

Global Third Party Due Diligence Policy

Table of Contents

Purpose	1
Scope	2
Application	2
Guiding Principles.....	2
Teva's Standards	3
TPR's Standards.....	3
Exceptions	4
Resources	4
Glossary.....	5

Owner:	Lori Queisser, Senior Vice President, Global Chief Compliance & Ethics Officer	Effective Date:	May 16, 2022
Delegate Owner:	Tali Guy, Vice President, Global Compliance & Ethics Global Privacy Officer & Third Party Due Diligence	Domain:	Compliance & Ethics

Purpose

The purpose of this Global Policy is to outline the standards for onboarding, engaging and interacting with **Third Party Representatives (TPRs)** to ensure that Teva and its TPRs conduct their activities ethically and in compliance with all **Applicable Laws and Codes**.

Scope

In Scope:	Other Considerations:
<ul style="list-style-type: none"> ▪ TPR Customers: Third Parties whom Teva provides or sells Goods and who further provides or sells these Goods, directly or by an intermediary, to Government Officials (GOs), Government Entities, or Healthcare Organizations (HCOs) ▪ TPR vendors: Third Parties engaged and/or paid by Teva that may, with reasonable foreseeability, act on behalf of or represent Teva, directly or by an intermediary, in front of GOs, Government Entities, HCOs, or Healthcare Professionals (HCPs) 	<ul style="list-style-type: none"> ▪ Individual HCPs engaged by Teva are covered under other global and/or local policies & procedures. Please contact your Local Compliance & Ethics Officer (LCO) for further guidance. ▪ Fourth parties engaged by TPRs (including but not limited to subcontractors and intermediaries): The applicable Due Diligence Committee (DDC) may require due diligence to be conducted on fourth parties in specific cases. In these cases, the standards outlined in this Global Policy will apply.

Application

All **Teva Organizations Worldwide** are responsible for compliance with this Global Policy.

*Teva personnel should promptly report any known or suspected violation of this Policy or **Applicable Laws and Codes** in accordance with **Teva’s Code of Conduct**. Any Teva personnel receiving a report of noncompliance alleging corruption, fraud, or financial misconduct, should promptly forward complete details to Teva’s Office of Business Integrity (OBI). Teva will not tolerate retaliation against anyone making a good faith report. Any breach of this Policy, including failure to report actual or potential violations, may result in disciplinary measures, up to and including termination of employment.*

Guiding Principles

- 1 Conducting business ethically, refraining from bribery and corruption, and acting in accordance with **Teva’s Code of Conduct** and **Ethical Business Clauses** is essential to Teva.
- 2 Teva will only engage with ethical, reputable, and approved **TPRs**. Teva has created a Third Party Due Diligence (TPDD) program, which evaluates if TPRs conduct themselves in an ethical manner and can be reasonably expected to refrain from corrupt misconduct.



3

Teva cannot take actions indirectly through a **Third Party** that Teva cannot take directly themselves. Teva may be held responsible for the actions of TPRs and expects them to abide by all **Applicable Laws and Codes**.

Teva's Standards

- a. Teva does not tolerate any form of bribery or corruption. Teva nor **TPRs** must never — directly or indirectly — give, offer, or promise **Anything of Value** for the purpose of:
 - Improperly obtaining or retaining business,
 - Securing a business advantage, or
 - Influencing any other decision or action by the recipient.
- b. TPRs must only be engaged if they have been approved according to the [Global Third Party Due Diligence Policy & Procedure](#).
- c. Teva engages TPRs through a **Written Agreement** or Purchase Order that includes Teva's **Ethical Business Clauses**.
- d. Payments to TPRs must be:
 - Made after completion of due diligence and executed Written Agreement or Purchase Order; and
 - In accordance with [Applicable Finance and Procurement policies](#) and applicable P2P processes.
- e. Teva may require TPRs to train applicable employees and subcontractors in line with Teva's Ethical Business Clauses.
- f. Teva may require a TPR's books and records be audited (directly by Teva or by external party) to ensure that they are complying with the requirements of their contractual obligations under the Written Agreements or Purchase Order.

TPR's Standards

- a. **TPRs** must never must never — directly or indirectly — give, offer, or promise a bribe, kickback, other improper payment, or **Anything of Value** to improperly influence a decision or gain an unfair business advantage for Teva.

- b. TPRs must abide by all **Applicable Laws and Codes** and conduct their activities in accordance with Teva's **Ethical Business Clauses**.
- c. TPRs must ensure that any fourth parties, including but not limited to subcontractors and intermediaries, engaged by the TPR to provide services and/or sell **Goods** related to Teva, adhere to the same Ethical Business Clauses that apply to the TPR.
- d. TPRs must only be engaged after they have been approved according to the **Global Third Party Due Diligence Policy & Procedure**.
- e. TPRs must be engaged through a **Written Agreement** or Purchase Order that includes Teva's Ethical Business Clauses.
- f. TPRs will not be entitled to receive any payments prior to the completion of these processes.
- g. TPRs will be trained at Teva's discretion to ensure that they comply with Teva's Ethical Business Clauses.
- h. TPR's books and records may be audited at Teva's discretion (directly by Teva or by external party) to ensure that they are complying with the requirements of their contractual obligations under the Written Agreements or Purchase Order.

Exceptions

Please submit requests for exceptions to ThirdPartyProgramGlobal@tevapharm.com using the **Third Party Due Diligence (TPDD) Exception Form**. Teva's head of the TPDD program or Global Chief Compliance & Ethics Officer must approve any exceptions in writing.

Resources

Name of Resource	Location of Resource
Applicable Finance and Procurement Policies & Procedures	MyTeva intranet
Ethical Business Clauses	MyTeva intranet
Global Third Party Due Diligence Policy & Procedure	MyTeva intranet

Short Form Ethical Business Clauses (to be used with TPR Purchase Orders)	MyTeva Intranet
Teva's Code of Conduct	MyTeva intranet
Third Party Due Diligence (TPDD) Exception Form	MyTeva intranet

Glossary

- **Anything of Value** – Anything that has monetary value or would constitute an advantage, financial or otherwise, to the recipient, for example: cash or a cash equivalent, services, offers of employment, fee-for-service contracts, charitable donations, political contributions, travel and/or entertainment expenses, meals, drug samples, gifts, conference and registration fees, and discounts not readily available to the public.
- **Applicable Laws and Codes** – The international, regional, national, and local laws, regulations, competent authorities' decisions and guidelines, and industry codes governing the activity or interactions, which may include those of the country where the Teva entity responsible for the activity is located, where the activity or interaction takes place, and/or where the Healthcare Professional (HCP) practices their profession.
- **Customer** –
 - Current or prospective business partner that purchases or intends to purchase any Teva product or service;
 - Party that negotiates the purchase price or purchase terms of Teva products or services on behalf of such purchaser; or
 - Representative, owner, shareholder (10% or greater), officer, director or employee of such purchaser.
 - Examples of Customers include retailers, wholesalers, and distributors.
- **Due Diligence Committee (DDC)** – Teva employees responsible for reviewing the Third Party Due Diligence (TPDD) team recommendations, providing a Third Party Representative's (TPR's) final risk rating, deciding whether or not to approve engaging the TPR, and confirming any additional remediation measures necessary for engaging the TPR.
- **Ethical Business Clauses** – Contractual standards approved by Teva's Legal Department that are to be included in a Written Agreement or Purchase Order.

- **Goods** – Services and products, including marketed or to be marketed drugs, molecules under development, active pharmaceutical ingredients (APIs), and finished dosage drugs.
- **Government Entity** –
 - Federal, national, state, provincial, local, or municipal body or any department, agency, or subdivision thereof;
 - Government-owned or –controlled enterprise or organization;
 - Public international organization (e.g. UN, World Bank, EU, WTO, NATO);
 - Political organization or office; or
 - Entity that is considered a government body under applicable local law.
- **Government Official (GO)** –
 - Elected, appointed, or career official or employee of a federal, national, state, provincial, local, or municipal government or any department, agency, or subdivision thereof;
 - Officer or employee of a government-owned or –controlled enterprise or organization (e.g. a Healthcare Professional (HCP) practicing at a government-owned or –controlled hospital or clinic);
 - Officer or employee of a public international organization (e.g. UN, World Bank, EU, WTO, NATO);
 - individual acting for or representing a government or any of the organizations referred to above, even if they may not be an employee of such government or organization;
 - individual who is considered to be a GO under applicable local law;
 - Candidate for political office or official of a political party; or
 - Family member of any of the GOs described above.
- **Healthcare Organization (HCO)** – An entity providing healthcare services including hospitals, clinics, pharmacies, and group medical practices.
- **Healthcare Professional (HCP)** – A member of the medical, dental, pharmacy, and nursing professions and any other individuals who, in the course of their professional activity, are qualified or permitted to prescribe, supply, administer, purchase, recommend, reimburse, pay for or acquire a medicine, or influence or authorize any of the foregoing. The term also includes health service managers and administrative or clinical support staff who provide support to HCPs, as well as any employees of any entity that is owned by or comprised of HCPs. Examples of HCPs include physicians, nurses, medical assistants, pharmacists,

paramedics, product formulary committee members, clinical investigators, and public and private hospital employees.

- **Teva Organizations Worldwide** – Teva Pharmaceutical Industries Ltd. and its subsidiaries and affiliates in which Teva holds, directly or indirectly, 50% or more of outstanding equity interest, voting power, or rights to appoint at least one of the directors and managers.
- **Third Party** –
 - Anyone who is not a Teva employee (including former Teva employees); or
 - Any entity that does not qualify as part of **Teva Organizations Worldwide** and:
 - is active in the pharmaceutical industry environment; or
 - Has a relationship to Teva that is active (currently conducting business with Teva), or has been inactive for less than 3 years.
 - A Third Party would include Teva’s vendors, customers, business partners or any other party that interacts with Teva.
- **Third Party Representative (TPR)** –
 - A Third Party whom Teva provides or sells goods and who further provides or sells these goods, directly or by an intermediary, to Government Officials (GOs), Government Entities, or Healthcare Organizations (HCOs); or
 - A Third Party engaged and/or paid by Teva that may, with reasonable foreseeability, act on behalf of or represent Teva, directly or by an intermediary, in front of GOs, Government Entities, HCOs, or Healthcare Professionals (HCPs).
- **Written Agreement** – A document approved by Teva’s Legal department such as a contract, appendix, signed statement, or amendment to a contract.