

WE ARE ALL IN FOR EUROPE'S BETTER HEALTH

2024 – 2029

*Teva's vision of what's next in Europe for patients,
science, people and society*



teva

The new political mandate (2024-2029) represents a crucial change because it will determine the future outlook for the European region and the strategic interactions with rest of the world for the next 5 years and beyond.

The European Union (EU) is facing more challenges now that it has since the integration process began 70 years ago, such as ageing and shrinking population¹ and extreme weather events due to climate change.

When it comes to healthcare specifically, OECD data show a drop in life expectancy, worsening mental health, decreasing trust in institutions, and widening health inequalities². Moreover, Teva's recent data exposed the fact that critical medicines are disappearing from Europe³.

The above mentioned challenges will have to be addressed in the course of the next 5 years.

The further integration of a European dimension in the health and pharmaceutical sector is crucial to strengthen regional abilities and resilience, guaranteeing access and sustainability for EU citizens, especially considering demographic changes and the likelihood of future crises. Without a unified approach to health, Europe risks losing the valuable lessons learned from the pandemic experience.

We believe that in the next 5 years the EU has the potential to reconfirm its position as an important global player, however to do so it will be important to:

Health and Wellbeing:

Improve healthcare through supply resilience and sustainability, broader access to medicines and innovation and make sure to address unmet medical needs in particular when it comes to major health challenges such as mental health;

Economic Growth and Competitiveness:

Fostering the integration of the single market to enhance the competitiveness of the European economy and enable targeted investment in key strategic sectors such as the health sector in order to secure the research, manufacturing and supply of medicines;

Green and Digital Transitions:


Support the green and digital transitions with fiscal incentives to boost competitiveness and job creation.



¹Enrico Letta, Much more than a market – Speed, Security, Solidarity, available here: <https://www.consilium.europa.eu/media/ny3j24sm/much-more-than-a-market-report-by-enrico-letta.pdf>

²OECD, Health at a Glance 2023, available here: <https://www.oecd-ilibrary.org/docserver/7a7afb35-en.pdf?expires=1703864851&id=id&acname=guest&checksum=CBA10CC6BC08A938B03674051BE30240>

³Teva Critical Medicines Health Check, available here: critical-medicines-health-check-2024_website.pdf (tevapharm.com)



Teva believes in the power of a stronger European Health Union to improve people's lives: health should not be about national borders, but rather about joining forces to tackle daunting challenges together such as shortages of medicines, serious cross-border health threats or the health effects of climate change.

By creating a level playing field, Europe will attract investments and secure the research, manufacturing and supply of medicines by stimulating competitiveness and access to medicines. By doing so, we can solidify a more resilient and integrated European pharmaceutical landscape leveraging the power of the Single Market.

This is where the EU can make a difference.

At Teva, we are all in to contribute to better health in Europe

In Europe, Teva directly employs over 19,000 people across more than 30 countries in the region⁴: over 76 nationalities comprising a diverse and dynamic workforce.

Teva Europe's activities include R&D, manufacturing and commercial offices. Our company markets a wide portfolio – dispensing close to **1000 products** across EU markets (one of the largest portfolio of medicines in Europe).



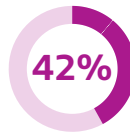
65% of Teva's global portfolio is manufactured in Europe.



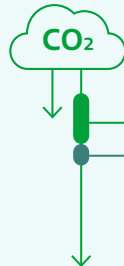
96% of Teva's European generic, biosimilar and innovative portfolio is produced in plants across 13 EU countries.



40% of the APIs Teva uses in Europe are produced in Europe.



42% of Teva's medicines are on the Union List of Critical Medicines.⁵



27% reduction in scope 1 and 2 greenhouse gas (GHG) emissions (vs. 2019), exceeding our 2025 target two years ahead of schedule⁶

12% reduction in scope 3 GHG emissions (vs. 2020), tracking strongly against our 2030 target⁷

Committed to achieve **net zero** emissions by 2045⁸

97,701 direct and indirect jobs supported across Europe in 2023⁹

Generated **€3 billion savings** for healthcare systems in Europe in 2023¹⁰

⁴<https://www.tevapharm.com/teva-in-europe>

⁵European Commission, Union list of critical medicines, available here: https://ec.europa.eu/commission/presscorner/detail/en/ip_23_6377

⁶Teva, 2023, Healthy Future Report, available here: <https://www.tevapharm.com/globalassets/tevapharm-vision-files/teva-esg-progress-report-2023.pdf>

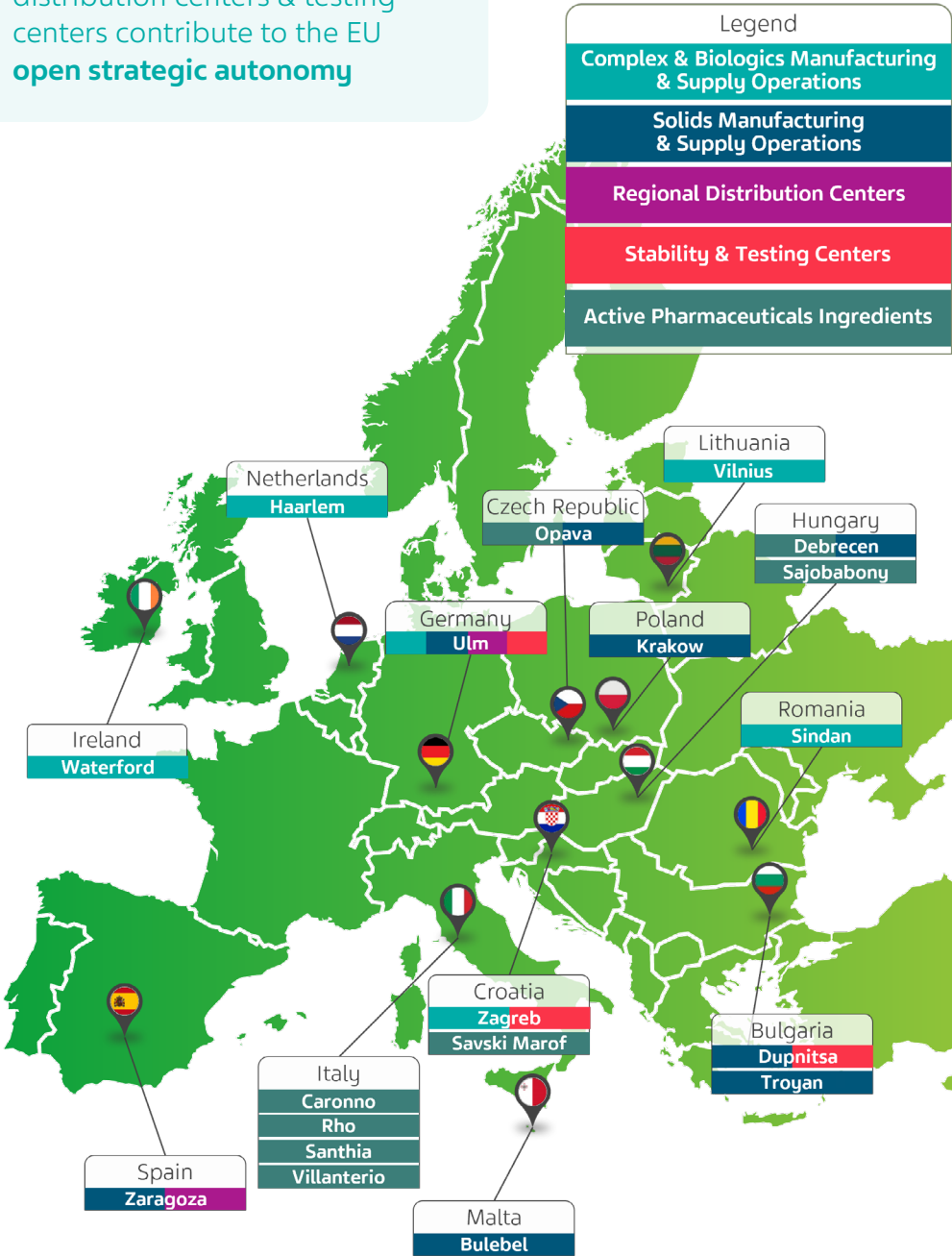
⁷Ibid

⁸Ibid

⁹Ibid

¹⁰Ibid

Teva manufacturing sites,
distribution centers & testing
centers contribute to the EU
open strategic autonomy



Our manifesto presents recommendations in 5 areas we consider strategic for the benefit of patients and the broader healthcare ecosystem:



**WE ARE ALL IN FOR BETTER
ACCESS TO AFFORDABLE
CRITICAL MEDICINES IN EUROPE**

**WE ARE ALL IN FOR AN
INNOVATIVE EUROPE**



**WE ARE ALL IN FOR A
COMPETITIVE EUROPE**

**WE ARE ALL IN TO ADDRESS
PATIENTS' HEALTH PRIORITIES**



**WE ARE ALL IN FOR A
HEALTHY FUTURE**

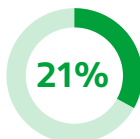


WE ARE ALL IN FOR BETTER ACCESS TO AFFORDABLE CRITICAL MEDICINES IN EUROPE

Key Facts



of generic antibiotics have been withdrawn from at least one EU market.¹¹



of oral liquid antibiotics disappeared.¹⁶

Generic medicines account for 70% of dispensed medicines in Europe and enable €100 billion savings yearly for European healthcare systems.¹² Teva alone enabled \$3.2 billion savings in 13 countries in Europe in 2023.¹³



Between 2012-2022, there's been an increasing rate of generic product withdrawals (+12%) while generic product launches are decreasing (-3%).¹⁴

Generic medicines are gradually being withdrawn from EU markets due to external pressures: a combination of a price race to the bottom and significant cost increase. Teva's 2023 study *The Case of Europe's Disappearing Medicines Cabinet*¹⁵ revealed that market concentration is on the rise both at the level of the active pharmaceutical ingredients as well as at the level of finished products.



The situation is even worse in areas such as antibiotics or oncology generic medicines where respectively 33% and 40% of products have left the EU between 2012 and 2022.¹⁷

Our latest Teva analysis, the *Critical Medicines Health Check*¹⁸ deep dives into EU market trends for generic medicines on the Union List of Critical Medicines published by the EMA in December 2023:



In mental health, 7% of generic products on the Union List disappeared between 2013 and 2023, with a 25% withdrawal rate for generic treatments for schizophrenia and bipolar disorder;¹⁹



In oncology, in six years (2017-2022), 7% of medicines on the Union list disappeared: for some critical oncology generics, the decrease is as steep as -43%.²⁰

¹¹Teva, The case of Europe's disappearing medicines cabinet, available here: https://www.tevapharm.com/globalassets/tevapharm-vision-files/final_for-website_the-case-of-europes-disappearing-medicine-cabinet.pdf

¹²IQVIA, Beneath the surface: Unravelling the true value of generic medicine, available here <https://www.iqvia.com/library/white-papers/beneath-the-surface-unravelling-the-true-value-of-generic-medicines>

¹³Teva, 2023 Healthy Future Report, available here: <https://www.tevapharm.com/globalassets/tevapharm-vision-files/teva-esg-progress-report-2023.pdf>. The calculations are extrapolated from the data from 13 EU Countries: BG, HR, CZ, DK, FR, DE, HU, IE, IT, NL, PL, ES, SE.

¹⁴Teva, Critical Medicines Health Check, available here: [critical-medicines-health-check-2024_website.pdf](https://www.tevapharm.com/globalassets/critical-medicines-health-check-2024_website.pdf) (tevapharm.com)

¹⁵Teva, The case of Europe's disappearing medicines cabinet, available here: https://www.tevapharm.com/globalassets/tevapharm-vision-files/final_for-website_the-case-of-europes-disappearing-medicine-cabinet.pdf

¹⁶Teva, Critical Medicines Health Check, available here: [critical-medicines-health-check-2024_website.pdf](https://www.tevapharm.com/globalassets/critical-medicines-health-check-2024_website.pdf) (tevapharm.com)

¹⁷Teva, The case of Europe's disappearing medicines cabinet, available here: https://www.tevapharm.com/globalassets/tevapharm-vision-files/final_for-website_the-case-of-europes-disappearing-medicine-cabinet.pdf

¹⁸Teva Critical Medicines Health Check, available here: [critical-medicines-health-check-2024_website.pdf](https://www.tevapharm.com/globalassets/critical-medicines-health-check-2024_website.pdf) (tevapharm.com)

¹⁹Ibid

²⁰Ibid



WE ARE ALL IN FOR BETTER ACCESS TO AFFORDABLE CRITICAL MEDICINES IN EUROPE

Teva recommendations

The EU Commission has recognized that generic and biosimilar medicines provide a large number of patients with accessible and more affordable treatments and they allow health systems potential savings in costs through their positive effect on pricing competition²¹.

As one of the **major producers of medicines from the Union's list of critical medicines**, we would like to provide recommendations on how to unlock the EU's full potential for the benefit of patients, and establish a regulatory environment for the EU industry to remain globally sustainable meanwhile competitive.



- ✓ Tackle the economic root causes of medicine shortages by reforming tender policies implementing an **EU guidance on medicine procurement (multi-winner and multi-criteria tenders)**.
- ✓ Broader access to generics and biosimilars can be achieved by **removing obstacles to timely generics and biosimilars entry and by facilitating effective Day 1 launch** as soon as the protection expires.
- ✓ **Adopt a Critical Medicines Act comprising concrete measures to increase manufacturing resilience in Europe and diversify supply chains.** Teva is a member of the **Critical Medicines Alliance**, which will be an important platform for all stakeholders to come together and shape the Critical Medicines Act.
- ✓ Support the **EU Solidarity Mechanism** implementation to deal with shortages (same system than Civil Protection Mechanism) by ensuring a common EU harmonised approach to deal with shortages.

²¹European Commission, Pharmaceutical Strategy for Europe, available here: eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52020DC0761



WE ARE ALL IN FOR AN INNOVATIVE EUROPE

Key Facts

The pharmaceutical industry has contributed to significant improvements in patient health. **European citizens today can anticipate living approximately 30 years longer than a century ago.**²²

Despite a rich history in the discovery of new treatments and vaccines, Europe is going backwards when it comes to medical innovation. Over the past **25 years**, our region has lagged behind global competitors in R&D and manufacturing, facing reduced investment, fewer clinical trials, and longer approval times for new medicines.²³

Over the past two decades, **Europe's R&D investment has decreased by 25%.** However, a mere 25 years ago, half of all new treatments originated from Europe, whereas today, that proportion has declined to just one in five.²⁴

The data on clinical trials are equally gloomy: In 2020, Europe's share of global clinical trials activity declined to **19.3%**, marking a **6.3%** decrease compared to the **25.6%** average over the past decade.²⁵

Moreover, **Europe is lagging behind other regions of the world in the use of Artificial Intelligence (AI).** Just 2% of European healthcare firms are utilizing AI technologies to their full 80% potential.²⁶ AI and advanced analytics have a huge potential in healthcare, e.g. to improve the speed and accuracy of diagnostics and screening for diseases; assist with clinical care; strengthen health research and medicines development, and support diverse public health interventions, such as disease surveillance, outbreak response, and health systems management.



²²EFPIA, The Pharmaceutical Industry in Figures, 2023: <https://www.efpia.eu/media/rm4kzdxl/the-pharmaceutical-industry-in-figures-2023.pdf>

²³EFPIA blog, Why Europe must future-proof its pharma legislation, available here: <https://www.efpia.eu/news-events/the-efpia-view/blog-articles/why-europe-must-future-proof-its-pharma-regulation/>

²⁴EFPIA blog, Competitiveness: Mind the gap between rhetoric and reality, available at <https://bit.ly/3l6njl1>

²⁵EFPIA blog, Why Europe must future-proof its pharma legislation, available here: <https://www.efpia.eu/news-events/the-efpia-view/blog-articles/why-europe-must-future-proof-its-pharma-regulation/>

²⁶McKinsey & Company, Tackling Europe's gap in digital and AI, available here: <https://www.mckinsey.com/featured-insights/artificial-intelligence/tackling-europes-gap-in-digital-and-ai>



WE ARE ALL IN FOR AN INNOVATIVE EUROPE

Teva recommendations

In addition to being a powerhouse for generic medicines, we are stepping up our investment in innovation to continue the momentum behind the discovery, delivery and expanded development of modern medicine.²⁷

Teva is using AI and advanced analytics in all stages of research and development, for example to develop digital biomarkers for several conditions and improve clinical trial processes to get medicines to patients faster.²⁸



We are committed to working with partners and communities to change how drugs are developed. Since 2019, we have been part of the Innovative Medicines Initiative (IMI), Europe's largest public-private partnership in the life sciences. IMI aims to develop next-generation vaccines, medicines and treatments. In 2023, we were participating in more than eight consortia—from drug discovery to development.

- ✓ Promote a strong, predictable and clear **European intellectual property ecosystem** that stimulates investments to bring a competitive advantage to Europe.
- ✓ Make the **innovation framework** smarter including fostering high-quality science, technological innovation, digitalization, and collaborative policies that prioritise openness and pragmatic outcomes while embracing innovative approaches like regulatory sandboxes.
- ✓ The **EU regulatory framework** needs to evolve to become more efficient, digitalised and future-proof to deliver the regulatory oversight needed for emerging scientific discoveries.
- ✓ **Streamline and facilitate access to high quality data for research while safeguarding patient privacy;**
- ✓ Implement digital health technologies and solutions through **public-private partnerships** with stakeholders to build a trustworthy and robust framework that keeps patients at the centre.

²⁷Teva in facts and figures, Available here: <https://www.tevapharm.com/our-company/teva-facts-figures>

²⁸Teva article, Available here: <https://www.tevapharm.com/news-and-media/feature-stories/>



WE ARE ALL IN FOR A COMPETITIVE EUROPE

Key Facts

Globalization over the past decades has increased the EU's dependence on other regions of the world. Several of these dependences on third countries were exposed during the COVID-19 pandemic and have turned into significant risks for the health of Europeans, e.g. shortages of critical medicines.

Over two decades, Western essential medicines manufacturing has been migrating to the East to achieve significant cost savings. This is mainly because companies in Asian countries can enjoy savings of 20 to 60 percent compared to their European competitors when it comes to the costs for labour, energy and water.²⁹

European political leaders have acknowledged the significant over-dependency on China – whom **the EU relies on for over half its strategic imports including active pharmaceutical ingredients³⁰ and increasingly finished critical medicines.**

Despite the above-mentioned trends, the pharma industry is still one of Europe's top-performing high-technology sectors. It contributes around €175 billion to the EU's trade balance³¹ – a tenfold rise over the last two decades.



²⁹Teva, Addressing Europe's essential medicines exodus, available here: https://www.tevapharm.com/globalassets/tevapharm-vision-files/manufacturing-report-final_31_10.pdf

³⁰Resilient EU 2030, available here: <https://spanish-presidency.consilium.europa.eu/en/news/the-spanish-presidency-presents-resilient-eu2030-roadmap-to-boost-european-union-open-strategic-autonomy/>

³¹Eurostat, Trade in medicinal & pharma products: new peak in 2022, available here: <https://ec.europa.eu/eurostat/web/products-eurostat-news/w/DDN-20230424-1>



WE ARE ALL IN FOR A COMPETITIVE EUROPE

Teva recommendations

Faced with strong global competition, the EU must step up its efforts to develop a competitive industrial strategy capable of counteracting instruments recently adopted by other global powers. Insufficient resources pose a risk of stalling progress. To achieve a fair, green, and digital transition, systemic costs must be collectively shared, rather than burdening specific sectors.³²



- ✓ Fostering an **Open strategic Autonomy for a competitive and resilient EU pharmaceutical sector** is crucial for Europe's transition in an ever-changing geopolitical landscape. It can only be achieved if companies remain and invest in Europe.
- ✓ Promoting a targeted and sustainable industrial policy that creates a level playing field with 3rd countries with efficient and competitive funding mechanisms.
- ✓ Support investments in new greener and automated technologies for manufacturing and upskilling the workforce.
- ✓ Adopt a **Critical Medicines Act** to foster open strategic autonomy in life science including critical medicines by restoring Europe's R&D, manufacturing competitiveness and reducing dependency risks.

³²Enrico Letta, Much more than a market – Speed, Security, Solidarity, available here: <https://www.consilium.europa.eu/media/ny3j24sm/much-more-than-a-market-report-by-enrico-letta.pdf>



WE ARE ALL IN TO ADDRESS PATIENTS' HEALTH PRIORITIES

Key Facts

According to the World Health Organisation's (WHO) global health estimates in 2019, over **125 million people in Europe had mental health conditions, equivalent to 13% of the population**. Mental health conditions account for 15% of all years lived with disability.³³

According to the WHO, the global prevalence of anxiety and depression increased by 25% in the first year of the COVID-19 pandemic³⁴.

A recent Eurobarometer survey on mental health³⁵ reveals that 46% of Europeans experienced an emotional or psychosocial problem, such as feeling depressed or anxious, in the past twelve months.

At the same time, the survey indicates that **89% of citizens view mental health promotion as important as physical health promotion**. Referring to services, one out of every two individuals dealing with a mental health issue did not seek assistance from a professional. These findings emphasize the necessity for a comprehensive approach to mental health.

In June 2023 the Commission adopted the **Communication on a Comprehensive Approach To Mental Health³⁶** to support Member States and stakeholders in addressing challenges in the area of mental health in the EU. The communication points out three guiding principles that should apply to every citizen: **i) access to adequate and effective prevention, ii) access to high-quality and affordable mental healthcare and treatment and iii) reintegration into society after recovery**.



³³WHO, European Framework for Action on Mental Health 2021-2025, <https://iris.who.int/bitstream/handle/10665/352549/9789289057813-eng.pdf?sequence=1>

³⁴WHO, Mental Health and COVID-19: Early evidence of the pandemic's impact, COVID-19 pandemic triggers 25% increase in prevalence of anxiety and depression worldwide (who.int)

³⁵European Commission, Eurobarometer on mental health, available here: <https://europa.eu/eurobarometer/surveys/detail/3032>

³⁶European Commission, Communication on a comprehensive approach to mental health, available here: [com_2023_298_1_act_en.pdf](https://europa.eu/eu-communication/2023/298_1_act_en.pdf) (europa.eu)



WE ARE ALL IN TO ADDRESS PATIENTS' HEALTH PRIORITIES

Teva recommendations



We are committed to addressing the current unmet needs in the area of mental illness. Combining creativity, scientific rigor and extensive knowledge on a broad range of technologies, we are working to not only uncover the full potential of existing medications, but to also provide new treatment options to support the management of neurological and psychiatric disorders .

- ✓ **Break down stigma** and discrimination surrounding mental illness.
- ✓ Step up investment in mental healthcare and health systems, including the mental health workforce.
- ✓ **The Pharmaceutical legislation should bring forward a patient-centric, more inclusive definition of unmet medical needs**, encouraging both incremental and breakthrough advances in prevention, treatment and care as well as improving patients' quality of life.
- ✓ We are calling **for a dedicated and comprehensive EU Mental Health Strategy and Action Plan** - as already flagged by the EPSCO Council Conclusions on the Economy of Well-being in October 2019³⁷ - which spans from prevention and promotion to treatment, care and reintegration into society. The strategy should be cascaded to the local level and implemented via national plans at country level.

³⁷EPSCO Council conclusions on the Economy of Well-being, available here: <https://data.consilium.europa.eu/doc/document/ST-13432-2019-INIT/en/pdf>

5 WE ARE ALL IN FOR A HEALTHY FUTURE

Key Facts

In 2023, Europe experienced its **second warmest year on record**, impacting citizens with a surge in extreme heat stress days, and heatwaves. Those heightened temperatures amplified the occurrence and severity of extreme weather events like droughts, floods, and wildfires.³⁸

The **average sea surface temperature across Europe was the highest on record**.³⁹

The **impacts of climate change took a toll on Europeans** in 2023, in particular concerning the economic losses due to floods and the health impacts of heat stress.⁴⁰



Record proportion of actual electricity generation by renewables in Europe at **43%**.⁴¹



³⁸European Commission, European State of the Climate report 2023, available here: <https://climate.copernicus.eu/esotc/2023>

³⁹Ibid.

⁴⁰Ibid.

⁴¹Ibid.

5 WE ARE ALL IN FOR A HEALTHY FUTURE

Teva recommendations

In 2023, Teva stated its intention to achieve **net zero emissions across our operations and value chain by 2045**. This target reflects our commitment to taking significant and sustainable climate action.⁴²

We understand **economic growth to go hand in hand with a healthy planet**. To achieve this objective there must be a joined-up strategy that promotes circularity and green transformation while nurturing economic growth and fostering job creation.

The green agenda should be a catalyst for Europe's industrial open strategic autonomy.



- ✓ Adopt an **industrial policy that stimulates investments to support the green transition** rather than a green agenda disconnected from EU's industry competitiveness reality.
- ✓ **Legislation enabling the green transition must be supported by comprehensive, evidence-based and data-based impact assessments**, especially when multiple policies intersect and impact not just single industries or categories of product, but entire industrial value chains. The cumulative impact of legislation should also be assessed.
- ✓ **Evidence-based policymaking and continuous dialogue** with industry and civil society would create a stable environment for business and help anticipate and mitigate unintended consequences for business, society and consumers.
- ✓ **Address environmental challenges without undermining access or the risk/benefit of affordable critical medicines.**
- ✓ Include security of supply and the environment as critical reward of tendering encouraging investments in these areas.
- ✓ Regulators should set **appropriate timelines** for any potential changes to healthcare products or packaging, to allow the highly regulated healthcare sector time to implement any necessary testing and recertification.

⁴²Teva, 2023 Healthy Future Report, available here: <https://www.tevapharm.com/globalassets/tevapharm-vision-files/teva-esg-progress-report-2023.pdf>

MORE ABOUT US

We serve nearly **200 Million people** everyday around the world

One of the **biggest and most diverse generics portfolio** in the whole industry

97,701 direct and indirect jobs

Supported across Europe in 2023⁴³

€2,62 billion

Generated in labor income across Europe⁴⁵

€5 billion

Contributed to GDP in Europe in 2023⁴⁴

Generated **€3 billion savings**

For healthcare systems in Europe in 2023⁴⁶

One of the **major manufacturers of critical medicines** on the Union List of Critical Medicines

Manufacturing facilities in 13 countries in the European Union

96% of Teva medicines sold in Europe are manufactured at Teva's European sites

40% of the APIs that Teva uses in Europe are produced in Europe

Today, Teva aims to be a new kind of pharmaceutical company.

One liberated from the traditional definition of a generic medicines company.

A company with a category-defying portfolio, harnessing our generics expertise and stepping up innovation, continuing the momentum behind the discovery, delivery and expanded development of modern medicine.

To healthcare professionals, patients, caregivers and families, we commit to push the boundaries to help deliver quality medicine wherever it is needed, discover life changing treatments, and strive forward through scientific innovation.

Because when it comes to health, good is not enough for us.

THIS is the Teva legacy—to be stronger, bolder and simpler in the way we operate and relentless in our growth by understanding what's next—in science, for patients, people and society.

We are all in for better health.

Moving forward together with science that treats, inspired by the people we serve.

We are Teva

⁴³Teva, 2023 Healthy Future Report, available here: <https://www.tevapharm.com/globalassets/tevapharm-vision-files/teva-esg-progress-report-2023.pdf>. The calculations are extrapolated from the data from 13 EU Countries: BG, HR, CZ, DK, FR, DE, HU, IE, IT, NL, PL, ES, SE.

⁴⁴Ibid.

⁴⁵Ibid.

⁴⁶Ibid.

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