



Teva's Supplier Code of Conduct

MARCH 2024



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Introduction

Teva Pharmaceutical Industries Ltd., including its affiliates and subsidiaries (hereinafter "Teva"), maintains high ethical, societal, and environmental standards for conducting business, and does so in accordance with governmental and industry standards, laws, rules, and regulations, as well as Teva's internal policies. Teva expects the same commitment from its suppliers of goods and services.

These standards are aligned with Healthy Future, Teva's sustainability* strategy, a continuation of our ESG journey—guiding Teva in creating a Healthy Future by caring for people, the planet, and our business.

Healthy Future Our Purpose in Practice



Healthy People

Improving the well-being
of people and society

Access to Medicines & Healthcare
Inclusion & Diversity



Healthy Planet

Safeguarding
our planet

Climate Action & Resilience
Pharmaceuticals in the Environment



Healthy Business

Leading our business
the right way

Ethics & Integrity
Sustainable Procurement

Healthy Future is a natural part of how we do business. It is our purpose in practice: we are all in for better health.

We expect Suppliers to familiarize with Teva's Sustainability* goals (available through our ESG [website](#)) and support Teva in achieving them.

This Supplier Code of Conduct specifies the primary principles and expectations Teva requires of its suppliers and vendors that have, or wish to establish and maintain, a business relationship with Teva. It contains links to policies and positions that apply to Teva suppliers.

In general, all Teva suppliers will:

- Comply with applicable laws, regulations, rules, ordinances, permits, licenses, approvals, orders, standards, prohibitions, sanctions and Teva requirements relating to the subject matters covered under this Supplier Code of Conduct.
- Understand and comply with this Supplier Code of Conduct and policies or positions linked herein.
- Comply with the [Principles of the Pharmaceutical Supply Chain Initiative](#) (PSCI), of which Teva is a member.
- Maintain documentation necessary to demonstrate conformance to all the above.
- Apply the same expectation and principles toward third parties with whom suppliers work via their own supplier code of conduct.
- Immediately report to Teva any gaps in compliance with this Supplier Code of Conduct, any event that affects such compliance or any other events potentially affecting Teva, Teva's products and/or suppliers' compliance with any applicable Supply Agreements or Quality Technical Agreements with Teva.
- Immediately communicate to Teva any significant inspection or regulatory issue with national or international authorities.
- Allow Teva or our authorized delegate to conduct necessary audits of facilities, systems and/or documents related to this Supplier Code of Conduct and the policies or positions linked herein.
- Uphold ethical labor practices, including compliance in their own supply chain. Suppliers shall communicate their policies regarding forced labor to key stakeholders including, but not limited to, employees, managers, supervisors, other staff with supply chain oversight and their own suppliers, where applicable.
- Make reasonable efforts toward transparency and public disclosure of ESG and environment-related data and goals, including responding to requests for participation in disclosure programs (e.g., CDP questionnaires on climate/water security).
- Establish a GHG baseline and reduction targets in line with [Science Based Target Initiative](#) (SBTi) guidance and becoming SBTi approved by 2025.
- Produce [EcoVadis](#) or similar ESG assessment when requested by Teva.
- Contact a Teva representative with any questions regarding the principles and expectations set forth in this Supplier Code of Conduct via <mailto:TevaSupplierCodeofConduct@tevapharm.com>

The acknowledgement of our Supplier Code of Conduct is one of the criteria used in TEVA's supplier selection and evaluation process.

Governance & Management Systems

Teva is committed to continuous improvement of ethical business practices and transparency, both in our own operations and throughout our supply network. Suppliers will have in place and use appropriate management systems and processes to facilitate continuous improvement, business continuity and compliance with all the principles outlined in this document. Suppliers will use formal and well-structured systems to conduct due diligence* on risk and impact, monitor legislation, set priorities, assign responsibility, adopt risk-mitigation measures, and facilitate continual improvement and compliance.

Culture*, commitment, and accountability

- Suppliers shall demonstrate commitment to the concepts described in this document by allocating appropriate resources and identifying senior responsible personnel, thereby creating a culture* of responsible practices.

Legal and Teva's requirements

- Suppliers shall identify and comply with applicable laws, regulations, recognized standards*, and relevant Teva's requirements.

Risk management

- Suppliers shall establish risk management systems to determine and control risks in all areas addressed in this document, including business continuity and risk management plans to facilitate continuity of operations.
- Suppliers shall have a change management process in place to evaluate and control the risk of change relating to the topics covered in this document.
- Suppliers shall have written policies and standards, targets, and implementation plans, including periodic assessments of the performance against those objectives.

Traceability and Control

- Suppliers shall conduct due diligence* on source of key raw materials to promote legal and sustainable sourcing, prevent deforestation and maintain land conservation.
- Suppliers shall label and/or communicate any restricted substances regulated **under** various regulatory schemes (e.g., EU REACH) and related to recycling and disposal and respond to requests for substance composition in materials/parts.

Communication and training

- Suppliers shall **create** effective training programs that allow management and workers to document and improve understanding and adherence to the principles, guidelines and regulations established in this document.

- Suppliers shall maintain open and direct communication with appropriate Teva business functions and establish effective systems to communicate the principles outlined in this document to workers, contractors, their own suppliers, and their local communities*.

Continuous improvement

- Suppliers shall continually improve adherence by setting performance objectives, executing implementation plans and taking necessary corrective actions for deficiencies identified by internal or external assessments, inspections, and management reviews.

Emergency Preparedness and Response

- Suppliers shall identify and assess emergency situations in the workplace and any company provided living quarters, and to minimize their impact by implementing effective emergency plans and response procedures.

Identification and reporting of concerns

- All workers shall be encouraged to report concerns, illegal activities, or breaches of these Principles in the workplace without threat of or actual reprisal, intimidation, or harassment. Suppliers shall investigate and take corrective action as needed.
- Suppliers shall encourage everyone in their workplace, and including their own suppliers, to report any concerns, illegal activities, or lapses in meeting the described expectations, without threat of or actual reprisal, intimidation, or harassment.
- Suppliers who believe that a Teva employee, or any person or entity acting on behalf of Teva, has engaged in illegal or improper conduct, **including Environments, Human Rights* and Labour or other Ethical concerns**, shall report the matter promptly to Teva's Office of Business Integrity (OBI). Confidentially contact a Teva representative at www.tevahotline.ethicspoint.com or via email at Office.BusinessIntegrity@tevapharm.com

Response and remediation

- Suppliers shall properly investigate incidents or concerns relating to these principles, take necessary corrective actions, and provide remediation where required.

Ethics

Suppliers shall conduct their business in an ethical manner and act with integrity and meet the following standards:

Patient safety and access to information

- Suppliers shall ensure that well-structured management systems are in place to minimize the risk of adversely impacting on the rights of patients and donors*, including their rights to health and to access information directly.
- Suppliers shall maintain data integrity for materials and services. Any documentation delivered to Teva should be complete, consistent, and accurate.

Anti-bribery* and anti-corruption*

- Suppliers shall have adequate Anti-Corruption*/Anti-Bribery* policies and systems in place to promote ethical conduct and comply with applicable laws.
- Suppliers shall not engage in any form of bribery* corruption*, extortion, or embezzlement practices. Further, suppliers shall not pay or accept bribes or participate in any other illegal inducements in business or government relationships, including through third parties or intermediaries to secure an unfair advantage.
- Suppliers shall comply with Teva's [Prevention of Corruption* Policy](#).
- Suppliers who are designated by Teva as **Third Party Representatives (TPRs)** should proactively answer to Teva Global Compliance **Due Diligence*** and comply with the standards set forth in Teva's [Third Party Due Diligence* Policy](#). Contact a Teva representative to obtain additional information via ThirdPartyProgramGlobal@tevapharm.com or ThirdPartyProgramEU@tevapharm.com.

Trade controls and fair competition

- Suppliers shall comply with applicable trade regulations including but not limited to licensing requirements, boycotts, embargoes, sanctions, and other trade restrictions imposed by recognized authorities.
- Suppliers shall comply with prohibitions on insider trading and on use of non-public information.
- Suppliers shall conduct their business consistent with fair and vigorous competition and in compliance with all applicable anti-trust laws.
- Suppliers shall not abuse their market position to exclude competitors or exploit customers. Suppliers shall employ fair business practices including accurate and truthful advertising.

- Suppliers shall not provide to Teva any materials, products, services, software, or technical data that originated or were otherwise sourced, directly, or indirectly from:
 - A comprehensively sanctioned country or territory (at present, the Crimea region and Sevastopol, Cuba, Iran, North Korea, Lebanon, and Syria); or
 - From a party (entity or individual) or destination subject* to sanctions regimes, or export controls, including but not limited to, those administered by the United Nations, the United States of America, Israel, the United Kingdom, Canada, and the European Union whereby the receipt or transfer by Teva would result in a violation of such sanctions regimes or export controls.

Conflict of interest

- Supplier shall avoid conflicts of interest, including situations that present – or create the appearance of – a conflict between their interests and their obligations to Teva. Suppliers shall notify Teva immediately, in writing, in the event of a potential or actual conflict of interest.
- Suppliers shall take reasonable care to identify, avoid and manage conflict of interest. Suppliers are expected to notify all affected parties if an actual or potential conflict of interest arrives.

Product Protection & Quality

- Suppliers shall ensure that management and security systems protect products, components, and ingredients from the risks of adulteration, falsification, or theft for the purpose of illegal resale.
- Suppliers shall not be involved in any activity that supports the illegal trade of medicines. Suppliers shall provide a secure environment for all activities related to our medicines and take steps to ensure the authenticity of products, including maintaining procedures and records that ensure traceability of products.
- If the Supplier is offered to purchase or becomes aware of counterfeit, illegally diverted or stolen products in their supply chain that may affect the goods/services the Supplier renders to Teva, the Supplier will notify Teva immediately.

Data privacy and security

- Suppliers shall safeguard and make proper use of personal information to ensure that employees, patient, subject*, and donor* privacy rights are protected. Suppliers shall comply with applicable privacy and data protection laws and ensure the protection, security, and lawful use of personal data.
- Suppliers shall ensure Privacy & Protection of Personal Information and abide by Teva's [Data Privacy Policy](#). In case of incidents or breaches, immediately report them to Teva's Global Security Operation Center at gsoc@tevapharm.com, +1 973-265-3702 (global direct) or +1-877-TEVA-757 (US toll free).

- Supplier shall:
 - Collect and process only personal information when there is a legitimate need to do so to carry out their business with Teva.
 - Safeguard and ensure lawful, proper use of any personal information belonging to individuals or other entities with whom they do business, including Teva.
 - Have measures to monitor and protect the systems in which personal information resides, including prevention of both internal and external data/privacy incidents and breaches and procedures for responding to such breaches.
 - Contractually obligate any third parties with access to the information described in this section to comply with the requirements for protection of such information as set forth in this section.

Animal research and welfare

- Suppliers that perform research involving the use of animals shall conduct this activity according to animal welfare guidelines and best practices, including pain and stress minimization. Animal testing should be performed after consideration to replace animals, to reduce the numbers of animals used or to refine procedures to minimize distress. Alternatives should be used wherever these are scientifically valid and acceptable to regulators.
- Suppliers shall ensure humane care and treatment of research animals abiding by Teva's [Position on Animal Welfare](#).
- Suppliers shall accredit, when applicable, any laboratory certification with the Association for Assessment and Accreditation of Laboratory Animal Care International (AAALAC).

Responsible Minerals

- Suppliers shall support Teva's commitment to seek to identify, reduce, and where possible eliminate the use of conflict minerals (tin, tantalum, tungsten, and gold) that are mined and traded in areas of armed conflict and human rights* abuses.
- Supplier shall ensure that all parts and products supplied to Teva do not contain "Conflict Minerals" per Teva's [Conflict Minerals Policy](#), including proper remediation if required by Teva. Additionally, if supplying to Teva in the European Union, supplier shall have systems in place that meet the standards outlined in the OECD Due Diligence* Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.

Human Rights and Labor

Teva's Suppliers shall respect internationally recognized human rights* and strive to prevent, mitigate, and remedy adverse human rights* impacts throughout its workplace and business operations. Suppliers shall communicate their policies regarding forced labor to key stakeholders including, but not limited to, employees, managers, supervisors, other staff with supply chain oversight and their own suppliers, where applicable. Suppliers must meet the following standards:

Human Rights* and due diligence*

- Suppliers shall be committed to respect the human rights* of internal and external stakeholders* ensuring to treat them with dignity and respect.
- Suppliers are expected to support and protect internationally recognized human rights* and abide by Teva's [Position on Human Rights*](#) including support for the spirit and provisions of the Universal Declaration of Human Rights* at Work (Core Labor Standards) and subsequent guidance set forth in the United National Guiding Principles on Business and Human Rights*.
- Suppliers shall conduct human rights* due diligence*, as set out in the UN Guiding Principles and Business and Human Rights* (UNGPs), on all internationally recognized human rights*, and at a minimum, those expressed in the international Bill of Human Rights* and the principles concerning fundamental rights set out in the ILO's Declaration on Fundamental Principles and Rights at Work

Child labor and young workers

- Suppliers shall abide by the International Labor Organization's Minimum Age Convention and the International Labor Organization's Worst Forms of Child Labour Convention.
- Suppliers shall not use child labor. Suppliers shall employ only workers who are at least 15 years of age, the applicable minimum legal age for employment, or the applicable age for completion of compulsory education, whichever is highest. Employing individuals under the age of 18 shall be restricted from tasks which, by their nature or the circumstances in which they are carried out, are likely to harm health, safety, or morals. Supplier may provide legitimate workplace apprenticeship programs for educational benefit that are consistent with Article 6 of ILO Minimum Age Convention No. 138 or light work consistent with Article 7 of ILO Minimum Age Convention No. 138

Employment is freely chosen

- Suppliers shall uphold ethical labor practices and procedures. They shall not employ, use, or otherwise benefit from forced, bonded, or indentured labor, involuntary prison labor or human trafficking. There shall be no use of forced, including bonded or prison labor (ILO Convention 29 and 105) or the participation in human trafficking or any form of modern slavery.

- Suppliers shall employ only those who freely choose to work and who are free to leave or end their employment at any time. No worker shall pay for a job or be denied freedom of movement. No restrictions shall be placed on a worker's freedom of movement.
- Suppliers shall provide products or services to Teva, including the materials incorporated into their products, that comply with all laws regarding forced labor of countries in which Teva and the supplier have operations.
- Suppliers shall ensure that private security forces engaged shall not violate the human and labor rights of any worker. Suppliers are expected to ensure that security personnel receive adequate guidance and training, where necessary, through appropriate regulations and measures.

Non-discrimination and fair treatment in employment

- Suppliers shall strive for equality, providing a work environment free of harassment, violence, discrimination, punitive and/or inhumane treatment, including any sexual harassment, sexual abuse, corporal punishment, mental or physical coercion or verbal abuse of workers and no threat of any such treatment. There shall be no discrimination for reasons such as race, color, age, pregnancy, gender, sexual orientation, ethnicity, disability, religion, political affiliation, union membership, marital status, or any other protected status.
- Suppliers shall promote inclusion and diversity; and abide by Teva's [Inclusion and Diversity Position](#).

Wages, benefits and working hours

- Suppliers shall communicate the basis of compensation to workers and ensure any supplier-provided housing for workers meets local standards.
- Suppliers shall pay workers according to applicable wage laws and agreed employment contracts, including minimum wages, overtime hours and mandated benefits. Workers shall not on a regular basis be required to work in excess of 48 hours per week and shall be provided with at least one day off for every seven-day period. Overtime work shall be voluntary and not exceed 12 hours a week, shall not be demanded on a regular basis and shall always be compensated at a premium rate. (ILO Convention 1)

Freedom of association and right to collective bargaining

- Suppliers shall respect the rights of workers, as set forth in local laws, to associate freely, join or not join labor unions, seek representation, join workers' councils as well as to bargain collectively. Where the right to freedom of association and collective bargaining is restricted under law, the employer facilitates, and does not hinder, the development of parallel means for independent and free association and bargaining. Workers shall be able to communicate openly with management regarding working conditions without threat of reprisal, intimidation, or harassment.

Local communities*

- Suppliers shall respect the rights of the local communities* around their sites including the right to a clean and healthy environment.

Health and Safety

Suppliers shall guarantee that all workers have the right to a safe and healthy working environment and that all injuries, illnesses and safety incidents are preventable. Suppliers shall abide by Teva's [Position on Occupational Health and Safety](#) and conduct activities with adequate regard for the health, safety and wellbeing of their employees and the general public.

Safety of the work environment & Hazard information

- Suppliers shall have in place formal and structured occupational health and safety risk management system and emergency plans to ensure the safety in all surrounding conditions in which an employee works and operates. Suppliers shall demonstrate good housekeeping practices and a culture* of safety.
- Suppliers are expected to make information available about risks associated with safety, health, and the environment, including chemicals and pharmaceutical and other potentially hazardous materials, and use the information to train and protect people and manage risks.
- Safety information relating to hazardous materials - including pharmaceutical compounds and pharmaceutical intermediate materials (specifically for mercury and persistent organic pollutants) - shall be available to educate, train, and protect workers from hazards.
- Suppliers shall ensure compliance and proper monitoring of hazard information through documents such as Safety Data Sheets (SDS).

Worker Protection, health, and wellbeing

- Suppliers shall protect workers from over exposure to chemical, biological, physical hazards*, and physically demanding tasks in the workplace and in any company provided living quarters.
- Suppliers shall provide appropriate personal protective equipment free-of-costs, and services to support worker safety, health, and wellbeing, including access to potable water.
- Suppliers shall provide sufficient awareness and training to their workers, minimally but not limited to, the risks they may be exposed to and the safe work practices they should follow.
- Suppliers are encouraged to implement programs that positively affect the health and well-being of their employees.

Process Safety

- Suppliers shall have process safety programs and processes in place to identify, monitor and prevent both occupational and process hazards. Suppliers shall have management processes in place to identify the risks from chemical and biological processes and to prevent the catastrophic release of chemical or biological agents.

Environment

Suppliers should be committed to mitigate their impact on the environment to improve the health of the planet, which is inherently linked to the health of those who inhabit it. Suppliers shall operate in an environmentally responsible manner to minimize adverse impacts on the environment, and to help their own suppliers do the same. Supplier shall abide by Teva's [Environmental Sustainability* Position](#).

Environmental authorization & reporting

- Suppliers shall comply with all applicable environmental authorizations, permits, and licenses.
- Suppliers shall comply with all information registration requirements and restrictions and adhere to operational and reporting guidelines.

Water quality / Spills & releases

- Supplier shall abide by Teva's [Antimicrobial Resistance Position](#), provide information as needed to support Teva's goals of minimizing anti-microbial and Pharmaceuticals in the Environment - PiE discharge to the environment and be able to demonstrate safe discharge levels for releases to the aquatic environment.

Management of waste and emissions / Spills and releases prevention

- Any waste, wastewater, or emissions with the potential to adversely impact human or environmental health shall be appropriately managed, controlled and treated prior to release into the environment.
- Suppliers shall have systems in place to:
 - ensure disposal, recycling, reuse, or management of waste, air emissions and wastewater discharges.
 - prevent and mitigate accidental spills and releases to the environment and adverse impacts on the local community*.

Resource efficiency

- Suppliers shall strive for circularity*, designing out waste, taking measures to improve efficiency and reduce the consumption of resources, including water, favoring renewable* and sustainable sources. They shall also take measures to reuse and recycle.
- Suppliers are encouraged to conserve natural resources, reduce greenhouse gas (GHG) emissions*, preserve biodiversity*, and clean water, and minimize and control the use of hazardous materials.
- Suppliers shall source raw materials (e.g., Palm Oils) and their derivatives from traceable sources that do not contribute to deforestation, peatland degradation, or human rights* violations.

Climate change

- Suppliers shall support Teva's environmental goals, which include reducing Scopes 1,2 and 3 greenhouse (GHG) emissions.

- Suppliers will support Teva's environmental goals by reducing their own Scopes 1, 2 and 3 Greenhouse Gas (GHG) emissions* in alignment with Teva's targets.
- Suppliers are expected to establish a system to measure and minimize CO2 emissions according to Greenhouse Gas Protocol and support their suppliers to do the same and to work to minimize GHG emissions from their own operations and through their value chain.
- Suppliers are expected to report their actual emissions according to international guidelines, in the format and timeframe requested by Teva.

Biodiversity* conservation

- Suppliers shall assess their impact on biodiversity*, reducing and mitigating their footprint wherever possible.

The Pharmaceutical Supply Chain Initiative Glossary

- Biodiversity¹: The variability among living beings from all sources including, inter alia, aquatic ecosystems and the ecological complexes of which they are part; this includes diversity within species and of ecosystems.
- Bribery²: The offering, giving, soliciting, or receiving of any item of value as a means of influencing the actions of an individual holding a public or legal duty.
- Circularity³: A systems solution framework that tackles global challenges like climate change, biodiversity loss, waste, and pollution. It is based on three principles, driven by design: eliminate waste and pollution, circulate products and materials (at their highest value), and regenerate nature.
- Corruption⁴: The abuse of entrusted power for private gain and / or illicit benefits.
- Culture⁵: Combination of the attitudes, values, and beliefs of an organization that influence how it operates or how it reacts.
- Donor⁶: Any person who donates tissues, cells, organs, and any other body parts for research purposes.
- Due diligence⁷: Research and analysis of a company or organization done in preparation for a business transaction or as part of operational reviews.
- External stakeholders⁸: A person or an organization outside a particular company who has a vested interest in and / or is affected by its activities, including customers, suppliers, investors, or local communities*.
- Greenhouse Gas (GHG) emissions⁹: Emissions from the six GHGs covered by the United Nations Framework Convention on Climate Change (Carbon dioxide (CO₂); Methane (CH₄); Nitrous oxide (N₂O); Hydrofluorocarbons (HFCs); Perfluorocarbons (PFCs); and Sulphur hexafluoride (SF₆)) which contribute to global warming and climate change.
- Human Rights¹⁰: As laid out in the United Nations Guiding Principles on Business and Human Rights (UNGPs), human rights are defined, at a minimum, as the rights expressed in the International Bill of Human Rights and the International Labor Organization's Declaration on Fundamental Principles and Rights at Work.
- Local community/communities¹¹: The people living and / or working in areas around a company's operations and activities.
- Physical hazards¹²: Factors within the environment that can harm the body without necessarily touching it.
- Recognized standards¹³: Generally accepted management systems and / or specifications emanating from international organizations.
- Renewable resources¹⁴: Renewable resources are an energy source that cannot be depleted and are able to supply a continuous source of clean energy.

- Subject¹⁵: Any person who participates as a subject in scientific and medical experimentation or product testing.
 - Sustainability¹⁶: Use of resources in a way and at a rate that does not lead to the long-term degradation of the environment, thereby maintaining its potential to meet the needs and aspirations of present and future generations.
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¹ [Convention on Biological Diversity](#)

² [Cornell Law School – Legal Information Institute](#)

³ [Ellen McArthur Foundation](#)

⁴ [Transparency International](#)

⁵ [UK Government's Health and Safety Executive Science and Research Centre](#)

⁶ Version 2 of the PSCI Principles

⁷ [Merriam Webster Dictionary](#)

⁸ [Cambridge Dictionary](#)

⁹ [Kyoto Protocol to the United Nations Framework Convention on Climate Change](#)

¹⁰ [United Nations Guiding Principles on Business and Human Rights](#)

¹¹ [Cambridge Dictionary](#)

¹² [United States Occupational Safety and Health Administration](#)

¹³ PSCI Management Systems experts' definition

¹⁴ [National Geographic](#)

¹⁵ Version 2 of the PSCI Principles

¹⁶ [United Nations Environment Program](#)