one employee.

Additionally, during EHS&S Week a series of webinars were run on a range of topics, including Going Green Together and What is ESG?, Managing the Risk of Slips, Trips and Falls— Good Design and Coaching, Flammable and Explosive Atmospheres and Human Factors– Identifying and Controlling Brain-Centered Hazards. Over 2,000 individual logins were recorded over the course of the week.

GRI 403-6: Promotion of Worker Health

Teva offers a wide range of programs and activities related to non-occupational health:

Comprehensive medical, dental and vision insurance; access to virtual and telehealth services for physicals, counseling from psychologists and therapists; life insurance with option for employees to purchase additional coverage; voluntary/employee paid supplemental insurance for accidents; voluntary long-term disability coverage; well-being program to encourage healthy habits including access to Weight Watchers, health coaching, tobacco cessation programs and more.

These programs vary from country to country. In some, they are provided as part of the existing insurance coverage, and in others, they are part of a robust well-being platform. Globally, Teva encourages sites to hold health promotion sessions by including them in Teva's annual EHS&S Week. Our programs are mainly offered to employees and not contingent workers.

GRI 403-7: Prevention and Mitigation of Occupational Health and Safety Impacts Directly Linked by Business Relationships

Teva has operated a formal, documented EHSMS in its current configuration since 2014. The management system and our performance against expectations are driven through a dedicated global and regional EHS&S function, with more than 20 permanent staff. The management system ensures a consistent approach to risk management at all locations. We collect and monitor performance in a variety of ways, including through global EHS&S site internal audits, reporting of regulatory audits, self-identified nonconformance, incidents and accidents monitoring, on-time closure of corrective and preventative actions, internal awards, monitoring of changing regulations and regulatory trends, regular meetings and reporting to all key stakeholders. We adapt our expectations and management system in response to both positive and negative trends and set annual objectives and targets both at the global and site level. We are invested in improving existing operations and ensuring new developments meet Teva, industry and regulatory standards. We continue to invest in people, recruiting qualified and experienced professionals and developing existing employees through coaching, on-the-job training, assignments and professional training. Our approach has resulted in improvements in lagging metrics, such as total recordable incident rate.

Contractor and Contingent Worker Safety

We have strong governance processes and management systems to protect our contingent workers (directly supervised by Teva) and contractors (not directly supervised by Teva). Contingent workers have the same rules, standards, trainings and expectations as full-time Teva employees, including for incident reporting. There were only four recordable injuries (not including COVID-19 cases) for contingent workers in 2022, a 33% decrease from 2021. While contractors' occupational health and safety (OHS) is primarily the responsibility of their direct employer, as a host employer, Teva provides a safe and healthy workplace. All direct employers of contractors go through a qualification process to assess their EHS performance and programs, and those who do not meet Teva's minimum standards are not allowed to work at our sites. All contractors receive a site orientation training, information on risks inherent to the areas in which they work and detailed expectations and responsibilities for contractor safety at our sites. All contractor incidents must be reported to the Teva contractor representative for appropriate follow-up.

GRI 403-9: Work-Related Injuries
GRI 403-10: Work-Related Ill Health

Health and Safety: Teva Employees	2018	2019	2020	2021	2022
Number of recordable injuries	158	115	107	72	73
Recordable injury rate	1.90	1.56	1.57	1.12	1.16
Main type of work-related injury			Slip, trip, fall	Slip, trip, fall	Slip, trip, fall and overexertion
Number of high-consequence injuries		3	1	2	4
High-consequence injury rate		0.04	0.01	0.03	0.06
Number of lost days	1,570	1,494	1,339	1,196	2,374
Number of injuries resulting in lost days	95	65	62	52	51
Lost-time injury frequency rate (LTIFR)	1.14	0.88	0.91	0.81	0.81

Number of cases of recordable work-related ill health	3	9	1	1	1
Work-related ill health rate	0.04	0.12	0.01	0.02	0.02
Main types of work-related ill health		Exposure to API resulting in ill health; ergonomic injuries related to repetitive motions	Repetitive strain injury	Repetitive strain injury	Repetitive strain injury
Number of fatalities because of work-related injury	0	0	0	0	0
Number of fatalities because of work-related ill health		0	0	0	0
Number of hours worked	83,242,585	73,898,866	67,974,216	64,057,503	62,751,988

Note: Rate calculations are based on 1,000,000 hours worked. Data are relevant for recordable injuries (all employees) excluding COVID-19 cases.

Health and Safety: Contingent Employees	2019	2020	2021	2022
Number of recordable injuries	6	3	6	4
Recordable injury rate	2.00	0.81	1.92	1.17
Main type of work-related injury	Proximity injuries: contact with and contact by; fall injuries	Same-level fall and hand injuries	Slip, trip, fall	Slip, trip, fall and contact with objects and equipment
Number of high-consequence injuries	0	0	0	0
High-consequence injury rate	0	0	0	0
Number of lost days	12	68	60	12
Number of injuries resulting in lost days	3	3	4	2
LTIFR	1.00	0.81	1.28	0.59
Number of cases of recordable work-related ill health	0	0	0	0
Work-related ill health rate	0	0	0	0
Main types of work-related ill health	0	0	0	0
Number of fatalities as a result of work-related injury	0	0	0	0

Number of fatalities as a result of work-related ill health	0	0	0	0
Number of hours worked	2,999,988	3,695,376	3,122,232	3,408,804

Note: Rate calculations are based on 1,000,000 hours worked.

GRI 401-2: Benefits Provided

Teva offers a wide range of benefits programs that differ by country and adhere to local practice, market conditions and governmental and economic environments. We offer life insurance plans and medical programs for all full-time and part-time employees and also subsidize summer camps for children of employees in some countries. In the majority of countries, we offer:

- Long-term savings and pension programs to ensure financial well-being of our employees
- Welfare activities for employees and their families
- Car allowance and car lease services, medical check-ups, canteen services or food coupon, holiday gifts and more

Teva offers mental health support to 82% of our employees. Eighty percent of Teva employees are eligible for a short-term incentive benefit (bonus or sales incentive). Non-eligibility is related to union and/or collective labor agreements. Our long-term incentive program below executive management covers 9% of Teva's employees and is granted in the form of restricted stock units (RSUs). Employees at director level and above are eligible. In North America, a certain percentage of employees at mid-manager level are also eligible to align with local market practice. The equity vests over a four-year period.

Parental Benefits

In the US, we offer:

- Maternity leave: 12 weeks paid 100% by Teva
- Parental leave: 4 weeks paid 100% by Teva
- Family and Medical Leave Act: 12 weeks paid, depending on state laws

Parental Leave	2021	2022
Percentage of women who returned from parental leave during previous fiscal year and remained employed by the company 12 months after their return	88%	79%
Minimum number of weeks of fully paid primary parental leave offered by the company	8	12

Ethics and Transparency in Clinical Trials

Teva has a comprehensive set of procedures related to management of clinical studies and the oversight of vendors. These procedures help maintain patients' safety and clinical trial data integrity in accordance with the global standard Good Clinical Practice (GCP) and local regulations. We hold

vendors to the same standards to which we hold ourselves when we outsource tasks associated with clinical study conduct. To ensure this, we undertake a thorough evaluation of our clinical research organizations (CROs) and put oversight plans in place for clinical trial work outsourced to vendors. Vendor qualification/requalification audits are conducted to determine whether the vendor can adequately manage contracted activities and adhere to current industry standards, current GCPs, Good Clinical Laboratory Practices and applicable regulatory requirements.

Teva sponsored studies have either internal or independent data monitoring committees that review interim data and make recommendations on trial conduct in the interest of overseeing the welfare of trial participants including the option of recommending continuation of the study as is or terminating it early, as per the pre-specified remit. Details of interim monitoring plans are pre-specified in the protocols, and the remit of the committee is described in a dedicated charter. We also implement Risk Assessment Management into our studies at study initiation and reassess the risk status during the study.

Our clinical studies are monitored on an ongoing basis to verify patients' safety and the quality of the study conduct. Interim monitoring and analysis of results are also conducted in several trials, as prespecified in the studies protocol, to ensure favorable risk-benefit profile for trial participants. No monetary incentives are being provided to study participants regardless of the participating country/region unless these are healthy participants, who can then get paid for their participation in phase 1 trials, per regulations. The information is clearly outlined in the Informed Consent forms reviewed and approved by the Independent Ethics Committee (IEC) and Institutional Review Board (IRB).

Teva has a procedure that indicates the essential elements to be included in the Model Informed Consent Form (ICF) and the approval process including ways for study participants to be in contact in case of need. The Model ICF is distributed to the investigational site IECs/IRBs for approval. Teva obtains informed consent from all clinical trial participants in compliance with International Council for Harmonization (ICH) GCP, EU Directives, Food and Drug Administration (FDA), Code of Federal Regulations (CFR) and the required local regulations. An oversight is performed by the Clinical Research Associate (CRA) during monitoring visits and, where applicable, sampled during site audit.

We have a learning management system in place, and all employees involved in clinical trials are assigned relevant training curriculum. Their training compliance is monitored to assure staff are appropriately trained to perform their responsibilities.

Teva registers all applicable clinical trials and discloses a summary of results for all applicable clinical trials, including terminated ones, as required by FDA, European Medicines Agency (EMA) and local regulations, on publicly available web sites. Our Scientific Communications teams ensure that we adhere to established industry standards for scientific and medical publications, including, but not limited to, the International Committee of Medical Journal Editors (ICMJE) authorship criteria and current Good Publications Practice (GPP).

Teva is committed to sharing both patient-level and study-level clinical trial data, as well as protocols from clinical trials using Teva Specialty Branded products that were approved in the US and EU as of January 2014, to aid in conducting legitimate research. Access will be granted to de-identified patient-level data, protocols, and statistical analysis plans if a formal request is approved by a review panel. Consideration will be given to the scientific merit of the proposed research, the protection of clinical trial participant information, the publication plan for trial results and the protection of commercially confidential information before deciding whether to share clinical trial data.

Animal Testing

We use animals, when required by regulation, for scientific-based decision. Only studies with satisfactory rationale that comply with animal welfare requirements, including the 3Rs principles (Replacement, Reduction and Refinement), can be approved. Our program management structure follows what is defined by the "Guide for the Care and Use of Laboratory Animals." The Institute Official bears ultimate responsibility for the program and directs the whole program of animal welfare in Teva together with the Ethical Committee (EC) and attended veterinarian that manages the program (e.g., monitor animal husbandry, the conduct of animal experiments and compliance with animal ethical standards on a daily basis).

Whenever possible, we use alternative methods to animal testing such as in vitro, ex vivo, organ on a chip and in silico. Animal studies are performed only when there is no alternative procedure to assess study objectives. We use a minimal number of animals to achieve meaningful results, and if an animal suffers adverse effects during a test, they are immediately removed in order to eliminate further exposure. We follow best practice standards and national regulations in respect to animal welfare and conduct of animal studies. We have veterinarian control, and all employees and internal researchers are trained and approved according to national regulations. We are investing many efforts to develop new and innovative methods for alternatives by expanding our departments of in vitro and in silico testing.

We commit to refine any pain and/or suffering of animals in our studies, and the ethical committee ensures the use of analgesia (pain relief), proper handling and maintenance and other methods of refinement. Early termination criteria must be defined in every study to avoid pain and suffering of animals. The ethical committee is used to approve all animal studies (internal or external), and animal welfare is addressed in both husbandry and during the studies.

The Workplace Animal Welfare Committee supervises compliance with animal welfare standards in the Animal House. During all tests, the person responsible for the test checks that the tests are carried out professionally and that all animal ethics requirements are met. External national authority audits are also performed by the relevant national council and the national veterinarian that monitors our facility on an ongoing basis. All unexpected events during animal husbandry or animal experiments are reported to the veterinarian, who escalates to the authority in all significant cases. We submit semiannual and annual reports on the use of laboratory animals to the authority and quarterly veterinarian reports of clinical monitoring, protocol compliance, animal housing and environment.

Economic Impact

	2021	2022
Savings from Teva's Generic Medicines ($B)	**N/A**	**44**
Economic Impact		
Direct jobs (FTE)	33,038.87	32,790.70
Spillover Jobs (FTE)	265,347.81	204,312.06
Total Jobs (FTE)	**298,386.68**	**237,102.76**
Direct GDP contribution ($M)	7,876.47	7,938.37
Spillover GDP contribution ($M)	14,042.94	12,065.61
Total GDP contribution ($M)	**21,919.40**	**20,003.98**
Direct labor income ($M)	2,782.44	2,573.14
Spillover labor income ($M)	6,628.04	5,658.41
Total labor income ($M)	**9,410.48**	**8,231.55**

Definitions: **Jobs** - Created by and as a result of Teva's activities around the world; **GDP (Gross Domestic Product) Contribution** - Economic value-added and generated by as a result of Teva's activities (commercial, production and R&D) around the world; **Labor income** - Sum of wages and salaries generated from and as a result of Teva's activities around the world. Note: This analysis covers 24 countries with 32,791 FTEs (of Teva's 34,848 FTEs around the world). External data used to calculate generic medicines savings are not available for India, Ireland and Israel. In Israel, Teva holds the number one position in the generic medicines segment with 35% of market share, and 25% of all prescriptions are filled with a Teva product. These results are not comparable to Teva's 2020 economic impact analysis due to different methodologies used. The scope of Teva's economic impact analysis for 2021 and 2022 has increased, now including the economic impact of all activities (e.g., manufacturing, commercial and R&D), and the spillover data reflect domestic and foreign supply chain effects around the world. The global model used for spillover calculations includes 188 countries and 56 industries. Click here for an explanation of our Economic Impact and Generic Medicine Savings methodology.

Governance Disclosures

Compliance and Ethics

GRI 205-1: Operations Assessed for Risks Related to Corruption

Teva conducts a formal annual compliance risk assessment as part of its compliance monitoring program. We do this for 100% of business units having touchpoints with members of the healthcare community and government officials, including Commercial, Teva Global Operations (TGO) and R&D. Risk sources include regulatory guidance, new or changed legislation, internal and external audit reports, business monitoring analyses, advice from internal and external legal colleagues, results of employee and compliance surveys, case analyses from the Office of Business Integrity, and

benchmarking data on risk and best practices supplied by external consulting firms. We continue to assess our risks, and make adjustments as needed, throughout the year. Teva uses monitoring results to determine risks and trends, advise business colleagues, recommend process improvements and remediations and guide and develop subsequent risk assessments and monitoring plans.

Our highest risks in 2022 are broken down as follows:

Commercial (60 Countries)	Teva Global Operations (25 Countries and 53 Sites)	R&D (17 Countries and 27 Sites)
Top 5 activity types with highest average risk ranges: third-party representatives, discounts and rebates, political party contributions and lobbying, R&D collaborative research and market research	Top 5 activity types with highest average risk ranges: destruction or scrap (of materials, assets), third-party representatives, customs clearance and logistics, fee-for-service engagements and hospitality	Top 5 activity types with highest average risk ranges: Teva-sponsored research activities, R&D collaborative research, advisory boards, investigator-sponsored studies and unsolicited medical inquiries

GRI 205-2: Communication and Training About Anti-Corruption Policies and Procedures

Teva has a risk-based compliance training and communications program. Teva trains new employees on the Code of Conduct and other relevant compliance policies and procedures and conducts various training campaigns during the year. To determine training requirements, Teva evaluates job roles on a compliance-risk basis and uses the evaluation to assign a general or advanced compliance curriculum.

In 2022, Teva trained employees in three training campaigns on a variety of compliance and ethics topics, with actual completion rates of more than 99% of the target training populations by year end. Teva's goals are 95% on-time completion after training campaigns are assigned and 100% year-end completion (within –1% for employees on leave).

Additionally, Teva conducts a recertification on the Code of Conduct every two years for all active employees—the most recent in July 2022. Starting in 2023, Teva will formalize refresher trainings on the Prevention of Corruption policy with employee sign-off. Teva also conducts Compliance Mastery Trainings tailored for management teams and ad hoc compliance training to other teams and individuals, as requested or needed.

Teva communicates about compliance through various channels:

- Through formal departmental announcements
- On Teva's intranet and the Global Compliance and Ethics intranet
- In company town hall presentations and newsletters
- On laptop screensavers and on-site plasma screen monitors
- Through targeted written guidelines and e-mail reminders

Teva's Global Compliance and Ethics team also communicates about compliance:

- At meetings with business colleagues, senior management, and the Board of Directors
- In local, regional, and global compliance committees
- In daily advice and guidance to colleagues in the normal course of business

The percentages in the table below include results from three compliance training campaigns conducted in 2022:

Employees	2022	
Global Compliance and Ethics Training Campaigns	**Assigned #**	**Completed % ***
Part 1	30,653	99.62%
Part 2	32,371	99.57%
Part 3	20,611	99.41%

*Considers employees active at the time of the campaigns and at the end of the year.
Note: Teva training goals for each campaign are 95% completion by the end of the campaign, and 100% by the end of the year (within –1% for those on leave).

Coverage of Code of Conduct

2020		2021		2022	
Coverage (%)	**Training with Digital Acknowledgment (%)**	**Coverage (%)**	**Training with Digital Acknowledgment (%)**	**Coverage (%)**	**Training with Digital Acknowledgment (%)**
100% of new employees	99.6%*	100% of new employees	97.9%*	100% of employees	99.6%*

*Teva targets 100% of active employees to re-certify on the Code of Conduct every two years (within -1% for employees on leave). This last recertification occurred in Part 2 of the 2022 compliance training campaign.

GRI 205-3: Confirmed Incidents of Corruption and Actions Taken

Number of Reports Received and Confirmed by the Office of Business Integrity	2019		2020		2021		2022	
	Received	**Confirmed**	**Received**	**Confirmed**	**Received**	**Confirmed**	**Received**	**Confirmed**
Business integrity (corruption, bribery, fraud)	55	19	61	24	43	12	73	20
Employee relations (bullying, harassment)	86	19	97	24	82	26	109	31
Other (quality, safety, R&D)	66	16	67	20	57	10	78	14
Total	**207**	**54**	**225**	**68**	**182**	**48**	**260**	**65**

Note: Minor adjustments to total number of cases by classification for previous years may occur as cases that are still open at the end of one year are not counted as confirmed until they are fully investigated, and therefore, they may be resolved in the following years. In addition, the investigation may have been opened under one classification (e.g., employee relations), but in the course of investigation, it was determined that the case was actually related to another classification (e.g., business integrity).

Approximately 25% of all reports made to the Office of Business Integrity (OBI) in 2022 were substantiated. Of substantiated cases, 100% resulted in one or more corrective actions, including:

- Terminations (25% of the cases)
- Policy reviews (25% of the cases)
- Reduction in compensation (3% of the cases)
- Warnings (31% of the cases)
- Retraining (5% of the cases)
- Coaching (40% of the cases)
- Vendor disengagements (6% of the cases)

Executive bonuses can be reduced for unethical behavior. All executives are subject to a compliance modifier as described in our Proxy Statement, which states that strong individual goals performance by the CEO and other executives, as measured by the various components, is fully rewarded only if there are no substantial compliance events. Individual goals performance achievement may be decreased by up to 10% if there is a substantial compliance event. In addition, Teva maintains clawback provisions to recoup cash and equity-based incentives paid to executive officers based on erroneously prepared financial statements or other misconduct.

GRI 2-27: Compliance With Laws and Regulations

	2021	2022
Total monetary value of significant fines with environmental laws and/or regulations	$1.4M*	0

* Under appeal. See our Quarterly Contingencies for further detail.

Compliance and Ethics at Teva

Teva's compliance with laws and regulations, related to anti-bribery/anti-corruption and other topics such as third-party due diligence, trade sanctions and data privacy, results from having a robust and effective compliance and ethics program. This program is based on industry standards, most notably program elements elucidated in the US Department of Justice Reference Guide to the US Foreign Corrupt Practices Act Second Edition (page 58). This includes:

- Commitment from senior management and a clearly articulated policy against corruption
- A Code of Conduct and compliance policies and procedures
- Oversight, autonomy and resources
- Compliance training, communications and continuing advice
- Third-party due diligence management, including for mergers and acquisitions
- Compliance risk assessments and monitoring

- Confidential reporting of misconduct or concerns through internal investigation, analysis and remediation of misconduct followed with appropriate remediation and disciplinary measures
- Continuous improvement of the compliance program through benchmarking, surveys, and internal and external business analyses

Teva conducts training of new employees, periodic risk-based training campaigns, bi-annual recertification on the Code of Conduct and retraining on the Prevention of Corruption policy, for which annual signoff will begin in 2023. Teva is a member of self-regulatory industry associations, including IFPMA (International Federation of Pharmaceutical Manufacturers and Associations), EFPIA (European Federation of Pharmaceutical Industry Associations) and Medicines for Europe. In addition to Teva's long-time chairing of the Working Group on the Code of Conduct in Medicines for Europe and participation in various committees at EFPIA, Teva also participates in anti-corruption initiatives in IFPMA's eBIC (Ethics and Business Integrity Committee) and CECO forum (Chief Ethics & Compliance Officers).

Internal Audit

Our Global Internal Audit (GIA) function is designed to enhance and protect organizational value by providing objective, risk-based assurance, advice and insight. With a systematic, disciplined approach, GIA evaluates and improves the effectiveness of governance, risk management and control processes. These activities include information gathering, review, analysis, evaluation, appraisal and testing for compliance and the adequacy of managerial systems and controls to mitigate risks. GIA's auditors are free to review and appraise policies, plans and procedures, report observations and recommend improvement. Our annual audit plan is focused on compliance (anti-bribery/anti-corruption), finance (financial control and books and records) and IT (cyber and information security and IT governance).

Teva's internal audit practices are designed to be consistent with elements of the Institute of Internal Auditors' (IIA) International Professional Practices Framework (IPPF), including the Core Principles for the Professional Practice of Internal Auditing, the Code of Ethics, the International Standards for the Professional Practice of Internal Auditing and the Definition of Internal Auditing.

GIA activities include audits, reviews and data analytics of various types and levels that address financial and compliance controls. GIA determines what level and audit type to deploy based on the audit risk, and the best fit of the audit level and type of audited topic. The audits, reviews, data analytics, countries, sites and units are selected for audit based on ongoing risk assessments, which include interviews with key stakeholders, meetings with executive management, fraud risk assessment, past years' audit results and benchmarks. In addition, ad hoc audits and reviews are performed based on identified emerging risks or management requests.

The internal audit team consists of professional and expert auditors in finance, compliance and IT. In addition, the team includes experts in accounting, data analytics, cyber, fraud risk, investigation, privacy and risk management.

Number of Audits and Operations Assessed						
Topic	**Scope**	**2019**	**2020**	**2021**	**2022**	**Period**
Compliance and financial controls (including anti-corruption and anti-bribery)	• Audits and reviews of Teva's compliance and financial control environments, including data analytics reviews, which provide additional coverage for some of the financial and compliance controls • Compliance Third-Party Representatives (TPR) audits/reviews of the compliance environment and its control effectiveness regarding a unique TPR or a distributor of Teva	108 audits/reviews: 52 compliance and financial audits/ reviews, 44 data analytics reviews, and 12 TPR audits/reviews; conducted in 70 sites/units in 32 countries	118 audits/reviews: 67 compliance and financial audits/reviews, 46 data analytics reviews and 5 TPR audits/reviews; conducted in 95 sites/ units in 39 countries	87 audits/reviews: 32 compliance and financial audits/ reviews, 42 data analytics and 13 TPR audits/reviews; conducted in 88 sites/units in 58 countries	92 audits/reviews: 35 compliance and financial audits/reviews, 44 data analytics, 12 TPRs audits/reviews and 1 advisory; conducted in 48 countries.	Annually
Cybersecurity and privacy (IT aspects)	• Audits and reviews of Teva's IT control environment focusing on cybersecurity risk; may include review of privacy aspects of Teva's systems	23 audits/reviews conducted in 12 sites in 8 countries	18 audits/reviews conducted in 11 sites in 6 countries	34 audits/reviews conducted in 30 sites in 11 countries	28 audits/reviews conducted in 10 countries, 21 systems	Annually

Sustainable Procurement

Teva's sustainable procurement strategy is defined by Teva Global Operations (TGO). TGO's Sustainability Task Force monitors and coordinates initiatives that deliver on several of our ESG targets, including those related to our procurement processes. All sustainable procurement commitments, strategies, policies, procedures and other business, including supplier relationships, are regularly reported and communicated to the ESG Steering Committee and Global Procurement (GP) ESG Steering Committee. Implementation of the sustainable procurement strategy is coordinated via Working Groups (e.g., Scope 3 Working Group, Packaging Working Group).

Teva's Supplier Code of Conduct reflects our core values, principles and expectations—echoed across our supply chain. Our approach to maintain sustainable procurement includes risk assessment and mitigation, as well as participation in industry collaborations that improve our supply chain ESG practices, such as the Pharmaceutical Supply Chain Initiative (PSCI), Responsible Health Initiative (RHI) and Schneider Electric's Energize program. Our Responsible Supply Chain Position includes upholding human rights standards across labor practices, conducting ethical business throughout the supply chain, prioritizing health and safety of employees, promoting supplier diversity, implementing risk mitigation and assessment mechanisms and managing the environmental impact of our supply chain.

The following ESG objectives support our Supply Chain Management strategy objective to "Secure the supply and mitigate logistics and global supply chain risks." Teva's supply chain management strategy formalized the following ESG objectives:

Objectives	Status
Deploy supplier's ESG capability webinar	First ESG webinar for suppliers was held in September 2022.
Integrate ESG into Global Procurement's sourcing activities	• Global Procurement launched Teva's revised Standard Scoring Matrix Template, which includes ESG as a criterion, with a weighting of at least 5%. The ESG criterion was introduced as a way to score the level of sustainable performance and is directly connected to any evidence suppliers can produce on their overall ESG maturity. • Our sustainable procurement team continued to expand its support to complete risk assessments of suppliers taking part of our tenders and put special focus in strategic engagements by providing risk and ESG recommendations based on Category Manager's input to the risk/ESG Checklist used for this process. • All supplier selected through Ariba Source to Contract (S2C) have a risk checklist in place, which provides Teva with an overview of their overall supply risk. • Teva has also been working to implement a new supply assurance program, which will proactively look into risks that could affect its supply and production. This process was developed in 2022 and will be implemented in Q1 2023, in alignment between Global Procurement and Global Supply Chain. • We implemented a formal financial risk check for all new suppliers with spend over $500,000 USD. Late in the year, we expanded the financial risk assessment for a hundred private companies to better understand their financial health.
Assess 100% of critical suppliers on ESG performance by 2025*	By end of 2022 56% of suppliers have been assessed.
Achieve bronze or higher score for more than 75% of critical suppliers by 2025*	By end of 2022, 46% suppliers score bronze or higher.
Achieve silver or higher score for more than 50% of critical suppliers in EcoVadis by 2025*	By end of 2022, 31% of suppliers score silver or higher.
Publish a Sustainable Procurement ESG Toolkit for Suppliers	A sustainability toolkit for internal stakeholders (Global Procurement ESG Handbook) and Teva's first ESG Toolkit for Suppliers was developed and published in 2022.
Reduce absolute scope 3 emissions of our supply chain by 25%	In 2022, we joined the CDP Supply Chain program to start using the program benefits to collect real data and enhance our scope 3 calculations. We also joined Energize program as one of the 15 pharma sponsor companies to help increase education for suppliers on renewable energies and provide access to opportunities to purchase it.

Increase the proportion of recycled and responsible-sourced materials by 10% (baseline 2025)	Strategy under development.

*This accounts for all assessments starting from 2017 when we engaged EcoVadis as our sustainability assessment provider.

Trainings

Internal Sustainable Procurement Trainings

- Ad hoc ESG Education, to all Global Category and Country Procurement team Heads and Managers, with a deeper dive into the scope 3 GHG emissions associated with their categories.
- Quarterly GHG scope 3 education, to all seven members of the Global Procurement Scope 3 GHG Working Group, to facilitate members discussions around the topic and actions.
- RFP Scoring Matrix training, for 178 members of the Global Category and Country Procurement team Heads and Managers, on how to use and calculate scores for each criterion in the matrix, including risk and ESG scores.
- ESG training, to nine members of the Global Procurement Tactical Sourcing team, on the EcoVadis platform and scorecard as part of efforts to ensure EcoVadis ratings are included in the package of information delivered to Sourcing Managers upon the conclusion of an RFx event.

External Sustainable Procurement Trainings

- In September 2022, the Sustainable Procurement function deployed the first Capability Webinars for strategic suppliers (~600 invited). This webinar was delivered in four sessions in collaboration with representatives from EcoVadis and Schneider Electric. ESG Capability webinars for suppliers will be conducted on an annual basis as part of our strategy to continue expanding Teva's ESG Program for suppliers.

Critical Suppliers

	2022	
Type of Supplier	**Absolute Number of Suppliers**	**Share of Total Procurement Spent (%)**
Total tier 1 suppliers	+40,000	100%
Critical tier 1 suppliers	522	23%*

*The same applies for year 2021

GRI 308-2: Negative Environmental Impacts in the Supply Chain and Actions Taken
GRI 414-2: Negative Social Impacts in the Supply Chain and Actions Taken

Type of Supplier	Number/Percentage of Suppliers Assessed in 2022 in EcoVadis (for environment and social aspects)	Number/Percentage Assessed in EcoVadis in the Last 3 Years	Percentage of Suppliers Identified As Having Significant Actual and Potential Negative Environmental Impacts in the Last 3 Years (≤45 points in the Environmental rating)	Percentage Identified As Having Significant Actual and Potential Negative Social Impacts in the Last 3 Years (≤45 points in the Labor and Human Rights rating)	Percentage With Corrective Action Plans for Environmental Impacts That Improved ESG Performance Within 12 Months of Plan's Launch	Percentage With Corrective Action Plans for Social Impacts That Improved ESG Performance Within 12 Months of Plan's Launch
Critical tier 1 suppliers	196 (38%)	246 (47%)	19%	17%	13%	14%
Noncritical tier 1 suppliers	237	349	30%	21%	19%	18%

Note: Suppliers who achieve EcoVadis Overall or thematic ratings under 45 points automatically receive a request for improvement through the implementation of corrective actions on behalf of Teva for the high and medium risk areas identified (GRI 2-25). EcoVadis assessments include evaluation of REACH, labor and human rights, ethics, child/forced labor, sustainable procurement, conflict minerals, toxic emissions and more.

	2022
Percentage of suppliers that received communication regarding supply chain codes of conduct	99%
Percentage of targeted suppliers with contracts that include clauses on environmental, labor and human rights requirements	100%. All Teva template contracts include the Standard Conditions of Contract (SCOC) clause, which makes reference to Teva's policies and positions on environmental, labor, human rights requirements, ethics and management systems.
Percentage of buyers across all locations who have received training on sustainable procurement	100% of GP employees received the newly implemented GP Handbook, covering Teva's entire ESG program and its targets.
PSCI Audits*	6
Suppliers for which Teva provided training regarding supply chain codes of conduct	524 suppliers received an invitation to Teva's Supplier webinar in September 2022. A total of 143 (27%) supplier companies participated. We are most focused on Critical Tier 1 Suppliers.
Percentage of ESG Suppliers** with either committed or validated SBTi targets	16%
Number of ESG suppliers** registered to Energize program	70

*PSCI audits cover social and environmental topics, such as Management Systems, Ethics (e.g., business integrity and fair competition, privacy, animal welfare), Human Rights and Labor (e.g., freely chosen labor, wages, benefits, working hours), Health and Safety (e.g., policy, procedures, practices, worker protection, process safety), Environment (e.g., energy consumption, GHG emissions, water consumption, waste management) and company specific questions.
**Includes critical suppliers, direct suppliers of antimicrobial products and top suppliers that contribute to our scope 3 GHG emissions.

Conflict Minerals

Type of Supplier	2021	2022
Percentage of suppliers assessed by EcoVadis for which information regarding conflict minerals is available	12%	12%

Teva's suppliers adhere to the Conflict Minerals Policy Statement and implement appropriate measures to determine whether they are using any 3TG minerals (tin, tungsten, tantalum and gold) that originate from the Conflict Region. In the event that any supplier is, Teva works with the supplier to ensure that the minerals are certified as conflict free or find alternate sourcing. Suppliers are responsible for responding to queries about the use and origin of any 3TG minerals and to continually provide updates on the conflict status.

We conduct in-depth reviews of our supply chain and survey suppliers we determine are most likely to use or source 3TG based on the nature of and prior relationship with such suppliers. For the 2021 fiscal year, we surveyed seven of our suppliers using the template developed by the Electronic Industry Citizenship Coalition® and The Global e-Sustainability Initiative, known as the Conflict Minerals Reporting Template (the Template). The Template was developed to facilitate disclosure and communication of information regarding smelters that provide material to a company's supply chain. It includes questions regarding a company's conflict-free policy and engagement with its direct suppliers and the smelters the company and its suppliers use. In addition, the Template contains questions about the origin of 3TG included in their products, as well as supplier due diligence. Should our direct suppliers submit incomplete or problematic information in their Templates, we engage with them to investigate and uncover the proper information.

Supplier Diversity in the US

	2022			
	Number	Percentage (of the Total US Suppliers)	Spend	Percentage (of the Total US Spend)
Total number of small and diverse businesses engaged in US	823	2.76%	$135,451,325	11.58%
Number of small disadvantaged businesses engaged in US	176	0.59%	$10,182,656	0.87%
Number of women-owned small businesses engaged in US	140	0.47%	$41,691,146	3.56%
Number of veteran-owned small business engaged in US	39	0.14%	$5,526,726	0.47%
Number of service disabled veteran-owned small businesses engaged in US	8	0.01%	$26,967	0.00%
Number of HUBZone (Historically Under-utilized Business) small businesses engaged in US	11	0.04%	$3,843,732	0.33%

Quality Manufacturing and Patient Safety

SASB HC-BP-250a.3: Number of Recalls Issued; Total Units Recalled

	2022
US-FDA recalls	
Number of Class I recalls	1
Number of Class II recalls	7
Number of Class III recalls	2
Total US recalls	**13***
Number of recalls in non-US markets	**43**
Total recalls (US and non-US)	**56**
Total batches subject to a recall	**350**

*Three recalls were not yet classified by the FDA.

Note: Teva has no requested or mandated recalls and 100% of the US recalls were voluntary. Ninety-three percent of non-US recalls were voluntary and 7% were administrative recalls based on unrenewed Market Authorizations.

SASB HC-BP-250a.5: Number of FDA Enforcement Actions Taken in Response to Violations of Current Good Manufacturing Practices (cGMP), by Type

	2018	2019	2020	2021	2022
Number of regulatory agency inspections*	114	118	63	56	81
Number of Form 483 observations (or equivalent)	274	173	234	193	199
Number of FDA warning letters (or equivalent)	0	1	0	0	0

*There were no critical inspections.

Note: Teva does not have any seizures in 2021 and 2022.

SASB HC-BP-260a.3: Number of Actions That Led to Raids, Seizure, Arrests and/or Filing of Criminal Charges Related to Counterfeit Products

Teva's Role	2020	2021	2022
Provision of information or evidence that led to raids or arrests of counterfeiters or the seizure of counterfeit products	23	9	5
The filing of criminal charges against counterfeiters	7	1	2
Other	3	9	6
Total	33	19	13

GRI 416-1: Assessment of the Health and Safety Impacts of Product and Service Categories

Teva did not receive any penalty, fine or warnings regarding non-compliance concerning the health and safety impacts of our medicines.

Adverse Event Reports by Country

Number of Adverse Event Reports	2020	2021	2022
Top five countries from which adverse event reports originated			
United States	47,794	69,013	46,979
Canada	32,848	26,564	20,962
Germany	17,020	16,282	11,553
France	13,805	-	10,958
United Kingdom	16,914	20,388	10,487
Netherlands	-	9,784	-
Total number of adverse event reports	**185,756**	**194,846**	**148,968**

Data Privacy and Security

Number of Information Security Breaches

	2020	2021	2022
Total number of information security breaches	0	0	0
Total number of cybersecurity incidents	193 different levels of cybersecurity internal cases	190 different levels of cybersecurity internal cases	1,000 different levels of cybersecurity internal cases
Total amount of fines/penalties paid in relation to information security breaches or other cybersecurity incidents	0	0	0

Note: The maximum insurance coverage of Teva's information security breaches or other cybersecurity incidents is $100-500 million.

Responsible Lobbying

GRI 415-1: US Political Contributions

	2019	2020	2021	2022
Lobbying, interest representation or similar	$2,410,000	$2,120,000	$2,169,896	$3,770,000
Trade associations or tax-exempt groups (e.g., think tanks)	$13,342,123	$6,130,814	$9,109,621	$9,500,000
Total contributions and other spending	**$15,752,123**	**$8,250,814**	**$11,279,517**	**$13,270,000**

Note: We have no contribution to local, regional or national political campaigns/organizations/candidates and other (e.g., spending related to ballot measures or referendums).

The main topics coved by our government affairs activities are access to health, drug pricing, drug approvals and patent reform. In this context, in 2022 we were able to improve the FDA approval process.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This 2022 Environmental, Social and Governance Progress Report contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, which are based on management's current beliefs and expectations and are subject to substantial risks and uncertainties, both known and unknown, that could cause our future results, performance or achievements to differ significantly from those expressed or implied by such forward-looking statements. Important factors that could cause or contribute to such differences include risks relating to:

- our ability to impact and effectively execute on our social, economic, environment and governance related strategies and goals; environmental risks; failure to comply with applicable environmental laws, health and safety laws and regulations worldwide; our ability to satisfy the targets set forth in our sustainability-linked senior notes and in other sustainability-linked financing instruments that we may issue; the impact of ESG issues on our business; and consequences of climate change;
- our ability to successfully compete in the marketplace, including: that we are substantially dependent on our generic products; concentration of our customer base and commercial alliances among our customers; delays in launches of new generic products; the increase in the number of competitors targeting generic opportunities and seeking U.S. market exclusivity for generic versions of significant products; our ability to develop and commercialize biopharmaceutical products; competition for our innovative medicines, including AUSTEDO®, AJOVY® and COPAXONE®; our ability to achieve expected results from investments in our product pipeline; our ability to develop and commercialize additional pharmaceutical products; and the effectiveness of our patents and other measures to protect our intellectual property rights;
- our substantial indebtedness, which may limit our ability to incur additional indebtedness, engage in additional transactions or make new investments, may result in a further downgrade of our credit ratings; and our inability to raise debt or borrow funds in amounts or on terms that are favorable to us;
- our business and operations in general, including: the impact of global economic conditions and other macroeconomic developments and the governmental and societal responses thereto; the widespread outbreak of an illness or any other communicable disease, or any other public health crisis; effectiveness of our optimization efforts; our ability to attract, hire, integrate and retain highly skilled personnel; manufacturing or quality control problems; interruptions in our supply chain; disruptions of information technology systems; breaches of our data security; variations in intellectual property laws; challenges associated with conducting business globally, including political or economic instability, major hostilities or terrorism; costs and delays resulting from the extensive pharmaceutical regulation to which we are subject; the effects of reforms in healthcare regulation and reductions in pharmaceutical pricing, reimbursement and coverage; significant sales to a limited number of customers; our ability to successfully bid for suitable acquisition targets or licensing opportunities, or to consummate and integrate acquisitions; and our prospects and opportunities for growth if we sell assets;
- compliance, regulatory and litigation matters, including: failure to comply with complex legal and regulatory environments; increased legal and regulatory action in connection with public concern over the abuse of opioid medications and any delay in our ability to obtain sufficient participation of plaintiffs for the nationwide settlement of our opioid-related litigation in the United States; scrutiny from competition and pricing authorities around the world, including our ability to successfully defend against the U.S. Department of Justice criminal charges of Sherman Act violations; potential liability for intellectual property right infringement; product liability claims; failure to comply with complex Medicare and Medicaid reporting and payment obligations; and compliance with anti-corruption, sanctions and trade control laws;
- other financial and economic risks, including: our exposure to currency fluctuations and restrictions as well as credit risks; potential impairments of our long-lived assets; the impact of geopolitical conflicts including the ongoing conflict between Russia and Ukraine; potential significant increases in tax liabilities; and the effect on our overall effective tax rate of the termination or expiration of governmental programs or tax benefits, or of a change in our business;

and other factors discussed in our Quarterly Report on Form 10-Q for the first quarter of 2023 and in our Annual Report on Form 10-K for the year ended December 31, 2022, including in the sections captioned "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements" and under similar captions in our other reports that we file with the U.S. Securities and Exchange Commission. Forward-looking statements speak only as of the date on which they are made, and we assume no obligation to update or revise any forward-looking statements or other information contained herein, whether as a result of new information, future events or otherwise. You are cautioned not to put undue reliance on these forward-looking statements.