2021 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)
102-1: Name of the organization	Teva Pharmaceutical Industries Ltd.		
102-2: Activities, brands, products and services	2021 ESG Progress Report, page 9. Please see Teva's 2021 Annual Report (Form 10-K), pages 2–11.		
102-3: Location of headquarters	124 Dvora Ha-nevi'a Tel Aviv, 6944020 Israel		
102-4: Location of operations	Our website: Teva Worldwide		
102-5: Ownership and legal form	Teva is publicly traded on the New York Stock Exchange (NYSE: TEVA) and the Tel Aviv Stock Exchange (TASE: TEVA). Teva was incorporated in Israel in 1944. For more details, see page 2 of Teva's 2021 Annual Report (Form 10-K).		
102-6: Markets served	We operate worldwide, with headquarters in Israel and a significant presence in the United States, Europe and many other markets around the world. Our products are sold in 58 countries. Typically, our products represent 12–20% of generic medicine prescriptions in our markets around the world.		
102-7: Scale of the organization	2021 ESG Progress Report, page 8		
102-8: Information on employees	2021 ESG Progress Report Disclosures, page 34		8
102-9: Supply chain	2021 ESG Progress Report, pages 50–53		9, 12
102-10: Significant changes	None		
102-11: Precautionary principle	We support the precautionary approach introduced by the United Nations in Principle 15 of the Rio Declaration on Environment and Development and act to protect against environmental degradation where full scientific certainty does not exist. See Teva's Position on Environmental Sustainability.		
102-12: External initiatives	Teva has participated in the UN Global Compact since 2010, and in 2021, Teva confirmed its signatory status and was recognized as "advanced" level by the UN Global Compact.		16
102-13: Membership of associations	Teva engages with several industry and trade associations at local or national levels 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 AMR Industry Alliance, Medicines for Europe (MfE) (Board position), International Federation of		17

	Pharmaceutical Manufacturers and Associations (IFPMA) and the European Federation of Pharmaceutical Industries and Associations (EFPIA) (Board position).	
102-14: Statement from senior manager	2021 ESG Progress Report, page 5	
102-15: Key impacts, risks and opportunities	Please see page 26 of Teva's 2021 Annual Report (Form 10-K).	
102-16: Values, principles, standards	2021 ESG Progress Report, page 8	16
102-17: Mechanisms for advice and concerns about ethics	2021 ESG Progress Report, pages 46–47	16
102-18: Governance structure	Teva's Board of Directors is comprised of 12 directors (of which 11 are independent); Proxy Statement for Teva's 2022 Annual Shareholder Meeting, page 22 "a member of the Compliance Committee of the Board who presented on ESG matters"; page 26 "ESG Governance"; page 36 "Oversight of ESG governance by the Board. Our Compliance Committee of the Board oversees ESG policies, programs, and initiatives." For more information, please see our 2021 ESG Progress Report, page 11.	
102-22: Composition of the highest governance body and its committees	Proxy Statement for Teva's 2022 Annual Shareholder Meeting, pages 11-13 for information on director independence, executive/non-executive, age, tenure and gender; pages 4-10 for other significant positions and commitments and qualifications for service; page 12 for competencies. Average tenure for board members is 5.75 years.	16
102-23: Chair of the highest governance body	Proxy Statement for Teva's 2022 Annual Shareholder Meeting, page 7; Teva's non-executive chairman of the board is Dr. Sol Barer.	16
102-24: Nominating and selecting the highest governance body	Proxy Statement for Teva's 2022 Annual Shareholder Meeting, page 19, "Corporate Governance and Nominating Committee" and page 14, "Nominees for Directors"	5, 16
102-25: Conflicts of interest	Proxy Statement for Teva's 2022 Annual Shareholder Meeting, page 88, "Related Party Transactions"	16
102-26: Role of highest governance body in setting purpose, values and strategy	Proxy Statement for Teva's 2022 Annual Shareholder Meeting, pages 13-14, "Board Meetings" and "Board of Directors Role in Risk Oversight"; pages 18–20 for roles and responsibilities of various board committees under "Committees of the Board." For more information, please see our 2021 ESG Progress Report, page 11.	
102-27: Collective knowledge of highest governance body	Proxy Statement for Teva's 2022 Annual Shareholder Meeting, pages 12-13, "Director Terms and Education." For more information, please see our 2021 ESG Progress Report, page 11.	
102-28: Evaluating the highest governance body's performance	Proxy Statement for Teva's 2022 Annual Shareholder Meeting, page 21, "Board Evaluation Process"	
102-29: Identifying and managing economic, environmental and social impacts	Proxy Statement for Teva's 2022 Annual Shareholder Meeting, pages 22, 35–38 ("Shareholder Engagement"), pages 22–24 ("Human Capital Management"), pages 24–26 ("ESG"). For more information, please see our 2021 ESG Progress Report, page 11.	16

102-30: Effectiveness of risk management processes	Proxy Statement for Teva's 2022 Annual Shareholder Meeting, pages 13–14, "Board Meetings" and "Board of Directors Role in Risk Oversight." For more information, please see our 2021 ESG Progress Report, page 11.	16
102-32: Highest governance body's role in sustainability reporting	Board Committees and Charters; 2021 ESG Progress Report, page 11	
102-33: Communicating critical concerns	Proxy Statement for Teva's 2022 Annual Shareholder Meeting, pages 22, 35–38 ("Shareholder Engagement"), pages 22–24 ("Human Capital Management"); Teva's Code of Conduct, page 39	
102-35: Remuneration policies	Proxy Statement for Teva's 2022 Annual Shareholder Meeting, pages 15–17, "Non-Employee Director Compensation" (for director compensation); pages 30–76 (for executive compensation); The Chief Executive Officer's variable compensation according to predefined financial returns and/or relative financial metrics is relative to total shareholder return. For more information, please see 2021 ESG Progress Report, page 11 and 24.	
102-36: Process for determining remuneration	Proxy Statement for Teva's 2022 Annual Shareholder Meeting, page 42, "Role of Independent Compensation Consultant"	
102-37: Stakeholders' involvement in remuneration	Proxy Statement for Teva's 2022 Annual Shareholder Meeting, pages 22, 35–38, "Shareholder Engagement"; voting results for 2021	
102-38: Annual total compensation ratio	Proxy Statement for Teva's 2021 Annual Shareholder Meeting, page 76	
102-40: List of stakeholder groups	2021 ESG Progress Report, page 15	
102-41: 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 September 2021, 44% of our employees globally are covered by collective bargaining agreements. This information includes only employees where there is a signed CBA/Union agreement. It is important to note that there are other situations in which employees are represented by collective organizations but there is no official agreement signed.	8
102-42: Identifying and selecting stakeholders	2021 ESG Progress Report, page 15	
102-43: Stakeholder engagement	2021 ESG Progress Report, page 15	
102-44: Key topics and concerns raised	2021 ESG Progress Report, page 15	
102-45: Entities included	This report covers all of Teva's owned and operated facilities around the world.	
102-46: Report content and topic boundaries	2021 ESG Progress Report, page 60	
102-47: List of material topics	2021 ESG Progress Report, page 60	

102-48: Restatements of information	All restated information is indicated in the notes of tables.
102-49: Changes in reporting	No changes were made to the list of material topics or topic boundaries.
102-50: Reporting period	2021 calendar year
102-51: Date of most recent report	May 5, 2021
102-52: Reporting cycle	We report on an annual basis.
102-53: Contact point	2021 ESG Progress Report, page 57
102-54: Reporting in accordance with GRI Standards	This report has been prepared in accordance with the GRI Standards: Core option.
102-55: GRI Content Index	2021 ESG Progress Report Disclosures, pages 3–11
102-56: External assurance	2021 ESG Progress Report, pages 58–59

Topic-specific Material Disclosures

GRI Indicator	Topic-Specific Material Disclosures	Reference	Omissions	UN SDGs
Economic Impact				
GRI 103: Management Approach (2016)	103-1: Explanation of the material topics and their boundaries	2021 ESG Progress Report, page 42		
	103-2: The management approach and its components			
	103-3: Evaluation of the management approach			
GRI 201: Economic Performance (2016)	201-2: Financial implication and other risks and opportunities due to climate change	2021 ESG Progress Report Disclosures, pages 19–22		13
GRI 203: Indirect Economic Impacts (2016)	203-1: Infrastructure investments and services supported	2021 ESG Progress Report Disclosures, page 33		
	203-2: Significant indirect economic impacts	2021 ESG Progress Report, page 42		1, 2, 3, 8, 10, 17
Business Ethics, Anti-bribery and Anti-corruption				
GRI 103: Management Approach (2016)	103-1: Explanation of the material topics and their boundaries	Teva's Global Prevention of Corruption Policy Teva's Code of Conduct		
	103-2: The management approach and its components			
	103-3: Evaluation of the management approach			
GRI 205: Anti-corruption (2016)	205-1: Operations assessed for risks related to corruption	2021 ESG Progress Report Disclosures, page 44		16
	205-2: Communication and training about anti-corruption policies and procedures	2021 ESG Progress Report Disclosures, page 45		16
	205-3: Confirmed incidents of corruption and actions taken	2021 ESG Progress Report Disclosures, page 46		16
GRI 419: Socioeconomic Compliance (2016)	419-1: Non-compliance with laws and regulations in the social and economic area	2021 ESG Progress Report Disclosures, page 47		
GRI 206: Anti-competitive Behavior (2016)	206-1: Legal actions for anti-competitive behavior, anti-trust and monopoly practices	Teva's 2021 Annual Report (Form 10-K), pages 134-140		
Climate Action and Resilience				
GRI 103: Management Approach (2016)	103-1: Explanation of the material topics and their boundaries	Teva's Position on Environmental Sustainability		
	103-2: The management approach and its components			
	103-3: Evaluation of the management approach			
GRI 302: Energy (2016)	302-1: Energy consumption within the organization	2021 ESG Progress Report Disclosures, page 23		7, 12, 13

	302-3: Energy intensity	2021 ESG Progress Report Disclosures, page 24	7, 12, 13
GRI 305: Emissions (2016)	305-1: Direct (scope 1) GHG emissions	2021 ESG Progress Report Disclosures, page 24	13
	305-2: Energy indirect (scope 2) GHG emissions	2021 ESG Progress Report Disclosures, page 24	13
	305-3: Other indirect (scope 3) GHG emissions	2021 ESG Progress Report Disclosures, page 24	
Responsible Use of Natural Resources			
GRI 103: Management Approach (2016)	103-1: Explanation of the material topics and their boundaries	Teva's Position on Environmental Sustainability	
	103-2: The management approach and its components		
	103-3: Evaluation of the management approach		
GRI 303: Water and Effluents (2018)	303-1: Interactions with water as a shared resource	2021 ESG Progress Report Disclosures, page 25	6, 12
	303-3: Water withdrawal	2021 ESG Progress Report Disclosures, page 26	6, 12
	303-5: Water consumption	2021 ESG Progress Report Disclosures, page 27	6, 12
Effluents and Waste			
GRI 103: Management Approach (2016)	103-1: Explanation of the material topics and their boundaries	Teva's Position on Environmental Sustainability	
	103-2: The management approach and its components		
	103-3: Evaluation of the management approach		
GRI 303: Water and Effluents (2018)	303-2: Management of water discharge-related impacts	2021 ESG Progress Report Disclosures, page 27	
	303-4: Water discharge	2021 ESG Progress Report Disclosures, page 28	6, 12
GRI 306: Waste (2020)	306-1: Waste generation and significant waste-related impacts	2021 ESG Progress Report Disclosures, page 28	
	306-2: Management of significant waste-related impacts	2021 ESG Progress Report Disclosures, page 29	
	306-3: Waste generated	2021 ESG Progress Report Disclosures, page 29	12
	306-4: Waste diverted from disposal	2021 ESG Progress Report Disclosures, page 29	12
	306-5: Waste directed to disposal	2021 ESG Progress Report Disclosures, page 30	12
GRI 307: Environmental Compliance (2016)	307-1: Noncompliance with environmental laws and regulations	2021 ESG Progress Report Disclosures, page 47	12
Responsible Supply Chain			
GRI 103: Management Approach (2016)	103-1: Explanation of the material topics and their boundaries	Teva's Position on Responsible Supply Chain	
	103-2: The management approach and its components		
	103-3: Evaluation of the management approach		

GRI 308: Supplier Environmental Assessment (2016)	308-1: New suppliers that were screened using environmental criteria	As of June 2021, all requests for proposals conducted through the Global Procurement sourcing platform (Ariba) include a Risk/ESG Questionnaire for Suppliers, which allows us to screen them on ESG topics related to sustainability performance, greenhouse gas (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 audits. Please see Teva's Position on Responsible Supply Chain for more details.	
	308-2: Negative environmental impacts in the supply chain and actions taken	2021 ESG Progress Report Disclosures, page 49	
GRI 414: Supplier Social Assessment (2016)	414-1: New suppliers that were screened using social criteria	As of June 2021, all requests for proposals conducted through the Global Procurement sourcing platform (Ariba) include a Risk/ESG Questionnaire for Suppliers, which allows us to screen them on ESG topics related to sustainability performance, greenhouse gas (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 audits. Please see Teva's Position on Responsible Supply Chain for more details.	
	414-2: Negative social impacts in the supply chain and actions taken	2021 ESG Progress Report Disclosures, page 49	
Inclusion and Diversity, Employee Engagement and Talent Recruitment, Development and Retention			
GRI 103: Management Approach (2016)	103-1: Explanation of the material topics and their boundaries	Teva's Code of Conduct Teva's Position on Diversity and Inclusion Teva's Position on Talent Recruitment and Development	
	103-2: The management approach and its components		
	103-3: Evaluation of the management approach		
GRI 401: Employment (2016)	401-1: New employee hires and employee turnover	2021 ESG Progress Report Disclosures, page 36	3, 8

GRI 402: Labor/ Management Relations (2016)	402-1: Minimum notice periods regarding operational changes	Teva adheres to legal requirements in each country. In many countries, Teva offers beyond the minimum standard by law, and in some countries, we go above market practice.	
GRI 404: Training and Education (2016)	404-2: Programs for upgrading employee skills	2021 ESG Progress Report, pages 37-38	4, 8
	404-3: Performance reviews	2021 ESG Progress Report Disclosures, page 36	4, 8
GRI 405: Diversity and Equal Opportunity (2016)	405-1: Diversity of governance bodies and employees	2021 ESG Progress Report Disclosures, page 35	5, 8
Employee Health, Safety and Well-being			
GRI 103: Management Approach (2016)	103-1: Explanation of the material topics and their boundaries	Teva's Position on Occupational Health and Safety	
	103-2: The management approach and its components		
	103-3: Evaluation of the management approach		
GRI 403: Occupational Health and Safety (2018)	403-1: Occupational health and safety management system	2021 ESG Progress Report Disclosures, page 38	3, 8
	403-2: Hazard identification, risk assessment and incident investigation	2021 ESG Progress Report Disclosures, page 38	3, 8
	403-3: Occupational health services	2021 ESG Progress Report Disclosures, page 39	3, 8
	403-4: Worker participation, consultation and communication on occupational health and safety	2021 ESG Progress Report Disclosures, page 39	3, 8
	403-5: Worker training on occupational health and safety	2021 ESG Progress Report Disclosures, page 39	3, 8
	403-6: Promotion of worker health	Teva provides a wide range of employee benefits, which in many cases include medical and healthcare services. Teva's EHSMS includes encouraging, supportive health and wellness provisions (see GRI 403-3), which are driven locally. Globally, Teva encourages sites to hold health promotion sessions by including them in Teva's annual EHS Week.	3, 8
	403-7: Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	2021 ESG Progress Report Disclosures, page 40	3, 8
	403-8: Workers covered by an occupational health and safety management system	2021 ESG Progress Report Disclosures, page 40	3, 8
	403-9: Work-related injuries	2021 ESG Progress Report Disclosures, page 41	3, 8
	403-10: Work-related ill health	2021 ESG Progress Report Disclosures, page 41	3, 8

Responsible Lobbying			
GRI 103: Management Approach (2016)	103-1: Explanation of the material topics and their boundaries	Teva's Position on Government Affairs	
	103-2: The management approach and its components		
	103-3: Evaluation of the management approach		
GRI 415: Public Policy (2016)	415-1: Political contributions	2021 ESG Progress Report Disclosures, page 52	16
Quality Manufacturing and Patient Safety			
GRI 103: Management Approach (2016)	103-1: Explanation of the material topics and their boundaries	Teva's Position on Quality Manufacturing	
	103-2: The management approach and its components		
	103-3: Evaluation of the management approach		
GRI 416: Customer Health and Safety (2016)	416-1: Assessment of the health and safety impacts of product and service categories	100% of products are assessed for health and safety impacts.	
Data Privacy and Security			
GRI 103: Management Approach (2016)	103-1: Explanation of the material topics and their boundaries	Teva Global Data Privacy Policy	
	103-2: The management approach and its components		
	103-3: Evaluation of the management approach		
GRI 418: Customer Privacy (2016)	418-1: Substantiated complaints concerning breaches of customer privacy and losses of customer data	No substantiated complaints concerning breaches of customer privacy and losses of customer data were reported in 2021.	

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	Teva holds a full set of standard operating procedures (SOPs) related to management of clinical studies and the oversight of vendors. This is to ensure patient safety and clinical trial data integrity in accordance with the global standard Good Clinical Practice (GCP) and local regulations. Teva holds our vendors to the same standards as we hold ourselves when we outsource our clinical studies. Teva monitors patient safety, study conduct and data quality throughout the course of studies. Global Clinical Quality (GCQ) is responsible for implementation, maintenance and oversight of quality activities during the clinical studies. Activities are aligned with internal procedures related to maintaining GCP standards and local regulations. GCQ establishes and maintains a system for monitoring compliance. They ensure compliance through various types of audits and activities, including Clinical Investigator Sites audits, Clinical Research Organization and Vendors audits (qualifications and requalification), Trial Master File (TMF) audits, system or process audits and study documents audits. GCQ manages sponsor regulatory inspections and offers assistance to clinical sites and vendors in preparation for a global or local regulatory inspection by conducting inspection readiness visits. For more details, please see page Teva's 2021 ESG Progress Report Disclosures, pages 44–48.	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 2021, there were no FDA Sponsor Inspections related to specialty clinical trial management and pharmacovigilance. There were six investigator inspections of sites that conducted clinical trials for Teva or on behalf of Teva (e.g., clinical research organizations), including five FDA investigator site inspections and one Greece Ministry of Health investigator site inspection. One additional clinical research organization inspection was conducted.	9
HC-BP-210a.3	Total amount of monetary losses as a result of legal proceedings associated with clinical trials in developing countries	Teva's 2021 Annual Report (Form 10-K), page 131	

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	2021 ESG Progress Report, pages 24–30. Teva's organizational capabilities include an expanding affordable generics portfolio, including quality-assured, reliable generics from global manufacturing sites around the world as well as responsible stewardship of medicines with reporting mechanisms for substandard and falsified medicines.	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.	3
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 bringing an authorized generic product to market for a defined time period	There were no settlements of ANDA litigation that involved payments and/or provisions to delay bringing an authorized generic product to market in 2021.	
HC-BP-240b.2	Percentage change in: (1) average list price and (2) average net price across US product portfolio compared to previous year	2021 ESG Progress Report Disclosures, page 34	
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	https://www.fda.gov/safety/medwatch-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	2021 ESG Progress Report Disclosures, page 51	3
HC-BP-250a.4	Total amount of product accepted for takeback, reuse or disposal	Not disclosed	3
HC-BP-250a.5	Number of FDA enforcement actions taken in response to violations of current Good Manufacturing Practices (cGMP), by type	2021 ESG Progress Report Disclosures, page 51	3
Counterfeit Drugs			
HC-BP-260a.1	Description of methods and technologies used to maintain traceability of products	For the European Union market, the unique identifier is validated at the point of dispense to ensure the product is not counterfeit. The validation occurs against the National Medicines Verification database that receives the	3

	throughout the supply chain and prevent counterfeiting	data from the European Medicines Verification Organization that received the data from Teva. For the Russian market, upon import, the product is aggregated, creating a parent/child relationship of the unique identifiers. The aggregate relationship is used to trace the drug product through the supply chain. Each movement of the product is reported to the Russian government database. Upon dispense, the identifier is validated against the cryptographic data and the government database. For the US market, products' unique identifiers can currently be validated against the Teva database by trading partners if the product is suspected to be falsified. Upon market demand and prior to or upon regulatory requirement (November 27, 2023), Teva will provide direct customers the product serialized identifiers included in a sale of drug product. This will enable product traceability through the US supply chain for suspected counterfeit drug products or recalls.	
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 combating 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 product events, 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 during that time. In response to confirmed counterfeit medicine incidents, Teva has established a Counterfeit Event Response Team to coordinate and document all activities. The team includes representation from Global Security, Quality Assurance (QA), Legal, Supply Chain, Operations, Public Relations, Marketing and other functions, as appropriate. 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.	3
HC-BP-260a.3	Number of actions that led to raids, seizure, arrests and/or filing of criminal charges related to counterfeit products	2021 ESG Progress Report Disclosures, page 51	
Ethical Marketing			
HC-BP-270a.1	Total amount of monetary losses as a result of legal proceedings associated with false marketing claims	Teva's 2021 Annual Report (Form 10-K), page 131	
HC-BP-270a.2	Description of code of ethics governing promotion of off-label use of products	As Teva's Code of Conduct states, we do not communicate publicly with the intent of promoting products for use before the product is approved for	16

		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. Sales representatives who receive an inquiry about off-label use are obligated to refer the healthcare professional's question to our Medical Affairs department, allowing medical professionals to communicate medical information directly. Our promotional efforts to healthcare professionals must be "on-label," and everything a sales representative says is considered promotional. Teva has zero tolerance for Code of Conduct violations. We encourage our employees to speak up by contacting our Office of Business Integrity to report violations. We conduct Code of Conduct training every three years.	
Employee Recruitment, Development and Retention			
HC-BP-330a.1	Discussion of talent recruitment and retention efforts for scientists and research and development personnel	Our Learn, Grow, Inspire (LGI) program provides all Global R&D colleagues with access to self-paced learning, innovative webcasts and trainings so they can learn more about disease states and leverage the vast, existing knowledge in the R&D space. This is a way for employees to participate in learning and development trainings and cultivate their expertise. The program includes self-study, live training, therapeutic area training and team workshops. For more details, please see our 2021 ESG Progress Report, pages 37–39 and Teva's Position on Recruitment and Development, which describe our retention efforts for all employees.	3, 8
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	**2021** **Voluntary Turnover** / **Involuntary Turnover** Executives/senior managers: 8.4% / 4.9% Middle managers: 8.5% / 4.8% Professionals: 8.5% / 7.6% Entry-level positions: 6.7% / 10.0% Overall: 8.0% / 7.7% Employee categories are different than those provided for GRI data, as executives/senior managers include director level and above. 0.6% attrition are related to other reasons, including death, health reasons and retirement.	8
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 (PSCI) audit program or	1) There were PSCI audits in Debrecen, Gajraula and Savski Marof last year. No others were identified in other business units. 2) In 2021, the Global Procurement Organization engaged five suppliers in PSCI audits and expanded the number of suppliers that completed an EcoVadis sustainability assessment to more than 287 (218 critical	12

	equivalent third-party audit programs for integrity of supply chain and ingredients	suppliers) in the last 3 years. Please see Teva's 2021 ESG Progress Report Disclosures, page 49.	
Business Ethics			
HC-BP-510a.1	Total amount of monetary losses as a result of legal proceedings associated with corruption and bribery	Teva's 2021 Annual Report (Form 10-K), page 131	16
HC-BP-510a.2	Description of code of ethics governing interactions with healthcare professionals	We promote access to healthcare for all by adhering to globally defined principles and through appropriate and relevant channels and materials, which is outlined in Teva's Position on Marketing and Promotional Practices.	16
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)	(1) 2,860 (2) 10 specialty and biosimilar assets in phases 1–3 as of January 2022	

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 in 2021, Teva confirmed its signatory status and was 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.	2021 ESG Progress Report, pages 46–47 and 50–52
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.	2021 ESG Progress Report Disclosures, page 5
4	Businesses should support the elimination of all forms of forced and compulsory labor.	2021 ESG Progress Report, pages 46–47 and 52
5	Businesses should support the effective abolition of child labor.	2021 ESG Progress Report, pages 46–47 and 52
6	Businesses should support the elimination of discrimination in respect of employment and occupation.	2021 ESG Progress Report, pages 31–35
7	Businesses should support a precautionary approach to environmental challenges.	2021 ESG Progress Report, pages 17–22
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.	2021 ESG Progress Report, pages 46–47

Task Force on Climate-Related Financial Disclosures Content Index

Core Element		Recommended Disclosure	Reference
Governance	a	The Board's oversight of climate-related risks and opportunities	2021 ESG Progress Report Disclosures, page 19
	b	Management's role in assessing and managing climate-related risks and opportunities	2021 ESG Progress Report Disclosures, page 19
Strategy	a	Climate-related risks and opportunities Teva has identified over the short-, medium- and long-term	2021 ESG Progress Report Disclosures, page 20
	b	The impact of climate-related risks and opportunities on Teva's businesses, strategy and financial planning	2021 ESG Progress Report Disclosures, page 20
	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	2021 ESG Progress Report Disclosures, page 20
Risk Management	a	How processes for identifying, assessing and managing climate-related risks are integrated into Teva's overall risk management	2021 ESG Progress Report Disclosures, page 21
	b	Teva's processes for identifying and assessing climate-related risks	2021 ESG Progress Report Disclosures, page 21
	c	Teva's processes for managing climate-related risks	2021 ESG Progress Report Disclosures, page 21
Metrics and Targets	a	The metrics used to assess climate-related risks and opportunities in line with strategy and risk management process	2021 ESG Progress Report Disclosures, pages 21–22
	b	Scope 1, scope 2 and, if appropriate, scope 3 GHG emissions, and the related risks	2021 ESG Progress Report Disclosures, pages 21–22
	c	The targets used to manage climate-related risks and opportunities, including use of science-based targets and performance against these targets	2021 ESG Progress Report Disclosures, pages 21–22

Environmental Disclosures

Climate Action and Resilience

Task Force on Climate-Related Financial Disclosures

This represents Teva's second annual report that provides information according to the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations. It was updated in November 2022.

Governance

Climate-related risks and opportunities governance and management

Teva's Executive Vice President (EVP) of Global Operations is responsible for Teva's Environmental, Health, Safety and Sustainability (EHS&S) Policy and is the executive sponsor for all EHS&S matters. The EVP of Global Operations reports directly to the President and CEO and is the sponsor of Teva's Corporate EHS&S Committee that assesses climate-related risks and opportunities.

Teva's Corporate EHS&S Committee provides management, oversight and direction on EHS&S policies and coordinates Teva's EHS&S team's implementation of relevant EHS&S programs. This committee is comprised of senior-level executives from key business units and responsible for the EHS&S strategy, EHS&S compliance and performance, public policy and trends, communications and establishing technical advisory committees, as is required. They escalate any specific material matters and/or issues to Teva's Executive Management for further action, but more generally periodically reports to Teva Global Operations on the EHS&S team's development of EHS&S strategies, policies and management systems to drive continuous improvement in all aspects of EHS&S compliance and performance. The EHS&S Committee will formally review company EHS&S matters and performance with the EVP and Teva's Global Operations on a regular basis (minimum quarterly).

Progress against our climate action targets is presented quarterly to the Compliance Committee of the Board of Directors by the head of Environmental, Social and Governance (ESG). The targets were developed in collaboration with the ESG team, approved by Executive Management and endorsed by the Board of Directors. Climate change was also covered in a dedicated session for the Board in November 2021 on the current ESG landscape and implications for Teva.

The Board and the Audit Committee review the company's short-term risk management matrix twice a year and long-term risk matrix annually. As climate change is a topic raised in our Enterprise Risk Management (ERM) process, it may be presented to the Board if its importance increases. Currently, climate change is monitored but not considered a high-risk topic (see additional information in the strategy and risk management session). Climate change projects and targets are also monitored by Teva's ESG Steering Committee, chaired by the President and CEO, and the ESG Global Forum, chaired by the head of ESG. Our 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 greenhouse gas (GHG) emission-related targets throughout the business and develops the framework for their execution.

In 2021, we further tied executive compensation to ESG performance for relevant executives. ESG targets, including climate-related targets, were included in individual performance goals, which represented 25% of the variable bonus performance achievement.

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.

At the end of 2021, 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 intends to integrate learnings from this exercise into the business and address risks identified.

Our latest physical climate risk assessment covered ten 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, 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 thirty 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 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 and 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 EHSMS.
Transition Climate Risks:	
Increased operating costs due to introduction of carbon pricing schemes	Some of Teva's European sites are subject to the 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

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

	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-modes optimization) are expected to reduce cost in the future.
Cost saving 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.
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).

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. Executive Management and risk leaders 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.

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 Environmental, Health and Safety Management System (EHSMS). Relevant risks raised are considered during contingency and business continuity planning. Teva's EHSMS is implemented across more than 95% 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, 71% of our suppliers assessed through EcoVadis have actions on energy consumption and GHG emissions. We also use these assessments to drive improvements in ESG measures through corrective and preventive actions.

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. Additionally, regular site energy inspections, audits and surveys are used to identify and evaluate energy and GHG reduction opportunities and projects. Teva provides capital investment for energy reduction and conservation projects based on feasibility assessments and, in 2021, we provided $1.2 million for such initiatives. Various decarbonization projects implemented at Teva in 2021 were funded through alternative financing models (e.g., an energy service company).

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, which we committed to validate through the Science Based Targets initiative (SBTi).

Teva's science-based targets to reduce GHG emissions are aligned with the goals of the Paris Climate Agreement to limit mean global temperature rises to well below 2°C compared to pre-industrial temperature levels and preferably to 1.5°C. Our targets have been developed using the SBTi tools and guidelines and are aligned with a 1.5 °C scenario for our scope 1 and 2 target and well below 2°C for our scope 3 target. 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	• 2021 scope 1 emissions: 288,405 metric tons CO_2e • 2021 scope 2 emissions, market-based: 286,268 metric tons CO_2e • Total 2021 scope 1 and 2 emissions: 574,673 metric tons CO_2e • 2021 reduction relative to baseline (2019): 12.9%
Reduce absolute scope 3 GHG emissions by 25% by 2030 (vs. 2020)	Scope 3 GHG emissions	• 2021 scope 3 emissions: 6,568,881 metric tons CO_2e • 2021 reduction relative to baseline (2020): 5.0%
Increase energy efficiency by 10% by 2030 (vs. 2020)	KWH/USD revenue	• 2021: 0.146 KWH/USD • 2021 increase in energy efficiency relative to baseline (2020): 6%
Increase total proportion of electricity purchased or generated from renewable sources to 50% by 2030	% electricity purchased or generated from renewable sources	• 2021 electricity purchased or generated from renewable sources: 33% (4% 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	• 2021 water withdrawal: 1,483 ML • 2021 reduction relative to baseline (2020): 8%

*Considers 80% of the water withdrawal 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 Greenhouse Gas Protocol and ISO 14064-3:2006 standard by SGS, with limited assurance. The full verification statement can be found here. Teva's scope 3 GHG emissions are verified in accordance with ISAE 3000 standard by DNV, with limited assurance. The full verification statement can be found here (page 58-59). 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 second quarter of 2022 and our Annual Report on Form 10-K for the year ending December 31, 2021, including in the sections captioned "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*	Units	2017	2018	2019	2020	2021
Natural gas (scope 1)	MWH	1,242,705	1,132,334	1,122,575	1,124,920	1,104,517
Fuel oil (scope 1)	MWH	219,318	161,255	63,650	59,953	59,291
Diesel fuel (scope 1)	MWH	92,152	42,662	61,323	35,375	23,832
Kerosene (scope 1)	MWH	15	-	-	-	-
LPG (scope 1)	MWH	91,706	81,811	47,234	46,302	41,678
Propane (scope 1)	MWH	663	5,557	5,202	15,206	11,372
Petrol: Mobile (scope 1)	MWH	149,094	171,286	93,191	63,115	76,706
LNG: Mobile (scope 1)	MWH	-	-	-	380	1,018
CNG: Mobile (scope 1)	MWH	-	-	27	86	–
Diesel: Mobile (scope 1)	MWH	87,423	105,755	72,804	67,421	51,338
Renewable electricity produced (scope 1)	MWH	28	554	28	166	1,193
Biomass (renewable) (scope 1)	MWH	7,516	13,694	12,822	4,200	1,459
Electricity purchased from grid (scope 2)*	MWH	960,241	876,037	710,411	713,507	643,047
Heating purchased (scope 2)	MWH	3,841	2,665	11,720	10,937	15,405
Steam purchased (scope 2)	MWH	83,081	69,968	67,007	71,276	71,494
Renewable electricity purchased (scope 2)	MWH	389,563	381,913	425,748	312,430	313,660

Scope 1 direct: Non-renewable fuels	MWH	1,883,074	1,700,660	1,466,006	1,412,758	1,369,752
Scope 1 direct: Renewable fuels	MWH	7,544	14,248	12,850	4,366	2,652
Scope 2 indirect: Non-renewable	MWH	1,047,163	948,670	789,138	795,720	729,945
Scope 2 indirect: Renewable	MWH	389,563	381,913	425,748	312,430	313,660
Total energy consumption	MWH	3,327,345	3,045,491	2,693,742	2,525,274	2,416,009

Note: 2019 and 2020 energy and GHG emission data (scope 1 and 2) was 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 are as follows: structural changes to the Teva network; divestments; use of more complete and accurate site energy data; use of more complete and accurate transportation data; accounting for previously unaccounted biogenic GHG emissions.

* Excluding purchased renewable electricity

GRI 302-3: Energy Intensity

	Unit	2020	2021
Energy intensity	KWH/revenue (USD)	0.154	0.146
Change in intensity	%	-	-6%

Note: Energy consumption data relates only to facilities (e.g., excludes transportation). Energy consumption data used for intensity calculation differs from the published data as it includes the energy consumption of divested sites. This is to provide a fair comparison, as the published energy consumption data has been adjusted to consider business divestments while the published revenue data (our denominator) has 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	2017	2018	2019	2020	2021
Scope 1 emissions	tons CO_2e	458,755	372,604	306,619	298,236	288,405
Scope 2 emissions	tons CO_2e	472,358	454,598	353,167	337,489	286,268
Total GHG emissions (scope 1 and 2)	tons CO_2e	931,113	827,202	659,787	635,725	574,673
Outside of scopes*	tons CO_2e	-	-	4,435	1,453	505
Scope 1 and 2 GHG emissions cumulative change from baseline 2019 (SLB SPT #2a)	%	-	-	-	-3.6%	-12.9%
Scope 3 emissions**	tons CO_2e	-	-	-	6,915,858	6,568,881
Scope 3 GHG emissions cumulative from baseline 2020 (SLB SPT #2b)	%	-	-	-	-	-5.0%

Notes: 2019 and 2020 energy and GHG emission data (scope 1 & 2) has been 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 are: structural changes to the Teva network (divestments); use of more complete and accurate site energy data; use of more complete and accurate transportation data; accounting for previously unaccounted biogenic GHG emissions.
*Outside of scopes includes biogenic CO2 factors that should be used to account for the direct carbon dioxide (CO2) impact of burning biomass and biofuels, including when reporting emissions for electricity consumption. Biogenic CO2 emissions are one of several activities labelled '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 CO2 during the growth phase as the amount of CO2 released through combustion). Full reporting of any fuel from a biogenic source, including electricity, should have the biogenic CO2 value document to ensure complete accounting of the emissions created.
**Scope 3 GHG emissions includes all GHG Protocol applicable categories, including purchased goods and services, capital goods, fuel- and energy-related activities (not included in scope 1 or 2), upstream transportation and distribution, waste generated in operations, business travel, employee commuting, downstream transportation and distribution, processing of sold products, use of sold products, end-of-life treatment of sold products, downstream leased assets and investments. Upstream leased assets and Franchises are not applicable.

GHG Emissions by Gas

Gas	Unit	2021
CO2	tons CO_2e	264,990
CH4	tons CO_2e	370
N2O	tons CO_2e	426
HFCs	tons CO_2e	22,619

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 withdrawn is from third-party water suppliers, such as municipality-owned water networks, with the remainder 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 drug product manufacturing, with a significant proportion of this usage associated with the utilities and auxiliary equipment needed to create the right production environments.

Most of the water from our facilities is discharged to municipal wastewater networks, with some of this water first receiving on-site treatment to meet wastewater quality parameters. The water impact most commonly and currently associated with the pharmaceutical industry relates to pharmaceuticals in the environment (PiE). Teva has a robust Environment, Health and Safety Management System (EHSMS) in place to support compliance and business continuity, which includes standards on emissions management that outline Teva's requirements on PiE. Teva is actively working to assess our impact and implement solutions to PiE and discharges containing antimicrobials in a coordinated approach with other

pharmaceutical companies and stakeholders. In 2021, we successfully achieved our voluntary target to meet the AMR Industry Alliance commitment to minimize antimicrobial discharges by assessing 100% of the 33 Teva sites that handle drug products.

Another impact on which Teva and others in the industry are concentrating is water scarcity. Following last year's guidance to screen and evaluate sites using the World Resources Institute (WRI) Aqueduct Water Risk Atlas, in 2020, we completed 31 water balance assessments. The assessments have provided local insights into water use and support and guide our ongoing work in this area. We do not expect to have significant business interruption related to water stress more than current conditions.

Each facility in a water scarce area is required to set annual goals on water conservation and management as part of Teva's EHSMS. We made a commitment to reduce total water withdrawal by 10% by 2030 in areas projected to be in water stress, and our data for 2020 are used as our baseline. This target has been defined considering data related to eight sites, selected because they account for 80% of total volume of water withdrawals among Teva's sites projected to be in water stressed areas. For this purpose, and to improve transparency, from 2020, Teva committed to undergo 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	
	Units	All areas	Areas with water stress	All areas	Areas with water stress	All areas	Areas with water stress
Surface water (Total)	**ML**	**446.42**	**1.06**	**446.40**	**-**	**390.65**	**-**
Freshwater (≤1,000 mg/L Total Dissolved Solids)	ML	446.42	1.06	446.40	—	390.65	—
Other water (>1,000 mg/L Total Dissolved Solids)	ML	—	—	—	—	—	—
Groundwater (Total)	**ML**	**1,727.66**	**426.55**	**1,720.11**	**398.13**	**1,674.73**	**405.81**
Freshwater (≤1,000 mg/L Total Dissolved Solids)	ML	1,587.15	426.55	1,545.62	364.44	1,459.86	364.18
Other water (>1,000 mg/L Total Dissolved Solids)	ML	140.51	—	174.49	33.70	214.87	41.63
Third-party water (Total)	**ML**	**6,215.01**	**1,875.14**	**5,520.09**	**1,625.70**	**4,623.37**	**1,494.05**
Freshwater (≤1,000 mg/L Total Dissolved Solids)	ML	6,215.01	1,875.14	5,520.09	1,625.70	4,623.37	1,494.05
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		392.64		614.90		857.19
Groundwater	ML		372.82		145.00		373.25
Seawater	ML		412.78		243.10		263.61
Unknown	ML		696.90		622.72		-

Water withdrawal total	ML	**8,389.09**	**2,302.75**	**7,686.60**	**2,023.83**	**6,688.75**	**1,899.86**
Water withdrawal total among areas projected to be in water stress (considered for Teva's target)*	ML				**1,606.67**		**1,482.94**

Note: Teva reviewed the data according to the new stress area classification. In 2021, Teva completed a physical climate risk assessment screening exercise, the results of which were used to redefine which Teva's sites were projected to be in water stressed areas. To provide comparative year-over-year data, we have updated our 2019 and 2020 water stress site data to reflect the same pool of sites as those reported in 2021.

*Considers 80% of the water withdrawal at sites projected to be in areas of water stress by 2030

GRI 303-5: Water Consumption

Water Consumption		**2019**		**2020**		**2021**	
	Units	**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	887.42

Note: Teva reviewed the data according to the new stress area classification. In 2021, Teva completed a physical climate risk assessment screening exercise, the results of which were used to redefine which Teva's sites were projected to be in water stressed areas. To provide comparative year-over-year data, we updated our 2019 and 2020 water stress site data to reflect the same pool of sites as those reported in 2021.

Effluents and Waste

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

Teva always intends to conform to all applicable regulatory requirements, including those relating to any local, state, regional and national effluent discharge quality. Each of our sites has an EHSMS in place, aligned with Teva's corporate EHS Standards, which provide systems and controls for identifying and complying with all regulatory and other requirements. Going above and beyond regulatory requirements, as part of Teva's PiE assessment program, including those related to AMR, where Teva identifies Predicted Environmental Concentrations (PEC) above those of the published Predicted No-Effect Concentration (PNEC), Teva will implement improvement measures to reduce discharge levels below the PNEC. All sites are required to meet all of the applicable regulatory requirements, including permit limits and conditions, as well as EHSMS requirements on effluent management, including internal guidelines on managing API/AMR in our effluents. We focus on antibiotics and developed a list of priority APIs, which include hormones, cytotoxins and other APIs that may be a cause of concern.

Our 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	
		Units	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	
	Groundwater	ML	79.43		188.88		349.82	
	Evaporation pond	ML	137.52		135.95		128.34	
	Seawater	ML	-		-		-	
	Third-party water (Total)	ML	4,085.40		3,632.31		3,040.24	
	Third-party water sent for use to other organizations	ML	-		1.55		1.45	
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
	Other water (>1,000 mg/L Total Dissolved Solids)	ML	3,407.00	227.13	3,241.84	228.70	2,576.22	299.17
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**	**1,012.44**
Total wastewater discharge (excluding evaporation pond)			**6,424.28**		**5,854.56**		**5,051.13**	

Note: Teva reviewed the data according to the new stress area classification. In 2021, Teva completed a physical climate risk assessment screening exercise, the results of which were used to redefine which Teva's sites were projected to be in water stressed areas. To provide comparative year-over-year data, we updated our 2019 and 2020 water stress site data to reflect the same pool of sites as those reported in 2021.

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

As part of Teva's 2019 ESG materiality assessment, we identified waste to be of material impact to the business as part of the broader category of "Emissions, Effluents and Wastes." The scope of this impact relates to Teva's activities, including wastes generated at our production facilities, distribution centers and laboratories. These represent the greater proportion of our generated wastes and where we have the greatest opportunity to make a positive impact in the short to medium term.

Our 2030 environmental commitments include a goal to continue to minimize waste generated from operations and the environmental impact of its disposal. We see these two approaches as essential to reducing our environmental impacts associated with waste. Our first aim, to reduce waste, will require Teva to improve the management of material inputs and the way these materials are used so less waste is generated. The second approach will require Teva to improve the management of its residual waste in more environmentally beneficial ways, which means we will strive to increase waste recovery in place of disposal.

As a large manufacturer and supplier of pharmaceutical products, the material inputs to our business include the 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).

Teva is actively addressing waste minimization and management through a number of approaches, including our global Sustainability Task Force, which includes a workstream on waste that aims to identify waste reduction opportunities. In addition, the implementation of applicable EHSMS standards set Teva's minimum standards for "Waste Minimization and Management" and "Responsible and Inherently Safer Process and Product Design," which incorporates Green Chemistry design principles during early phases of product and processes establishment.

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

Teva facilities have the responsibility for ensuring compliance with all required regulations related to waste management as required by our EHSMS. Teva's EHS Management System 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 wastes on a continual basis and setting waste 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.

In our EHSMS, we include contractual provisions for waste management vendors and details on how waste vendors are to be assessed. Additionally, 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 2030 public commitments, Teva set a target to reduce the overall mass of secondary and tertiary packaging materials per unit dose and increase the proportion of recycled and responsibly sourced materials by 10%, with 2025 as the baseline year. This demonstrates Teva's commitment to circularity and improved management of natural resources.

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

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

Waste by Composition, in Metric Tons	2020			2021		
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)
Hazardous	106,064	39,666	66,399	87,055	30,521	56,535
Nonhazardous	58,442	27,099	31,343	63,649	27,705	35,944
Total	**164,506**	**66,764**	**97,742**	**150,705**	**58,226**	**92,478**

GRI 306-5: Waste Directed to Disposal

		2020			2021		
	Units	**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
Recycling	Metric tons	8,918	30,645	39,563	7,869	22,581	30,450
Total	**Metric tons**	**8,918**	**30,748**	**39,666**	**7,869**	**22,652**	**30,521**
Nonhazardous waste							
Preparation for reuse	Metric tons	11	212	223	47	1,083	1,130
Recycling	Metric tons	–	26,876	26,876	1	26,575	26,576
Total	**Metric tons**	**11**	**27,088**	**27,099**	**48**	**27,658**	**27,705**
Waste directed to disposal by disposal operation							
Hazardous waste							
Incineration (with energy recovery)	Metric tons	–	5,113	5,113	–	3,630	3,630
Incineration (without energy recovery)	Metric tons	–	25,533	25,533	–	23,573	23,573
Landfilling	Metric tons	–	3,451	3,451	–	3,848	3,848
Other disposal operations	Metric tons	–	32,302	32,302	40	25,444	25,484
Total	**Metric tons**	**–**	**66,399**	**66,399**	**40**	**56,495**	**56,535**
Nonhazardous waste							
Incineration (with energy recovery)	Metric tons	–	9,511	9,511	–	5,534	5,534
Incineration (without energy recovery)	Metric tons	–	2,027	2,027	–	1,392	1,392
Landfilling	Metric tons	–	6,506	6,506	–	16,334	16,334
Other disposal operations	Metric tons	–	13,299	13,299	–	12,684	12,684
Total	**Metric tons**	**–**	**31,343**	**31,343**	**–**	**35,944**	**35,944**

Teva's Environmental Management System

Teva's global Environmental, Health and Safety Management System (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 verifiy expectations are met. Nine of our manufacturing facilities (~15%) hold either ISO14001 or EMAS certification. The site's that hold certifications at the end of 2021 include Bulebel (Matla), Duspnitsa (Bulgaria), Gajraula (India), Krakow (Poland), Munro (Argentina), Nervi ano (Italy), Opava (Czech Republic), Ulm (Germany) and Waterford (Ireland).

Environmental 2021 Goals

Environmental 2021 Goal	Status
Define the baseline and path for achieving each applicable 2030 public commitment	Complete (baselines for each goal have been developed, and we have developed trajectories and continue to refine these based on updated data)
Achieve reductions in scope 1 and 2 GHG emissions, aligned with our 2030 public commitment to reduce GHG emissions by 33%, based on 2017 baseline	Target recalibrated for SLB
Improve transparency of scope 3 GHG emissions and increase engagement on climate issues with key suppliers throughout the value chain	Complete (scope 3 emissions were reported for the first time in our sustainability-linked financing framework and in this report)
Complete 2021 activities as detailed in our Environment, Health, Safety and Sustainability (EHS&S) plan in support of achieving our 2030 public commitments	Complete (all activities were completed)
Perform a physical climate and water risk assessment covering 80 of our key locations and review their potential for business impact	Complete (concluded first screening assessment in early 2021 and currently continuing with more detailed assessment, including risk quantification at selected sites)
Perform an enterprise-wide renewable energy potential mapping exercise	Complete (mapping exercise performed in 2021 indicating which renewable electricity projects across our network have the greatest potential; we are studying the results of these through our Sustainability Task Force)
Implement a new set of internal normalized KPIs for environmental topic areas related to our 2030 environmental commitments to track and drive performance improvements	Complete (energy efficiency KPI is included in the report)

Social Disclosures

Access to Health and Medicines

Regulatory Submissions of Noncommunicable Disease (NCD) Products on the World Health Organization (WHO) Essential Medicines List (EML) in Teva International Markets

	2017	2018	2019	2020	2021
Submissions in cardiovascular diseases	5	–	4	–	6
Submissions in pediatric oncology	1	3	1	4	5
Submissions in respiratory disease	2	–	2	3	3
Submissions in diabetes	2	1	–	–	–
Submissions in pain/palliative care	1	1	–	–	2
Total number of regulatory submissions across six therapeutic areas therapeutic areas (TAs) in low- and middle-income countries (LMICs)	**11**	**5**	**7**	**7**	**16**

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. The 2017–2020 baseline for submissions has been readjusted to account for additional submissions, which were previously unaccounted for.

At the end of 2021, we issued our sustainability-linked bond tied to three targets. 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 will work toward achieving each target, and our progress will be included in our 2022 ESG Progress Report.

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

	Donation/Social Business Receivers	Therapeutic Areas	Number of Products	Amount of Medicine Provided (tablets/doses)	Amount of Medicine Provided ($)	Number of Patients Reached/Treated
Donations	Global HOPE	Pediatric oncology	12	159,610	3,654,360	487 patients since Teva joined program in 2020; 1,948 treated by Global HOPE since 2016 in the facilities that Teva is involved in
Social business	Crown Agents, UK/MoH Ukraine (provided prior to the war)	Oncology	1	148,000	54,535	N/A
Total			**13**	**307,610**	**3,708,895**	**See donation row above**

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.

Access Programs in 2021

Products Provided	Therapeutic Areas	Number of Products	Amount of Medicine Provided (Tablets/Doses)	Amount of Medicine Provided ($)	Number of Patients Reached/Treated
Donations	Pediatric oncology	23	228,998	5,590,198	405
Social Business	TB, HCV, oncology, immunosuppressant	7	85,495,840	1,908,959	N/A
Total		**30**	**85,724,838**	**7,499,157**	**–**

GRI 203-1: Infrastructure Investments and Services Supported

Establishing standards and procedures for consistent and impactful donations is fundamental to our corporate well-being, and we believe that by striving for excellence in this area, we also protect, enhance and create value for our organization. We do this through collaborations with civil society and international organizations, in accordance with our ESG strategy and Global Donation Policy.

Total amount (USD)

	2020	2021
Cash contributions	2,078,252	2,059,875
In-kind giving: product or services donations, projects/partnerships or similar	571,000,000	487,000,000
Total monetary value of corporate citizenship/philanthropic contributions	**573,078,252**	**489,059,875**

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
% Change in average list price across US specialty product portfolio compared to previous year	3.78%	2.12%	3.24%
% Change in average net price across US specialty product portfolio compared to previous year			–0.32%

Inclusion and Diversity

GRI 102-8: Information on Employees

Global Workforce	2017	2018	2019	2020	2021
Permanent employee FTE	49,089	40,780	38,542	37,919	35,531
Permanent employee (headcount)	49,518	41,177	39,288	38,372	35,979

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. Additionally, hiring temporary workers is not a common practice, and thus, their number is considered not relevant compared to the total of permanent employees disclosed.

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

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		
	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
Part-time	960	198	1,158	1,013	259	1,272	1,029	239	1,268
Total	**17,734**	**21,554**	**39,288**	**17,377**	**20,995**	**38,372**	**16,570**	**19,409**	**35,979**

Supervised Workers	2017	2018	2019	2020	2021
Supervised workers FTE	2,227	1,756	1,497	1,798	1,506
Supervised workers (headcount)	2,227	1,756	1,497	1,844	1,558

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

GRI 405-1: Diversity of Governance Bodies and Employees

Employees by Gender (%)	2019		2020		2021	
	Women	Men	Women	Men	Women	Men
Executives/senior managers	29%	71%	27%	73%	29%	71%
Middle managers	47%	53%	47%	53%	48%	52%
Professionals	51%	49%	51%	49%	51%	49%
Entry-level positions	37%	63%	37%	63%	37%	63%
Total employees	**45%**	**55%**	**45%**	**55%**	**46%**	**54%**

Note: Employee categories are different than those provided for SASB data, as executives/senior managers include VP level and above. The 2017–2020 data has been readjusted due to improvements in category segmentation.

Employees by Age Group (%)	2019			2020			2021		
	<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%
Middle managers	2%	69%	29%	2%	67%	31%	2%	66%	32%
Professionals	13%	65%	21%	13%	65%	22%	12%	64%	24%
Entry-level positions	17%	54%	29%	17%	53%	29%	16%	53%	32%
Total employees	12%	62%	26%	12%	62%	27%	11%	61%	28%

Note: Employee categories are different than those provided for SASB data, as executives/senior managers include VP level and above. The 2017–2020 data has been readjusted due to improvements in category segmentation.

Board of Directors, 2021	By Gender		By Age		
	Women	Men	<age 30	age 30–50	>age 50
Directors	25%	75%	0%	17%	83%

Inclusion and Diversity 2021 Goals

2021 Goal	Status
Enhance a culture of inclusion and promote more gender diversity in managerial positions	Complete (continued to execute Teva's inclusion and diversity [I&D] strategy and implement unique mentorship and coaching programs for women; increased the number of women successors to VPs+)
Continue to increase engagement and enable employees to grow	Complete (work is being done at the business unit level to address 2021 employee survey results; learning and development continue to be our focus; employee marketplace approach has been approved by HR management)

Talent Recruitment, Development and Retention

GRI 404-3 Performance Reviews

In 2021, 99% of eligible employees received feedback. Employees that have a leave of absence (LOA), maternity leave, sabbaticals and new hires are not eligible. 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 25% for the FLM program and 20% for the SLM.

GRI 401-1: New Employee Hires and Employee Turnover

New Hires and Leavers by Age (Headcount)	2019			2020			2021		
	<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	4,189	1,406	1,837	434	3,677	1,243
Leavers	1,133	3,853	1,609	6,595	823	2,607	1,277	4,707	1,048
Hires rate	34.9%	8.8%	3.7%	10.8%	27.7%	7.7%	3.9%	9.1%	34.7%
Turnover rate	23.6%	15.9%	15.8%	17.0%	16.2%	10.9%	11.6%	11.6%	29.3%

New Hires and Leavers by Gender (Headcount)	2019			2020			2021		
	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
Leavers	3,109	3,486	6,595	2,273	2,434	4,707	2,477	3,507	5,984
Hires rate	11.2%	9.5%	10.4%	8.3%	9.7%	9.1%	10.3%	9.4%	9.8%
Turnover rate	16.7%	15.6%	16.3%	11.4%	11.7%	11.6%	14.9%	17.5%	16.3%

New Hires and Leavers by Region (Headcount)	2019				2020				2021			
	Israel	Europe	North America	International Markets	Israel	Europe	North America	International Markets	Israel	Europe	North America	International Markets
New hires	286	1,967	922	1,014	185	1,738	895	847	225	1,447	671	1,245
Leavers	1,184	2,656	1,464	1,291	803	1,368	1,307	954	310	1,869	1,303	2,502
Hires rate	6.6%	10.8%	12.6%	10.8%	4.9%	9.7%	12.6%	9.1%	6.2%	8.1%	10.1%	14.8%
Turnover rate	27.3%	14.6%	20.0%	13.7%	21.4%	7.6%	18.4%	10.2%	8.5%	10.4%	19.6%	29.7%

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 have been readjusted using the average number of employees.

Talent Recruitment, Development and Retention 2021 Goals

2021 Goal	Status
Continue to invest in managers' development to effectively lead in times of disruption	Ongoing (First-, mid- and senior-line management coverage has continued, covering 25% of our first- and mid-line managers and 20% of senior-line managers)

Employee Health, Safety and Well-being

GRI 403-1: Occupational Health and Safety Management System

Teva has implemented a formal global Environmental, Health and Safety Management System (EHSMS), which comprehensively deals with all aspects of occupational health and safety. Through the system, sites are expected to meet all local legal requirements and Teva expectations. Implementation is aligned with external standards such as ISO 45001 or OHSAS 18001. Our sites at Waterford, Krakow, Opava, Dupnitsa, Gajraula, Athens and Nerviano are all certified to OHSAS 18001/ISO 45001. The management system is applicable to all Teva employees, contingent workers and contractors, and all locations are included in scope.

Our EHSMS outlines Teva's expectations for managing and mitigating health and safety hazards. All Teva sites maintain a site risk register, which summarizes the output of more detailed risk assessments, providing a ranking of relative risk. The most significant hazard types at Teva involve the potential for process safety events with unintended release of material or energy (e.g., loss containment of hazardous chemicals, explosions, fires).

Two high-consequence injuries, resulting in an absence of more than six months, occurred in 2021. Both injuries related to slip, trips and falls on the same level, occurring inside facilities during normal walking on dry, level floors. Both employees were unable to resume their normal work within six months.

In 2021, we experienced several events that had the potential to result in high-consequence injuries, including dropping heavy equipment/goods from height, loss of nitrogen resulting in low oxygen atmospheres, exothermic reactions as a result incompatible chemicals being mixed during waste disposal activities and chemicals spills. In all cases, we issued company-wide hazard alerts, mandating minimum actions required of all locations. We also used these events to adjust our management system and technical expectations appropriate to the circumstances of the incidents and provided additional training and information on best practices to support sites with implementation. All actions are tracked until they are closed within our EHS Corrective and Preventative Actions system.

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

Risk assessment is a foundational element of Teva's EHS Management System. It is performed for normal, abnormal and emergency scenarios and includes the following elements, for which templates have been developed and made available to all sites as optional methodologies.

- 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
- Improvement plans for risks that exceed predetermined risk thresholds
- Periodic program effectiveness and risk assessment reviews with associated action planning for identified improvement opportunities

Nonroutine 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.

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 consider 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 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 on 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 leaders are responsible for assigning their EHS team members, as well as other site contacts, select modules according to their responsibilities. In 2021, more than 50,000 individual training events were recorded in Studium, our learning management system. Each event represents an individual training session taken by one employee. In addition to the mandatory training modules, a selection of voluntary modules are added to Studium so interested parties can self-assign topics. The EHSMS training modules in the global learning management system represent only the high-level EHS standards and expectations. Each site develops detailed training plans whereby all regulatory and job-specific aspects are fully addressed. Local training systems are used at the sites to manage and track this program.

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 is driven through a dedicated global and regional EHS&S function, with more than 20 permanent staff. The management system is designed to ensure a consistent approach to risk management at all locations. Teva constantly collects and monitors performance in a variety of ways, including through global EHS&S site iternal 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. Teva has consistently invested significant amounts of capital 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 nine years of improvements in lagging metrics, such as total recordable incident rate.

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

2021	Teva Employees		Contingent	
	Number	%	Number	%
Workers covered by Teva's OHS system	35,979	100%	1,558	100%
Workers covered by Teva's OHS system that have been internally audited	28,986*	81%		
Workers covered by Teva's OHS system that have been audited or certified by an external party	4,920	14%		

*Internal Global EHS Audit in the last three years

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

Health and Safety: Teva Employees	2017	2018	2019	2020	2021
Number of recordable injuries	212	158	130	111	79
Recordable injury rate	2.18	1.90	1.69	1.55	1.18
Main type of work-related injury				Slip, trip, fall	Slip, trip, fall
Number of high-consequence injuries			3	1	2.00
High-consequence injury rate			0.04	0.01	0.03
Number of lost days	2,729	1,570	1,506	1,407	1,256
Number of injuries resulting in lost days	124	95	68	65	56
Lost workday rate	1.27	1.14	0.88	0.91	0.83
Number of cases of recordable work-related ill health	4	3	9	1	1
Work-related ill health rate	0.041	0.036	0.117	0.014	0.015
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
Number of fatalities because of work-related injury	0	0	0	0	
Number of fatalities because of work-related ill health			0	0	0
Number of hours worked	97,320,587	83,242,585	76,898,854	71,669,592	67,179,735

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

Health and Safety: Contingent Employees	2019	2020	2021
Number of recordable injuries	6	3	6
Recordable injury rate	2.00	0.81	1.92
Main type of work-related injury	Proximity injuries: contact with and contact by; fall injuries	Same-level fall and hand injuries	Slip, trip, fall
Number of high-consequence injuries	-	-	-
High-consequence injury rate	-	-	-
Number of lost days	12	68	60
Number of injuries resulting in lost days	3	3	4
Lost workday rate	1.00	0.81	1.28
Number of cases of recordable work-related ill health	0	0	0
Work-related ill health rate	0	0	0
Main types of work-related ill health	0	0	0
Number of fatalities as a result of work-related injury	0	0	0
Number of fatalities as a result of work-related ill health	0	0	0
Number of hours worked	2,999,988	3,695,376	3,122,232

Note: Rate calculations have been readjusted using based on 1,000,000 hours worked.

Benefits

Teva's benefits programs adhere to legal requirements in each country. In many countries, Teva offers beyond the minimum standard by law. For example, in the US we offer:

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

We also subsidize summer camps for children of employees in some countries.

Our long-term incentive program below executive management covers 9% of Teva's employees and is granted in the form of restricted share units. 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.

Employee Health, Safety and Well-being 2021 Goals

2021 Goal	Status
Enhance employees' benefits around mental well-being	Ongoing (continue to focus on expanding the Employee Assistance program for countries with no such program)
Achieve Total Recordable Incident Rate (TRIR) below target of 0.30 or less	Exceeded (achieved TRIR of 0.24), based on 200,000 hours
Achieve Process Safety Event (PSE) below target of 0.040 or less	Exceeded (achieved PSE of 0.03)

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

Many phase 2 and most phase 3 trials sponsored by Teva have either internal or independent data monitoring committees. The committees review interim data and make recommendations on trial conduct in the interest of overseeing the safety of trial participants. Details of interim monitoring plans are prespecified in the studies protocol, and the remit of the committee is described in a 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 is also conducted in several trials, as prespecified in the studies protocol, to ensure favorable risk benefit for trial participants.

We obtain informed consent from all clinical trial participants in compliance with International Council for Harmonisation (ICH) GCP and the required local regulations.

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.

Animal Testing

We use animals for scientific-based decision and regulatory requirements. Only studies with satisfactory rationale and that comply with animal welfare requirements are approved. Whenever possible, we use alternative methods, 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, and we use a minimal number of animals to achieve meaningful results.

We commit to refine any pain and/or suffering of animals in our studies, and the ethical committee ensures the use of analgesia, 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.

We follow best practice standards and the national regulations related to animal welfare and conduct of animal studies. We have veterinarian control, and all internal researchers are trained and approved according to national regulations. Internal and external audits, including national authority audits, are conducted on animal testing practices. Any unexpected findings in a study or during housing are reported to the animal study veterinarian, who reports to the national ministry of health.

Governance Disclosures

Business Ethics, Anti-bribery and Anti-corruption

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

Teva's monitoring program annually assesses and remediates compliance risk for 100% of our operations that have touchpoints with healthcare professionals or government officials, including Commercial, Teva Global Operations (TGO) and R&D. Additionally, this monitoring includes both geographies where Teva has a physical presence as well as geographies where Teva's business is conducted through distributors acting on our behalf. These risks are broken down as follows:

Commercial (70 Countries)	Teva Global Operations (26 Countries and 49 Sites)	R&D
Top 5 activity types with highest average risk ranges: third-party representatives, discounts and rebates, advisory boards, speaker programs and tenders	Top 5 activity types with highest average risk ranges: third-party representatives, customs clearance and logistics, destruction or scrap (of materials, assets), regulatory interactions and fee-for-service engagements	Top 5 activity types with highest average risk ranges: investigator-sponsored studies, Teva-sponsored research activities, advisory boards, third-party representatives and fee-for-service engagements

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

Every role at Teva is assigned a risk designation based on interactions with members of the healthcare community or government officials, and the personnel in those roles receive relevant compliance trainings. The percentages in the table below include those who are assigned the trainings. Compliance and ethics are integrated into all corporate communications.

Employees	
Global Compliance and Ethics Part 1, 2021 Campaign	**Received Training (# and %)**
Europe	4,959 (99.9%)
Global R&D	2,407 (99.9%)
International markets	2,751 (99.8%)
North America	1,608 (100%)
Teva global operations	7,149 (99.9%)
Global Compliance and Ethics Part 2, 2021 Campaign	**Received Training (# and %)**
Europe	5,204 (99.8%)
Global R&D	2,581 (99.5%)
International markets	3,063 (97.3%)
North America	1,691 (99.3%)
Teva global operations	7,494 (99.2%)
Foundational New Hire/Internal Move Trainings	**Received Training (# and %)**
Europe	896 (96.4%)
Global R&D	831 (95.3%)
International markets	857 (87.7%)
North America	358 (94.4%)
Teva global operations	3,185 (96.1%)

Note: Numbers represent the number of individuals who completed Global Compliance and Ethics training campaigns and foundational training for new hires in 2021. The percentage refers to the percent of assigned users who completed the assignment. 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.

Coverage of Code of Conduct

Our Code of Conduct training is launched to all Teva employees every three years. It was launched in 2019, and the below info rmation is for new employees. Code training will be launched to all employees again in 2022.

	2020			2021		
	Coverage (%)	Written/Digital Acknowledgment (%)	Training Provided (%)	Coverage (%)	Written/Digital Acknowledgment (%)	Training Provided (%)
Employees	100% of new employees	99.6%	99.6%	100% of new employees	97.9%	97.9%

Note: 100% of active employees are trained on Teva's Code of Conduct every three years.

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

Number of Reports Received and Confirmed by the	2019		2020		2021	
	Received	Confirmed	Received	Confirmed	Received	Confirmed
Business Integrity (corruption, bribery, fraud)	55	19	61	24	42	10
Employee Relations (e.g., bullying, harassment)	86	19	97	24	82	23
Other (quality, safety, R&D)	66	16	67	20	58	8
Total	**207**	**54**	**225**	**68**	**182**	**41**

Approximately 23% of all reports made to the Office of Business Integrity in 2021 were substantiated. Of substantiated cases, 100% resulted in one or more corrective actions, including:

- Terminations (45% of the cases)
- Policy reviews (18% of the cases)
- Warnings (11% of the cases)
- Retraining (2% of the cases)
- Coaching (32% of the cases)
- Vendor disengagements (14% of the cases)

GRI 307-1: Noncompliance with Environmental Laws and Regulations
GRI 419-1: Non-compliance with Laws and Regulations in the Social and Economic Area

	2021
Total monetary value of significant fines with laws and/or regulations in the social and economic area	None
Number of nonmonetary sanctions for noncompliance with laws and/or regulations in the social and economic area	None
Total monetary value of significant fines with environmental laws and/or regulations	$1.4M
Number of nonmonetary sanctions for noncompliance with environmental laws and/or regulations	None

On July 8, 2021, the National Green Tribunal (NGT) Principal Bench, New Delhi, issued an order against Teva's subsidiary in India, Teva API India Private Limited, finding noncompliance with environmental laws and assessing a penalty of $1.4 million. The company disputed some of the findings and the amount of the penalty and filed an appeal before the Supreme Court in India. On August 5, the Supreme Court has admitted the appeal for hearing and granted an interim and unconditional stay on the NGT order. Whatever the outcome of the litigation, it will not have a material impact on the business.

Ethics and Compliance 2021 Goals

2021 Goal	Status
Cultivate accountability and sustainability for compliance and ethics within the business by providing tools, training and communications for use by business leaders in their everyday activities	Ongoing (launched two training campaigns along with various articles that were featured in the One Teva newsletter)
Partner with the business to embed compliance-related aspects into new virtual communication channels and digital processes	Ongoing (continued development of the Culture of Compliance Resource Library, which includes various compliance-related resources and messaging as well as Office of Business Integrity hotline case studies; developed the Compliance Mastery Program for management)
Consider new training approaches with greater emphasis on business leadership, virtual communication channels and self-directed mechanisms	Ongoing (working on ways to continue creating engaging and impactful trainings, e.g., embedding leadership messages in our Code of Conduct recertification training and highlighting access to resources)
Lead global policy project and prepare clear, concise, digitally available content that is easily accessible and searchable starting with Global Compliance Policies and Global Environment, Health and Safety Policies	Underway (leading the Global Policy Optimization Project, which entails working with different functions to organize, simplify and provide better employee access to policies across Teva)
Continue developing global compliance talent and ensure solid succession plans at every level	Complete and ongoing (for every leadership position, at least three candidates have been identified for both short- and long-term succession status)

Internal Audit

Global Internal Audit (GIA) activities include audits, reviews and data analytics of various types and levels. 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 audit/review may:

- Range from a comprehensive to limited scope
- Include multiple risks, a few risks or a specific risk
- Be conducted on a global, corporate or local level
- Be conducted on Teva's market/s, site/s or unit/s
- Be performed on-site or as a remote audit/ review

Number of Audits and Operations Assessed						
Topic	**Scope**	**2019**	**2020**	**2021**	**Period**	**Standards Used**
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	Annually	Institute of Internal Auditors (IIA)
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	Annually	IIA

Responsible Supply Chain

Critical Suppliers

Type of Supplier	Absolute Number of Suppliers
Total tier 1 suppliers	+40K
Critical tier 1 suppliers	522
Noncritical tier 1 suppliers	+35.5K

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 2021 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	160 (31%)	218 (42%)	28%	26%	36%	25%
Noncritical tier 1 suppliers	195	287 (<0.01%)	33%	24%	23%	28%

Note: 100% of suppliers that score ≤45 points in the EcoVadis assessment receive an automatic Correction Action Plan request on behalf of Teva. EcoVadis assessments include evaluation of REACH, labor and human rights, ethics, child/forced labor, sustainable procurement, conflict minerals and more.

Responsible Supply Chain 2021 Goals

2021 Goal	Status
Deploy awareness campaign to suppliers and Global Procurement & Facility Management colleagues	Underway (ESG webinars deployed to employees and will be deployed for suppliers in 2022)
Expand our ESG assessments to 500 critical suppliers	In 2021, number of critical suppliers assessed by EcoVadis grew from 72 suppliers (by the end of 2021) to 218 suppliers
Identify and drive responsible procurement parameters leading to a 15% improvement in our EcoVadis scoring	Completed; 40% increase from 50 to 70 points (embedded criteria into risk checklist, risk/ESG questionnaire for suppliers, update of Supplier Code of Conduct and ESG introductory letter to suppliers invited to EcoVadis)
Devise and coordinate supplier action plans as results of assessments	Underway
Integrate ESG criteria into our source-to-contract processes (RFPs, Scoring Evaluation, etc.)	Completed (during 2021, Global Procurement embedded ESG criteria into the risk checklist, risk/ESG questionnaire for suppliers, update of Supplier Code of Conduct and Teva ESG introductory letter to suppliers invited to EcoVadis)

SASB HC-BP-430a.1: Percentage of Tier I Suppliers' Facilities Participating in the Rx-360 International Pharmaceutical Supply Chain Consortium Audit Program or Equivalent Third-Party Audit Programs for Integrity of Supply Chain and Ingredients

	2021
Percentage of targeted suppliers with contracts that include clauses on environmental, labor, and human rights requirements	100%. All Teva contract templates includes the SCOC clause, which refers to Teva's Supplier Code of Conduct, applicable policies and positions on environmental, labor, human rights requirements, ethics and management systems.
Percentage of tier I suppliers' facilities participating in the Rx-360 International Pharmaceutical Supply Chain Consortium audit program or equivalent third-party audit programs (e.g., PSCI) for integrity of supply chain and ingredients	In 2021, Teva conducted, through an external auditor, five supplier PSCI audits.
Percentage of buyers across all locations who have received training on sustainable procurement	68% (312/461) of Global Procurement (GP) employees received ESG education. The ESG education covered Sustainable Procurement key areas and provided a strong introduction to ESG. It included key topics concerning the industry, the EcoVadis assessment methodology and scorecard, Teva's 2021–2030 ESG targets and how Teva is embedding sustainable procurement initiatives into sourcing and contracting processes.

Quality Manufacturing and Patient Safety

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

	2017	2018	2019	2020	2021
Number of Class I recalls (or equivalent)	1	1	3	0	4
Number of Class II recalls (or equivalent)	21	26	14	12	41

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

	2017	2018	2019	2020	2021
Number of regulatory agency inspections	170	114	118	63	56
Number of Form 483 observations (or equivalent)	273	274	173	234	193
Number of seizures					0
Number of recalls					66
Number of consent decrees					0
Other					0
Number of FDA warning letters (or equivalent)	1	0	1	0	0

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

	2020	2021
The provision of information or evidence that led to raids or arrests of counterfeiters or the seizure of counterfeit products	23	9
The filing of criminal charges against counterfeiters	7	1
Other	3	9

Patient Safety 2021 Goals

2021 Goal	Status
Launch go-live of Teva's upgraded Global Safety Database	Underway (upgrading global safety database, which will introduce many automations and other efficiencies, increasing the quality and data integrity of reports as well as the global overview and oversight)
Improve safety data retrieval capabilities	Underway (Qlik Sense technology has already been implemented in Teva PV and all capabilities will be transferred to this advanced tool, which will lead to more efficient data retrieval, analysis and subsequent insight)
Provide PV support to ensure safe product launches	Ongoing (PV Support is provided on an ongoing basis to ensure safe product launches)
Fulfill safety implications for new regulations for medical devices in the EU	Completed (Medical Device Regulation requirements for 2021 were implemented to PV processes and procedures and applicable employees were trained accordingly)
Submit safety reports in new required format [E2B R3]	Underway (implementation deadline was postponed by Health Authorities to 2022; preparations are underway to ensure PV readiness once the requirement takes effect in the different territories during 2022)
Pilot aggregation capabilities for US market serialization, which is a 2023 requirement	Underway (pilots performed at multiple sites for aggregation capabilities. The archived objectives were to verify vendor capabilities and the business impacts of digitally associating individual identifiers to the shipping containers)

Responsible Lobbying

GRI 415-1: Political Contributions

	2018	2019	2020	2021
Lobbying, interest representation or similar	$2,921,620	$2,410,000	$2,120,000	$2,169,896
Local, regional or national political campaigns/organizations/candidates	$0	$0	$0	$0
Trade associations or tax-exempt groups (e.g., think tanks)	$14,096,122	$13,342,123	$6,130,814	$9,109,621
Other (e.g., spending related to ballot measures or referendums)	$0	$0	$0	$0
Total contributions and other spending	$17,017,742	$15,752,123	$8,250,814	$11,279,517

Enterprise Risk Management

We track global, business and sector trends and risks to ensure we are up to date on the latest emerging risks, including those related to ESG. Below is a table outlining top 2021 risks and the actions we took to mitigate the risks.

Risk	Mitigating Action
Public health crises, such as pandemics	• Assess COVID-19 enterprise-wide risks with ongoing local and monthly meetings • Create a consolidated view of existing and potential threats, opportunities and mitigations
Environmental risks, such as climate change	• Establish science-based targets for environmental management and implement Environmental, Health and Safety Management System (EHSMS) across facilities • Evaluate risks in business continuity planning, supply planning and loss prevention
Compliance risks, including those related to sales and marketing practices	• Operate risk-based global compliance training and communications program
Supply chain interruptions	• Maintain multiple supply sources for strategic products and APIs • Monitor critical suppliers
Failure to recruit and attract talent	• Adopt compensation policies and practices that match those of similar global companies

Data Privacy and Security

Number of Information Security Breaches

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

Data Privacy and Security 2021 Goals

2021 Goal	Status
Expand implementation of IT security due diligence on third-party vendors that process personal data	Complete

Cautionary Note Regarding Forward-Looking Statements

This 2021 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 that expressed or implied by such forward-looking statements. Important factors that could cause or contribute to such differences include risks relating to:

- ourabilitytoimpactandeffectivelyexecuteonoursocial,economic,environment and governance related strategies and goals; environmental risks; failure to comply with applicable environmental 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; consolidation 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 specialty products, 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: uncertainty regarding the COVID-19 pandemic and the governmental and societal responses thereto; our ability to successfully execute and maintain the activities and efforts related to the measures we have taken or may take in response to the COVID-19 pandemic and associated costs therewith; effectiveness of our optimization efforts; our ability to attract, hire 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 or delays in governmental processing time due to travel and work restrictions caused by the COVID-19 pandemic; 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 our ability to reach a final resolution of the remaining opioid-related litigation; 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 patent 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 intangible assets; potential significant increases in tax liabilities (including as a result of potential tax reform in the United States); 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 2022 and in our Annual Report on Form 10-K for the year ended December 31, 2021, including in the sections captioned "Risk Factors" and "Forward-Looking Statements" and 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.