

Teva's Position on Responsible
Supply Chain

Teva Pharmaceutical Industries Ltd (hereinafter "Teva"), including all its directors, executives, employees and subsidiary and affiliated companies, is committed to maintaining a responsible supply chain. As a leading global manufacturer of generic medicines, with a portfolio of approximately 3,000 medicines that reach nearly 200 million people each day, we are dedicated to serving patients with our supply chain partners.

Through <u>Teva's Supplier Code of Conduct</u>, we ensure our core values—and the principles and expectations that reflect them—are echoed across our supply chain. This includes a mandate to uphold both industry and international standards of ethics, labor practices, human rights and environmental protection, as well as the health and safety of patients, employees and the global community. Our approach to maintaining a responsible supply chain includes risk assessment and mitigation, as well as participation in industry collaborations that improve supply chain environmental, social and governance (ESG) practices, such as the <u>Pharmaceutical Supply Chain Initiative</u> (PSCI).

Our position on maintaining a responsible global supply chain is part of our ESG strategy. It applies to companies owned and operated by Teva, as well as all supply chain partners, which we expect will uphold the same standards for their own suppliers.

Our Responsible Supply Chain Approach

United Nations Global Compact, Teva takes measures to respect all people and their human rights throughout our operations and supply chain, which we outline in our Position on Human Rights. As stated in Teva's Supplier Code of Conduct, all suppliers are expected to uphold internationally recognized labor practices and procedures and immediately report occurrences of non-compliance. Teva holds the right to request that suppliers complete an ESG sustainability assessment and/or a PSCI audit to ensure compliance with its Principles for Responsible Supply Chain Management. Suppliers must also comply with forced labor laws, the most pervasive form of modern slavery, in countries where Teva and suppliers have operations. We also expect suppliers to maintain the same standards for their supply chain partners.

Conducting ethical business throughout the supply chain: Suppliers must conduct ethical business as described in Teva's Supplier Code of Conduct, which includes abiding by our Prevention of Corruption Policy, Position on Animal Welfare and Conflict Minerals Policy. Teva may perform screening and/or monitoring to verify that adequate policies and mechanisms are in place to do so. Further, suppliers must employ fair business practices, including accurate and truthful advertising, and must not participate in illegal payment, bribes or government relationships. This mandate also applies to third parties or intermediaries. For any issues that arise, we direct our suppliers to Teva's Office of Business Integrity, which addresses concerns or allegations of misconduct, including violations of Teva's Code of Conduct, values, policies and laws.

Prioritizing health and safety of employees: Teva mandates that suppliers abide by our <u>Position on Occupational Health and Safety</u> and conduct activities with adequate regard for the safety and health of their employees and the general public. We also encourage each partner to implement programs that positively impact the health and safety of their employees.

Complying with industry-leading supply chain standards: Teva complies with, and is a member of, the PSCI and is a founding member of both the Responsible Health Initiative (RHI) and the AMR Industry Alliance. Teva is also committed to the Science Based Targets initiative (SBTi), which covers value chain emissions and extends to all supply chain partners, as outlined in Teva's Supplier Code of Conduct.

Promoting supplier diversity: Teva is committed to purchasing goods and services from small, disadvantaged and minority/women-owned businesses. We also strive to reduce barriers and drive growth for small and diverse suppliers that meet our business needs through our procurement practices. Our supplier diversity program abides by federal contracting compliance requirements in the U.S., and we plan to extend this program globally.

Implementing risk mitigation and assessment mechanisms: Teva engages with, and maintains oversight of, suppliers through questionnaires, surveys, PSCI audits and ESG assessments conducted by third-party sustainability rating companies (e.g., EcoVadis). We are working to expand our ESG assessments to 100% of critical suppliers. These questionnaires, audits and surveys span a range of topics, including climate action and resilience; effluents and waste; business ethics, anti-bribery and anti-corruption; inclusion and diversity; human rights; quality manufacturing; data privacy and security; as well as pharmaceuticals in the environment and antimicrobial resistance (AMR). In addition, we mandate our suppliers to report issues related to gaps in compliance with Teva's Supplier Code of Conduct and those related to inspection or regulation by government authorities. Through this ongoing communication and improvement process, we enable timely mitigation of supply chain issues.

Managing the environmental impact of our supply chain: As stated in Teva's Position on Environmental Sustainability, we ensure all supply chain operations are environmentally responsible and minimize adverse environmental impacts. These actions are guided by Teva's 2030 environmental targets, which include managing climate risks and opportunities, reducing scope 1, 2 and 3 greenhouse gas (GHG) emissions and meeting AMR Industry Alliance requirements and expectations. Suppliers are encouraged to conserve natural resources, avoid using hazardous materials, reduce, reuse and recycle. In addition, each supplier complies with our Position on Antimicrobial Resistance by providing needed information and helping us minimize antimicrobial discharges to the environment.

Governance Structure for Responsible Supply Chain Management

Our responsible supply chain strategy is defined by Teva Global Operations (TGO) and Teva's ESG team. Our TGO Sustainability Task Force monitors and coordinates initiatives that deliver on several ESG targets, including those related to our supply chain. This task force is made up of workstreams across Teva's business units, including Environmental, Health and Safety, ESG, procurement, global engineering, global facilities management, global supply chain, manufacturing and IT.

Application of this Position

This position is endorsed by Teva's Board of Directors. We communicate this position to our employees and publicly on our website, and we share our progress in our annual ESG Progress Report.