

TEVA PHARMACEUTICAL INDUSTRIES LIMITED

CORPORATE GOVERNANCE AND NOMINATING COMMITTEE CHARTER

**1. Status**

The Corporate Governance and Nominating Committee (the "Committee") is a committee of the Board of Directors (the "Board").

The Committee shall consist of three or more directors, all of whom in the judgment of the Board shall be independent in accordance with applicable Nasdaq standards and other applicable laws and regulations. The Committee shall include at least one statutory independent director qualified under the Israeli Companies Law.

The Board may designate one member of the Committee as the Committee chairperson.

**2. Purpose**

The Committee will assist the Board in fulfilling its responsibilities with respect to the (i) identification of individuals who are qualified to become (or be re-elected as) Board members; (ii) develop and/or apply principles of corporate governance and recommend them to the Board for its approval; and (iii) review at least annually the principles of corporate governance approved by the Board to ensure that they remain relevant and are being complied with;

**3. Duties and Responsibilities**

The Committee has the following roles and responsibilities:

3.1 *Corporate Governance*

3.1.1 to recommend such other actions regarding the governance of the Company that are in the best interests of the Company, as the Committee shall deem appropriate and recommend to the Board changes thereto in respect of good corporate governance;

3.1.2 to review the procedures and communication plans for shareholders' meetings and to ensure that the required information on the Company is adequately presented and that the meeting promotes effective communication between the Company and its shareholders on matters of importance which are on the agenda;

3.2 *Board Composition*

3.2.1 to review, in consultation with the Chairman of the Board, the composition and size of the Board in order to ensure that the Board has the proper expertise and that its membership consists of persons with appropriate backgrounds and qualifications;

3.2.2 to determine the criteria for the selection of Board members and Board committee members;

3.2.3 to plan for continuity on the Board as existing Board members retire or resign from the Board;

3.2.4 to prepare and review succession plans for the Chairman of the Board in case of his resignation, retirement or death;

3.2.5 to evaluate the performance of current Board members proposed for re-election, and recommend to the Board as to whether members of the Board should stand for re-election.

3.2.6 in consultation with the Chairman of the Board, to actively seek, interview and screen individuals qualified to become Board members for recommendation to the Board and recommend to the Board as to whether any such person should be appointed, or otherwise stand for election to the Board;

3.2.7 to review the qualifications of candidates proposed by shareholders for the Board and make recommendations regarding any suitable candidates;

3.2.8 to maintain an orientation program for new Board members and an ongoing education program for existing Board members.

3.3 *Evaluation of Performance*

The Committee shall also annually review its own performance and ensure that an annual self-evaluation of the Board as a whole is discussed.

3.4 *Board Committees*

3.4.1 in consultation with the Chairman of the Board, to recommend to the Board

persons to be members of Board committees.

#### **4. Meetings**

The Committee shall meet at least two times each year and at such other times as it deems necessary to fulfill its responsibilities

The Committee may invite to its meetings other directors, Company management and other such persons as the Committee deems appropriate in order to carry out its responsibilities. The Committee may also exclude from its meetings anyone with a personal interest in the matters to be discussed.

The Committee shall have sole authority to retain and terminate any search firm to be used to identify candidates for Chairman or election to the Board, and shall have sole authority to approve the search firm's fees and other retention terms. The Committee shall also have authority to obtain advice and assistance from internal and external legal, accounting or other advisors.

#### **5. Charter Amendment**

Any member of the Committee may submit proposed Charter amendments to the Board. The Board shall circulate any proposed Charter amendment to members of the Committee immediately upon receipt. By a majority vote, the Board may approve amendments to this Charter.

Approved by the Board of Directors and effective as of 27 January 2008