



200GL&ia9@S=olCgA

**TEVA PHARMACEUTICAL**  
**FORM SD**

Donnelley Financial

NY0146AM023944  
12.10.7.0

EGV hryse0nd

14-May-2019 15:54 EST

**751466 TX 1 2\***

NYM

HTM ESS 0C

Page 1 of 1

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**FORM SD**

**SPECIALIZED DISCLOSURE REPORT**

**TEVA PHARMACEUTICAL INDUSTRIES LIMITED**

(Exact name of registrant as specified in its charter)

**ISRAEL**  
(State or other jurisdiction of  
incorporation or organization)

**001-16174**  
(Commission  
File Number)

**N/A**  
(IRS Employer  
Identification No.)

**5 Basel Street,  
P.O. Box 3190,  
Petach Tikva, Israel 4951033**  
(Address of principal executive offices)(Zip Code)

**Michael McClellan**  
**Executive Vice President, Chief Financial Officer**  
**Tel: 972-3-914-8171**  
(Name and telephone number, including area code, of the person to contact in connection with this report.)

Check the appropriate box to indicate the rule pursuant to which this form is being filed, and provide the period to which the information in this form applies:

Rule 13p-1 under the Securities Exchange Act (17 CFR 240.13p-1) for the reporting period from January 1 to December 31, 2018.



**Items 1.01 and 1.02 Conflict Minerals Disclosure, Exhibit**

***Conflict Minerals Disclosure and Report***

A copy of the Company's Conflict Minerals Report is provided as Exhibit 1.01 hereto and is publicly available at [https://www.tevapharm.com/files/about/corporate\\_governance/governance\\_doc/TEVA\\_PHARMACEUTICAL\\_INDUSTRIES\\_LTD\\_Form\\_SD\\_5.31.2019.pdf](https://www.tevapharm.com/files/about/corporate_governance/governance_doc/TEVA_PHARMACEUTICAL_INDUSTRIES_LTD_Form_SD_5.31.2019.pdf).

**Item 2.01 Exhibits**

Listed below is the following exhibit filed as part of this report:

Exhibit 1.01 – Conflict Minerals Report as required by Item 1.01 and 1.02 of this Form.



200GL&ia9@S=g8k6c

**TEVA PHARMACEUTICAL**  
**FORM SD**

Donnelley Financial

NY0146AM023944  
12.10.7.0

EGV hryse0nd  
NYM

14-May-2019 15:54 EST

**751466 TX 3** 2\*

HTM ESS 0C

Page 1 of 1

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the duly authorized undersigned.

TEVA PHARMACEUTICAL INDUSTRIES LIMITED  
(Registrant)

By /s/ Michael McClellan  
**Michael McClellan**  
Executive Vice President, Chief Financial Officer

May 31, 2019



**Exhibit 1.01**

**Teva Pharmaceutical Industries Limited  
Conflict Minerals Report  
For the Year Ended December 31, 2018**

This Specialized Disclosure Report on Form SD of Teva Pharmaceutical Industries Limited (“Teva” or “we”) for the year ended December 31, 2018 is presented to comply with Rule 13p-1 under the Securities Exchange Act of 1934 (the “Rule”). The Rule was adopted by the Securities and Exchange Commission (the “SEC”) to implement reporting and disclosure requirements related to “conflict minerals” as directed by the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010. Conflict minerals are defined by the SEC as columbite-tantalite (coltan), cassiterite, gold, wolframite, or their derivatives, which are limited to tantalum, tin and tungsten (“3TG”).

The Rule imposes certain reporting obligations on SEC registrants whose products contain conflict minerals that are necessary to the functionality or production of their products (such minerals are referred to as “necessary conflict minerals”). For products that contain necessary conflict minerals, the registrant must conduct, in good faith, a reasonable country of origin inquiry designed to determine whether any of the conflict minerals originated in the Democratic Republic of the Congo or an adjoining country, collectively defined as the “Conflict Region.”

**1. Products Overview**

We globally produce over 1,550 generic products and approximately 300 active pharmaceutical ingredients (“APIs”), along with a substantial portfolio of specialty and “over-the-counter” (“OTC”) medicines.

As of December 31, 2018, our products generally were generic medicines or specialty medicines.

- **Generic medicines** included chemical and therapeutic equivalents of originator medicines in a variety of dosage forms, such as tablets, capsules, injectables, inhalants, liquids, ointments and creams.
- **Specialty medicines** included our core therapeutic areas of central nervous system medicines such as COPAXONE®, AJOVY® and AUSTEDO®, oncology medicines such as BENDEKA and TREANDA®, Truxima® and Herxuma®, and respiratory medicines such as ProAir® and QVAR®.

**2. Supply Chain**

We source a large portion of our APIs from our own manufacturing facilities. Additional APIs are purchased from suppliers located in Europe, Asia and the United States. We have implemented a supplier audit program to ensure that our suppliers meet our high standards and take a global approach to managing our commercial relations with these suppliers.

**3. Conflict Minerals Policy**

We have adopted the following conflict minerals policy:

Teva has implemented a program to comply with the disclosure requirements of the Rule. Specifically, Teva will:

- use the Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas of the Organization for Economic Cooperation and Development (Second Edition, 2013) (the “OECD Guidance”) as a basis for creating a comprehensive due diligence program that will afford Teva the best opportunity to determine whether any of the 3TG minerals it uses in its products originate from the Conflict Region;
- not knowingly procure 3TG minerals that originate from the Conflict Region that are not certified as “conflict free”;



- enhance its due diligence capabilities, processes and activities in identifying the country of origin of any 3TG minerals used in its products, which includes obtaining the support of its suppliers in this process; and
- ensure that, over time, its due diligence program improves Teva’s ability to track and trace 3TG minerals to their original sources and evolves to account for changes in Teva’s business and industry.

Because Teva must rely on its suppliers to ensure adherence to this Conflicts Minerals Policy Statement, Teva expects that its suppliers will timely respond to queries about the use and origin of any 3TG minerals and continually update Teva on the supplier’s conflict status. Further, Teva expects that its suppliers will implement appropriate measures to determine whether they are using any 3TG minerals that originate from the Conflict Region. In the event that Teva determines that any supplier uses 3TG minerals that originate from the Conflict Region, Teva will work with the supplier to ensure that the minerals are certified as “conflict free” or to find alternate sourcing.

Our Conflict Minerals Policy Statement is posted on our website at:  
[https://www.tevapharm.com/files/about/corporate\\_governance/governance\\_doc/Teva\\_Conflict\\_Minerals\\_Policy\\_Statement.pdf](https://www.tevapharm.com/files/about/corporate_governance/governance_doc/Teva_Conflict_Minerals_Policy_Statement.pdf).

#### 4. Supplier Code of Conduct

We have adopted a Supplier Code of Conduct that requires our suppliers to ensure that all parts and products supplied to us do not contain 3TG, and to have systems in place designed to meet that objective.

Our Supplier Code of Conduct is posted on our website at:  
<https://www.tevapharm.com/?catid=%7B734AE5F2-5FEE-4A5E-9F54-CAE2438818C9%7D>.

#### 5. Reasonable Country of Origin Inquiry

##### 5.1. Conflict Minerals Reporting Template

Because of our size, the breadth and complexity of our products, and the depth, breadth, and constant evolution of our supply chain, it is impracticable to conduct a survey of all of our suppliers; instead, we conducted an in-depth review of our supply chain, and surveyed those suppliers we determined were most likely to use or source 3TG based on the nature of and prior relationship with such suppliers. For fiscal 2018, we surveyed eight of our suppliers. Our review this year built upon the reviews conducted in previous years, and focused on new suppliers. We rely on our suppliers to provide us with information about the source of 3TG supplied to us or used in products supplied to us. Our direct suppliers are similarly reliant upon information provided by their suppliers.

We conducted a survey of those suppliers using the template developed by the Electronic Industry Citizenship Coalition® and The Global e-Sustainability Initiative, known as the Conflict Minerals Reporting Template (the “Template”). The Template was developed to facilitate disclosure and communication of information regarding smelters that provide material to a company’s supply chain, and is being used by many companies in their due diligence processes related to 3TG. It includes questions regarding a company’s conflict-free policy, engagement with its direct suppliers, and the smelters the company and its suppliers use. In addition, the Template contains questions about the origin of 3TG included in their products, as well as supplier due diligence.

Should our direct suppliers submit incomplete or problematic information in their Templates, we engage with them to investigate and uncover the proper information.

##### 5.2. Survey Responses

Teva expects that its suppliers will timely respond to queries about the use and origin of any 3TG and update Teva on any change to their conflict status. Further, Teva expects that its suppliers will conduct



appropriate due diligence to determine whether they are using any necessary conflict minerals with origins in the Conflict Region. As a result of our survey described above and our supplier validation efforts described below, we determined that:

- two of our surveyed suppliers have suppliers that provide them with products that contain 3TG that may be sourced from the Conflict Region, but that are processed by smelters validated as conflict free by a Reasonable Country of Origin Inquiry (RCOI);
- one of our surveyed suppliers did not complete a Template, but provided a conflict minerals statement that it is seeking, over time, to identify, reduce and eliminate the use in its products of conflict minerals;
- one of our surveyed suppliers has indicated that it is not their policy to complete conflict minerals questionnaires; and
- one of our surveyed suppliers has a supplier that provides it with a product for which no information was available from the supplier.

## 6. Due Diligence Process

### *Design of Due Diligence*

Our due diligence measures are designed to conform, in all material respects, to the framework in the OECD Guidance.

### *Due Diligence Performed*

#### 6.1. OECD Framework Step 1: Establish Strong Management Systems and Processes

We have adopted risk management systems and processes in an effort to ensure that our products do not contain 3TG sourced from the Conflict Region.

##### **A. Internal Team**

Teva has established and continues to enhance a management process in an effort to ensure that our products do not contain 3TG sourced from the Conflict Region, which includes input from subject matter experts from relevant functions as needed, such as procurement, supply chain, quality assurance, finance and legal. Senior management are periodically briefed about the results of our due diligence efforts.

##### **B. Conflict Minerals Policy Statement**

As described above, Teva has adopted a Conflict Minerals Policy Statement, which is posted at our website at [http://www.tevapharm.com/files/about/corporate\\_governance/governance\\_doc/Teva\\_Conflict\\_Minerals\\_Policy\\_Statement.pdf](http://www.tevapharm.com/files/about/corporate_governance/governance_doc/Teva_Conflict_Minerals_Policy_Statement.pdf).

##### **C. Supplier Engagement**

We have surveyed the suppliers that we believe may potentially use 3TG in products they supply to us using the Template. For those suppliers we survey that do not respond or provide incomplete or inaccurate information, we have implemented a system to ensure that we follow up with these suppliers.



**D. Supplier Code of Conduct** As described above, Teva has adopted a Supplier Code of Conduct, which is posted on our website at: <http://www.tevapharm.com/?catid=%7B734AE5F2-5FEE-4A5E-9F54-CAE2438818C9%7D>.

**E. Maintenance of Records**

We retain relevant documentation in an electronic system for a period of not less than five years.

**6.2. OECD Framework Step 2: Identification and Assessment of Risk in the Supply Chain**

We have determined that:

- two of our surveyed suppliers have suppliers that provide them with products that contain 3TG that may be sourced from the Conflict Region, but that are processed by smelters validated as conflict free by a Reasonable Country of Origin Inquiry (RCOI);
- one of our surveyed suppliers did not complete a Template, but provided a conflict minerals statement that it is seeking, over time, to identify, reduce and eliminate the use in its products of conflict minerals;
- one of our surveyed suppliers has indicated that it is not their policy to complete conflict minerals questionnaires; and
- one of our surveyed suppliers has a supplier that provides it with a product for which no information was available from the supplier.

**6.3. OECD Framework Step 3: Design and Implementation of a Strategy to Respond to Risks**

As described in our Conflict Minerals Policy Statement, we engage any of our suppliers whom we have reason to believe may be supplying us with 3TG or other necessary conflict minerals from sources that may originate from the Conflict Region to establish an alternative source that does not support such conflict, or to ensure that the minerals are certified as “conflict free,” as provided in the OECD Guidance. To date, we have not found any instances where it was necessary to terminate a contract or find a replacement supplier.

**6.4. OECD Framework Step 4: Independent Third Party Audit of Supply Chain Due Diligence at Identified Points in the Supply Chain**

We do not typically have a direct relationship with 3TG smelters and refiners and do not perform or direct audits of these entities within our supply chain. However, we support industry efforts to audit and certify smelters and refiners, such as the CFSI and RMI.

**6.5. OECD Framework Step 5: Report on Supply Chain Due Diligence**

This report has been filed with the SEC and is publicly available on our website at

[http://www.tevapharm.com/files/about/corporate\\_governance/governance\\_doc/TEVA\\_PHARMACEUTICAL\\_INDUSTRIES\\_LTD\\_Form\\_SD.pdf](http://www.tevapharm.com/files/about/corporate_governance/governance_doc/TEVA_PHARMACEUTICAL_INDUSTRIES_LTD_Form_SD.pdf).

**7. Other Required Disclosures**

**7.1. Efforts to Determine Mine or Location of Origin**

We have determined that seeking information about 3TG smelters and refiners in our supply chain by requesting the relevant suppliers to complete the Template represents the most reasonable effort we can make to determine the mines or locations of origin of the 3TG in our supply chain.

**7.2. Smelters or Refiners**

We continue to work with our suppliers to ascertain the identity of any 3TG smelters and refiners in our supply chain.