

Teva 2018 Social Impact Report

Reporting and disclosures

Performance summary, Global Reporting
Initiative (GRI) content index, United Nations
Global Compact Principles

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This GRI Content Index and United Nations Global Compact Communication on Progress supplements Teva's 2018 Social Impact Report. For more about Teva, go to www.tevapharm.com.

2018 Social Impact performance summary

Employees by region	Unit	2013	2014	2015	2016	2017	2018	Change in 2018
Israel	Employees	6,747	6,774	6,817	6,732	6,157	4,843	-21%
Europe	Employees	18,987	18,507	19,069	25,247	21,745	19,004	-13%
US and Canada	Employees	8,454	7,671	7,255	10,855	9,568	7,752	-19%
Rest of world	Employees	8,093	8,126	8,142	11,866	12,048	9,579	-20%
Direct employees at year end	Number	42,281	41,078	41,283	54,700	49,518	41,177	-17%
Employees on permanent contracts	%	94%	96%	95%	94%	96%	96%	0%
Women in management positions	%	NA	49%	50%	49%	50%	46%	-8%
Women in total workforce	%	NA	46%	47%	47%	46%	45%	-2%
Employee new hires–women	Number	2,212	1,641	2,708	2,497	2,761	1,974	-29%
Employee new hires–men	Number	2,069	1,823	2,440	2,624	2,634	2,262	-14%
Employee new hires–total	Number	4,281	3,464	5,148	5,121	5,395	4,236	-21%
Employee leavers–women	Number	2,386	2,027	2,456	4,144	5,032	6,379	27%
Employee leavers–men	Number	2,755	2,506	2,832	4,334	5,198	6,577	27%
Employee leavers–total	Number	5,141	4,533	5,288	8,478	10,230	12,956	27%
Employee turnover	%	12%	11%	13%	15%	21%	31%	52%

Safety	Unit	2013	2014	2015	2016	2017	2018	Change in 2018
Number of injuries	Injuries	306	209	212	186	212	158	-26%
Injury rate per 100 employees	Rate	0.89	0.61	0.55	0.47	0.44	0.38	-13%
Number of lost days due to injury	Days	2,028	1,383	1,976	2,293	2,729	1,570	-43%
Lost day rate per 100 employees	Rate	0.52	0.42	0.38	0.33	0.25	0.23	-10%

2018 Social Impact performance summary (cont.)

Environment	Unit	2013	2014	2015	2016	2017	2018	Change in 2018
Scope 1 Energy consumption	TWh	1.76	1.71	1.64	1.53	1.93	1.63	-14%
Scope 2 Energy consumption	TWh	1.26	1.26	1.26	1.21	1.47	1.36	-7%
Total energy consumption	TWh	3.01	2.97	2.90	2.74	3.39	2.99	-11%
Scope 1 GHG emissions	Tons CO2e	438,420	428,744	405,044	392,268	467,980	376,905	-19%
Scope 2 GHG emissions	Tons CO2e	613,541	575,015	542,262	455,017	491,871	466,813	-5%
Total Scope 1 and 2 GHG emissions	Tons CO2e	1,051,961	1,003,759	947,306	847,285	959,851	843,719	-12%
Water withdrawal	million m3	8.34	7.46	8.11	7.75	9.14	8.51	-7%
Water discharge	million m3	6.04	5.79	6.11	6.96	9.23	7.49	-19%
% water discharged	million m3	72%	78%	75%	90%	101%	88%	-13%
Waste to recycling	Tons	N/A	64,644	101,092	93,708	83,472	103,833	24%
Waste to landfill	Tons	N/A	18,972	10,419	15,229	12,749	11,536	-10%
Total waste	Tons	N/A	224,189	288,688	219,144	208,650	201,566	-3%
% waste recycled	%	N/A	29%	35%	43%	40%	52%	29%
Energy intensity	MWh/employee	67.03	69.15	67.76	63.72	67.07	70.34	5%
GHG emissions intensity	Tons CO2e/employee	23.41	23.34	22.11	19.74	18.70	19.84	5%
Water intensity	M3/employee	186	173	189	180	178	200	12%
Waste intensity	Tons/employee	N/A	5.21	6.74	5.10	4.07	4.74	17%

Global Reporting Initiative (GRI) content index:

General disclosures

GRI Standard 102: General Disclosures 2016

	Disclosure	Page Reference or Response
102-1	Name of the organization	Teva Pharmaceutical Industries Ltd.
102-2	Activities, products and services	<p>Teva is the world's leading provider of generic medicines, with a mission to be a global leader in generics and biopharmaceuticals, improving the lives of patients. We specialize in developing, manufacturing and delivering affordable generic medicines, as well as innovative and specialty pharmaceuticals, over-the-counter healthcare products, and active pharmaceutical ingredients that we supply to industry peers. See our key products and brands on our website: www.tevapharm.com/our_products</p> <p>See our 2018 Annual Report (page 4-14): http://s22.q4cdn.com/366566841/files/doc_financials/2018/q4/Teva-Form-10-K-2018.pdf</p>
102-3	Location of headquarters	Israel
102-4	Location of operations	Teva has a presence in 60 countries with 70 manufacturing facilities. See our global locations on our website: www.tevapharm.com/teva_worldwide/north_america
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.
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 60 countries. Typically, our products represent 12-20% of medical prescriptions in countries around the world.
102-7	Scale of the organization	See GRI Content Index, page 10
102-8	Information on employees	See GRI Content Index, pages 11 and 12
102-9	Supply chain	See GRI Content Index, page 13
102-10	Significant changes	During the year, Teva continued our global restructuring plan and closed a number of manufacturing locations.

GRI content index: General disclosures (cont.)

GRI Standard 102: General Disclosures 2016	Disclosure	Page Reference or Response
102-11	Precautionary Principle	<p>We support the precautionary approach, first introduced in 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 our Position on Environmental Sustainability: https://www.tevapharm.com/files/responsibility/position_and_policies/Teva_Environmental_Sustainability_Position_4.1.19.pdf.</p> <p>This position states our approach to environmental risks as follows, "Proactively identifying and systematically assessing and reducing environmental risks. We categorize risks based on severity and likelihood to assist our facilities in the analysis and prioritization of environmental risk reduction activities. We allocate resources to ensure environmental risks are addressed thoroughly and effectively and monitor our progress toward systematic risk reduction."</p>
102-12	External initiatives	Teva has been a signatory to the UN Global Compact since 2010.
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 Pharmaceutical Manufacturers and Associations (IFPMA) and the European Federation of Pharmaceutical Industries and Associations (EFPIA) (Board position).
102-14	Statement from senior manager	See 2018 Social Impact Report, page 3
102-16	Values, principles, standards	See 2018 Social Impact Report, page 5
102-18	Governance structure	<p>Teva's Board of Directors comprises 11 directors, two of whom are women. See our website for details: https://www.tevapharm.com/about/corporate_governance/board_of_directors/</p> <p>See our website for standing Committees of the Board: https://www.tevapharm.com/about/corporate_governance/committees_of_the_board/</p> <p>The Compliance Committee has specific oversight for social responsibility and ethical conduct.</p>
102-40	List of stakeholder groups	See GRI Content Index, page 13
102-41	Collective bargaining agreements	84% of our employees in Israel were covered by collective bargaining agreements. Our HR systems do not include this data in other countries.
102-42	Identifying and selecting stakeholders	See GRI Content Index, page 13

GRI content index: General disclosures (cont.)

GRI Standard 102: General Disclosures 2016	Disclosure	Page Reference or Response
102-43	Stakeholder engagement	See GRI Content Index, page 13
102-44	Key topics and concerns raised	See GRI Content Index, page 13
102-45	Entities included	This report covers all Teva's owned and operated facilities around the world.
102-46	Report content and topic Boundaries	See GRI Content Index, page 14
102-47	List of material topics	See GRI Content Index, page 14
102-48	Restatements of information	No information was restated in 2018. However, we have aligned the reporting of Human Resources data to our current structure and split data by executives, managers and non-managers for 2018, and aligned previously reported data for prior years to this structure.
102-49	Changes in reporting	There were no significant changes in material topics or reporting boundaries in 2018. In 2018, we slightly modified the presentation of our material topics to reflect stakeholder input.
102-50	Reporting period	Calendar year 2018
102-51	Date of most recent report	2018, covering reporting year 2017
102-52	Reporting cycle	Annual
102-53	Contact point	Vice President of Social Impact & Responsibility, Amalia Adler-Waxman, Amalia.Adler-Waxman@tevapharm.com
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	This document
102-56	External assurance	We do not seek external assurance for our full report. All data is verified internally, and we consider it to be robust. However, energy and emissions data were verified by an independent third party.

GRI content index: Topic-specific material disclosures

GRI Standard 2016 version	Management Approach Disclosures 101-1, 101-2, 101-3: Page	Topic Specific GRI Disclosures	Page	Omissions
Contributing to healthy communities (access and affordability, science and innovation, patient engagement, global health priorities)				
GRI 203: Indirect economic impacts	See GRI Content Index, page 15	203-2: Significant indirect economic impacts	2018 Social Impact Report, pages 13-27	
Patient safety				
GRI 416: Customer Health and Safety	See GRI Content Index, page 16	416-1: Health and safety impacts of product and service categories	See GRI Content Index, page 16	
		416-2: Non-compliance concerning the health and safety impacts of products and services	See GRI Content Index, page 16	
Supporting our employees				
GRI 401: Employment	See GRI Content Index, page 17	401-1: New employee hires and employee turnover	See GRI Content Index, page 17	See notes to 401-1 disclosure
GRI 403: Occupational Health and Safety	See GRI Content Index, page 18	403-2: Types of injury and rates of injury	See GRI Content Index, page 19	See notes to 403-2 disclosure
GRI 404: Training and Education	See GRI Content Index, page 20	404-2: Programs for upgrading employee skills	See GRI Content Index, page 20	
		404-3: Performance reviews	See GRI Content Index, page 20	
GRI 405: Diversity and Equal Opportunity	See GRI Content Index, page 21	405-1: Diversity of governance bodies	See GRI Content Index, page 21	

GRI content index: Topic-specific material disclosures (cont.)

GRI Standard 2016 version	Management Approach Disclosures 101-1, 101-2, 101-3: Page	Topic Specific GRI Disclosures	Page	Omissions
Heathy environment				
GRI 302: Energy	See GRI Content Index, page 22	302-1: Energy consumption within the organization	See GRI Content Index, page 23	
		302-3: Energy intensity	See GRI Content Index, page 24	
GRI 303: Water		303-1: Water withdrawal by source	See GRI Content Index, page 24	
		305-1: Direct (Scope 1) GHG emissions	See GRI Content Index, page 25	
GRI 305: Emissions		305-2: Energy indirect (Scope 2) GHG emissions	See GRI Content Index, page 25	
		305-4: GHG emissions intensity	See GRI Content Index, page 25	
		305-6: Emissions of ozone-depleting substances (ODS)	See GRI Content Index, page 25	
GRI 306: Effluents and Waste		306-1: Water discharge	See GRI Content Index, page 24	
		306-2: Waste by type and disposal method	See GRI Content Index, page 25	
Compliance				
GRI 419: Socioeconomic Compliance	See GRI Content Index, page 27	419-1: Non-compliance with laws and regulations in the social and economic area	See GRI Content Index, page 27	
Ethical business standards				
GRI 205: Anti-Corruption	See GRI Content Index, page 23	205-3: Confirmed incidents of corruption and actions taken	See GRI Content Index, page 23	

General disclosures

102-7 Scale of the Organization



Teva directly employed
41,177 individuals at the end of 2018



Teva manufactures
120 billion tablets & capsules
of generic medicines every year



Teva's operations include a presence in
60 countries with
70 manufacturing facilities



Teva's market capitalization is
>\$16.84 billion



Teva's net revenue in 2018 was
\$18.85 million

102-8: Information on Employees

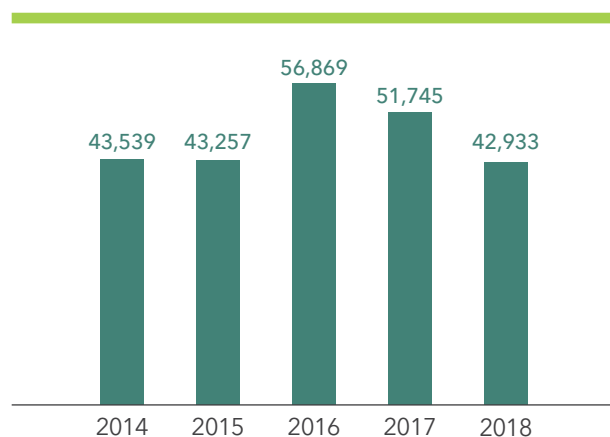
Global workforce by employment type	2014	2015	2016	2017	2018
Permanent employee FTE	41,078	40,868	54,260	49,089	40,780
Supervised workers FTE	1,931	1,975	2,169	2,227	1,756
Total workforce FTE	43,009	42,843	56,429	51,316	42,536
Headcount (full/part time)	41,548	41,283	54,700	49,518	41,177
Headcount (supervised)	1,991	1,974	2,169	2,227	1,756
Total workforce headcount	43,539	43,257	56,869	51,745	42,933

Employees by region	2014			2015			2016			2017			2018		
	Women	Men	Total	Women	Men	Total	Women	Men	Total	Women	Men	Total	Women	Men	Total
Israel	2,813	3,961	6,774	2,916	3,901	6,817	2,884	3,848	6,732	2,677	3,480	6,157	2,036	2,807	4,843
Europe	9,964	8,543	18,507	10,548	8,521	19,069	13,760	11,487	25,247	11,472	10,273	21,745	9,907	9,097	19,004
N. America & Canada	3,393	4,279	7,671	3,320	3,935	7,255	4,954	5,901	10,855	4,348	5,220	9,568	3,337	4,415	7,752
Rest of World	2,604	5,522	8,126	2,676	5,466	8,142	3,852	8,014	11,866	4,404	7,644	12,048	3,403	6,176	9,579
Total headcount	18,775	22,304	41,078	19,460	21,823	41,283	25,450	29,250	54,700	22,901	26,617	49,518	18,683	22,494	41,177

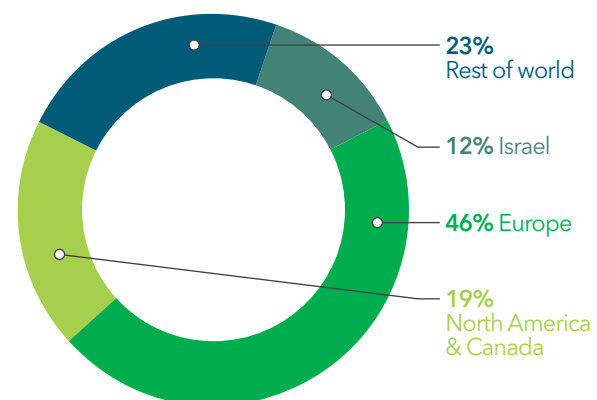
102-8: Information on Employees (cont.)

Employees by type and gender	2014			2015			2016			2017			2018		
	Women	Men	Total	Women	Men	Total	Women	Men	Total	Women	Men	Total	Women	Men	Total
Full-time	18,512	22,276	40,788	18,370	21,662	40,032	24,271	29,071	53,342	22,330	26,552	48,882	18,135	22,421	40,556
Part-time	263	28	290	1,090	161	1,251	1,179	179	1,358	571	65	636	548	73	621
Contingent	966	965	1,931	1,007	968	1,975	945	1,224	2,169	663	1,564	2,227	463	1,293	1,756
Total	19,740	23,269	43,009	20,467	22,791	43,258	26,395	30,474	56,869	23,564	28,181	51,745	19,146	23,787	42,933

Teva total workforce, 2014-2018



Teva employees by region, 2018



Notes:

There are minor variances in employee headcounts versus those reported in Teva's Annual Report (Form 10-K) due to cut-off dates at year end in different calculation methods. In case of discrepancy, data in the Annual Report shall prevail.

102-9: Supply Chain

- Teva maintains a complex global supply chain that includes 70 manufacturing sites in 33 countries as well as multiple logistics and distribution operations to manage the transportation of our products to customers.
- Our facilities manufacture both raw materials (Active Pharmaceutical Ingredients) for our own consumption and for sale to other pharmaceutical manufacturers, finished oral solid doses, sterile pharmaceuticals and inhalers.
- We work with thousands of vendors, contractors, and materials and services suppliers around the world to source products, materials and services that support our production and delivery operations.
- In all cases, we endeavour to ensure resource-efficient supply so our products are delivered to meet patient needs on time, in the right quality and with minimal compatible environmental impact.
- We expect high ethical standards from our suppliers. The Teva Supplier Code of Conduct documents the principles and expectations for establishing and maintaining a business relationship with Teva. See our Supplier Code of Conduct: https://www.tevapharm.com/supplier_faqs/

102-40: List of Stakeholder Groups

102-42: Identifying and Selecting Stakeholders

102-43: Stakeholder Engagement

102-44: Key Topics and Concerns Raised

Teva's primary stakeholders include those who play a role in influencing our business through their connection to Teva, while advancing the broader healthcare industry worldwide through their participation in healthcare as patients, providers, payers or regulators. Equally, our primary stakeholders are those who are most influenced by our business activities around the world.

We strategically engage with primary stakeholders across many channels, targeted by stakeholder group, to promote active dialogue, consultation and collaboration for the benefit of patients around the world. The following table shows our primary stakeholder groups, the ways in which we engage and the key topics raised in our discussions with them during the past year and prior years.

Teva did not undertake specific engagement in preparation for this Social Impact Report, relying on our understanding of stakeholder needs based on our frequent interactions with all groups throughout the year.

Stakeholder group	Approach to engagement	Key topics raised
Patients	Interactions through patient advocacy organizations	Access and affordability of medicines, treatments for unmet needs
Employees	Annual employee surveys, performance reviews, training events, business reviews, team meetings	Opportunities to develop, opportunities to influence, confidence in leadership
Regulators	Collaborative engagement and consultation on public policy, as required	Safety, compliance and ethical business conduct
Healthcare industry	Participation in industry associations	Safety of medicines, meeting regulatory changes
Nonprofit organizations	Ongoing work with community partners, collaboration in social initiatives to advance healthcare	Environmental sustainability, community solidarity and support
Investors	Regular investor conferences and presentations, periodical meetings with different investor groups, participation in investor analyst rankings and ratings, such as MSCI, Sustainalytics and more	Transparency, return on investment, compliance, governance, benchmarking responsible business performance

102-46: Defining Report Content and Topic Boundaries

102-47: List of Material Topics

The principles of Stakeholder Inclusiveness, Sustainability Context, Materiality and Completeness have been applied in compiling this report.

In 2018, in order to determine our material topics, we revisited those reported in prior years, following extensive internal and external consultation. In addition, in 2018, we surveyed senior managers in different countries to validate these topics and assess emerging topics. Our overall analysis and prioritization in 2018 took into account the following factors:

- Manager input
- Customer requests for information about our social and environmental performance
- Demands from investor analysts and ratings to which we regularly respond
- The 10 Principles of the UN Global Compact to which we are a signatory
- The Sustainable Development Goals that we endorse, in particular, Goals 3, 8, 9, 12 and 13, which we have identified as those which align most closely with our business contribution

The following list of topics represents our material priorities, which we have grouped into two clusters:

Contributing to healthy communities

- Access and Affordability
- Science and Innovation
- Patient Engagement
- Global Health Priorities

Leading a responsible business

- Compliance, Ethics and Transparency
- Environmental Sustainability
- Supply Chain
- Patient Safety
- Our People

Contributing to healthy communities

GRI 203: Indirect Economic Impacts

At Teva, Social Impact means aligning our corporate resources and expertise with relevant areas of global health and social need. We are dedicated to promoting health and increasing access to treatment for patients around the world.

203-2: Significant indirect economic impacts

The direct impacts of our business reflect global healthcare needs and our strategy to contribute to healthy communities and create value for both society and our business in four key ways:

- **Enhancing access to medicines and healthcare services and improving the affordability of medicines for millions of people.** See our Social Impact Report, section entitled: Access and Affordability, page 13. See our position on Access to Medicines: <https://www.tevapharm.com/files/responsibility/Teva%20Access%20Position%202019.pdf>
- **Advancing science and innovation to deliver new and better medicines for people who need them around the world** and improve the body of knowledge in healthcare for the benefit of all. See our Social Impact Report, section entitled: Science and Innovation, page 18.
- **Putting patients at the center and helping them get the support they need on their healthcare journey**, as well as providing services and programs to support caregivers and healthcare professionals. See our Social Impact Report, section entitled: Patient Engagement, page 21.
- **Addressing global health priorities through our research, expertise and resources** to help define and deliver solutions to defined global health priorities, such as communicable and non-communicable diseases, antimicrobial resistance and the growing burden of multiple chronic conditions. See our Social Impact Report, section entitled: Global Health Priorities, page 24. See our position on Antimicrobial Resistance: https://www.tevapharm.com/files/responsibility/position_and_policies/TevaAMR_Position.pdf

Patient safety

GRI 416: Customer Health and Safety Management Approach

Our approach to medicine quality and safety is comprehensive, transparent and uncompromising. We carefully monitor all of our medicines and conduct thorough evaluations at every stage of their life cycle. Teva's global pharmacovigilance (PhV) division monitors, analyzes and reports potential safety risks associated with Teva medicines or devices.

416-1: Health and safety impacts of product and service categories

Products in 100% of our product categories underwent assessments for health and safety impacts in 2018. See our Social Impact Report, page 35, for details of our pharmacovigilance performance in 2018.

416-2: Non-compliance concerning the health and safety impacts of products and services

There were no incidents of non-compliance with regulations and/or voluntary codes concerning the health and safety impacts of products and services within the reporting period.

Supporting our employees

GRI 401: Employment Management Approach

Teva aims to provide a stable place of work that adds value for individuals, local communities and our business. We aim to attract and retain employees for the long term, investing in their development and growth. During 2017 and 2018, we continued with a global restructuring plan that included workforce reductions as part of Teva's strategy to secure future long-term competitiveness and stability. During this process, we offered assistance to individuals leaving the business while continuing to provide learning resources and support for those leading Teva into the future.

401-1: New employee hires and employee turnover

New hires and leavers rates	2015				2016				2017				2018			
	<age 30	age 30-50	>age 50	Total	<age 30	age 30-50	>age 50	Total	<age 30	age 30-50	>age 50	Total	<age 30	age 30-50	>age 50	Total
Women new hires	2%	4%	0%	7%	2%	3%	0%	5%	2%	3%	0%	6%	2%	2%	0%	5%
Men new hires	2%	3%	1%	6%	2%	3%	0%	5%	2%	3%	0%	5%	3%	2%	1%	5%
Total new hires	5%	7%	1%	12%	3%	5%	1%	9%	4%	6%	1%	11%	5%	5%	1%	10%
Women leavers	1%	3%	1%	6%	1%	5%	1%	8%	2%	6%	2%	10%	2%	10%	3%	15%
Men leavers	1%	4%	2%	7%	1%	5%	2%	8%	2%	6%	3%	10%	3%	9%	4%	16%
Total leavers	2%	7%	3%	13%	3%	10%	3%	15%	3%	12%	5%	21%	5%	19%	7%	31%

Notes:

— We are not able to provide the split of new hires and leavers by region at this time.

GRI 403: Occupational Health and Safety Management Approach

We believe every person has the right to a safe and healthy working environment and that all injuries, illnesses and safety incidents are preventable. Further, we believe compliance with all applicable laws, regulations and other requirements designed to protect health and safety is fundamental to our corporate well-being and that by striving for excellence in this area, we also protect, enhance and create value for our organization.

These beliefs are consistent with our Mission & Values and Code of Conduct, and form the foundation for our Environment, Health, Safety and Sustainability (EHS&S) Policy and Global Environment Health and Safety Management System (EHSMS).

See our full position on Occupational Health and Safety: https://www.tevapharm.com/files/responsibility/position_and_policies/Teva_OHS_Position4.1.19.pdf.

At the end of 2018, seven manufacturing sites held OHSAS 18001 certification:

Site	Country
Athens	Greece
Opava	Croatia
Waterford	Ireland
Krakow	Poland
Dupnitsa	Bulgaria
Leskovac	Serbia
Nerviano	Italy

403-2: Types of Injury and Rates of Injury (cont.)

Recordable injuries	2014	2015	2016	2017	2018	Change in 2018
Number of recordable injuries	209	212	186	212	158	-26%
Recordable injury rate	0.61	0.55	0.47	0.44	0.38	-13%
Lost days due to injury	2014	2015	2016	2017	2018	Change in 2018
Number of lost days	1,383	1,976	2,293	2,729	1,570	-43%
Number of injuries resulting in lost days	144	147	129	124	95	-23%
Lost day rate	0.42	0.38	0.33	0.25	0.23	-10%
Occupational disease	2014	2015	2016	2017	2018	Change in 2018
Number of occupational disease cases	N/A	N/A	N/A	4	3	-25%
Occupational disease rate	N/A	N/A	N/A	0.01	0.01	-
Fatalities	2014	2015	2016	2017	2018	Change in 2018
Number of fatalities	2	0	0	0	0	0%
Contingent workers—safety performance in 2018	Americas	Europe	Growth Markets	Total Teva		
Fatalities	0	0	0	0		
Recordable injuries	1	3	4	8		
Lost workdays	0	21	58	79		

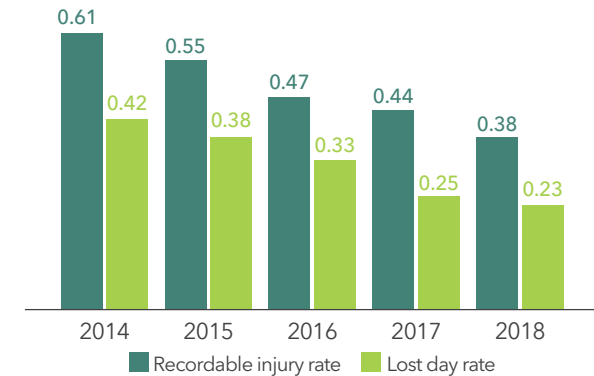
Notes:

- Teva calculates safety performance incidence rates based upon a mix of actual work hours and estimates based upon numbers of employees. Reported number of employees is estimated based upon 2,000 hrs./yr. per employee.
- Teva follows OSHA definitions for recordable injuries and illnesses. Minor incidents requiring first aid only are not included in the injury rates.
- Teva calculates the number of lost workdays following the OSHA guidelines, including days not normally scheduled as workdays such as weekends, holidays, etc.
- Occupational disease is defined as disease arising from an employee's work situation or activity, specifically associated with the nature of the work, causing lost workdays or reassignment. This may include repetitive ergonomic issues, hearing loss, respiratory issues, sensitivity to enzymes or chemicals, or allergic reactions, etc.

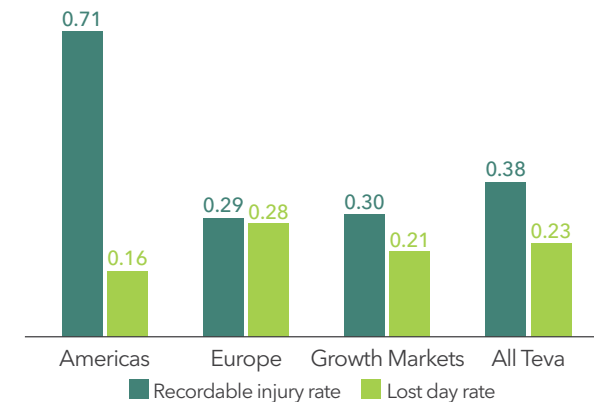
Omissions:

- We are not able to provide safety information by gender.
- We are not able to calculate safety rates for contracted (supervised) workers, as we do not record total hours worked. However, for reference, we have included for the first time the total number of injuries and lost workdays by region for 2018.

Safety Performance, 2014-2018



Safety Performance by Region in 2018



GRI 404: Training and Education Management Approach

We maintain a range of services for employees at all levels, to support them in developing their skills and contributing to delivering Teva's business objectives. Much of our training is in-role, amplified by global and locally tailored training modules to meet different challenges and gain new skills. We also provide employees with annual feedback about their performance and work with individuals to create development plans that will enable them to continue to reach their potential.

404-2: Programs for upgrading employee skills

Throughout 2018, in order to support our leaders in the challenging context of restructuring the business, we offered a new program, Just-in-Time online solutions, providing our leaders with knowledge and tools to help them address the specific needs of employees during this period. Solutions included: leading change, resilience and engagement.

For employees leaving the company in 2018, we continued to provide transition assistance programs to enhance their future employability in different markets.

404-3: Performance reviews

Employees receiving performance reviews	2015		2016		2017		2018	
	Women	Men	Women	Men	Women	Men	Women	Men
Top executives	0	0	0	0	0	0	3	10
Managers	3,374	4,222	3,760	4,513	5,555	6,622	4,046	4,594
Non-managers	11,572	13,849	11,819	13,833	18,163	20,619	14,946	17,038
Total by gender	14,946	18,071	15,579	18,346	23,718	27,241	18,995	21,642
Total by group		33,016		33,925		50,959		40,637
Percentage of eligible employees		80%		62%		103%		99%

Notes:

— Rate in 2017 is higher than the year-end head count as employee numbers during the year were higher than at year-end, due to attrition during the later part of the year.

GRI 405: Diversity and Equal Opportunity Management Approach

See our position on Diversity and Inclusion: https://www.tevapharm.com/files/responsibility/position_and_policies/Teva_Diversity_and_Inclusion_Position4.1.19.pdf

405-1: Diversity of governance bodies

Board of Directors by age and gender			Women			Men			Total
	<age 30	age 30-50	>age 50			<age 30	age 30-50	>age 50	
	0%	9%	9%			0%	9%	73%	100%

Employees by gender		2015		2016		2017		2018	
		Women	Men	Women	Men	Women	Men	Women	Men
Top executives		21%	79%	13%	87%	23%	77%	23%	77%
Managers		45%	55%	44%	56%	46%	54%	46%	54%
Non-managers		48%	52%	46%	53%	46%	54%	45%	55%
Total employees		47%	53%	47%	53%	46%	54%	45%	55%

Employees by age group			2015			2016			2017			2018		
	<age 30	age 30-50	>age 50			<age 30	age 30-50	>age 50				<age 30	age 30-50	>age 50
Top executives	0%	36%	64%			0%	33%	62%				0%	15%	85%
Managers	2%	72%	26%			2%	22%	24%				2%	70%	28%
Non-managers	16%	63%	21%			17%	62%	21%				15%	61%	24%
Total employees	13%	65%	22%			14%	64%	22%				13%	63%	25%

Healthy environment

Environmental Management Approach

GRI 302; GRI 303; GRI 305; GRI 306

Teva is committed to business practices that promote environmentally responsible growth. We believe we earn our license to operate by being effective stewards of the environment, and that systematic risk mitigation and resource conservation are our responsibility.

Further, we believe compliance with all applicable laws, regulations and other requirements designed to protect the environment is fundamental to our corporate well-being and that by striving for excellence in this area, we also protect, enhance and create value for our organization.

These beliefs are consistent with our Mission & Values and Code of Conduct, and form the foundation for our Environment, Health, Safety and Sustainability (EHS&S) Policy and Global Environment Health and Safety Management System (EHSMS).

See our full position on Environmental Sustainability: https://www.tevapharm.com/files/responsibility/position_and_policies/Teva_Environmental_Sustainability_Position_4.1.19.pdf.

GRI 302: Energy

302-1: Energy consumption within the organization

Energy consumption within the organization	Unit	2014	2015	2016	2017	2018	Change in 2018
Natural gas (Scope 1)	MWH	899,699	937,689	1,007,147	1,310,584	1,147,525	-12%
Fuel oil (Scope 1)	MWH	386,914	279,663	201,591	238,924	164,188	-31%
Diesel fuel (Scope 1)	MWH	55,042	69,214	42,436	83,651	42,874	-49%
Kerosene (Scope 1)	MWH	7,686	7,050	8,590	1,105	2,279	106%
LPG (Scope 1)	MWH	99,185	95,220	93,323	92,397	82,135	-11%
Propane (Scope 1)	MWH	5,215	4,053	1,032	701	5,557	693%
Petrol–mobile (Scope 1)	MWH	153,540	142,086	91,165	149,094	104,310	-30%
Diesel–mobile (Scope 1)	MWH	107,159	99,165	74,905	87,423	65,470	-25%
Renewable electricity produced (Scope 1)	MWH	493	512	797	579	554	-4%
Biomass (renewable) (Scope 1)	MWH	–	5,503	6,584	8,416	13,694	63%
Electricity purchased from grid (Scope 2)	MWH	1,181,426	1,137,887	938,393	992,253	908,956	-8%
Heating purchased (Scope 2)	MWH	–	–	14,898	3,841	2,665	-31%
Steam purchased (Scope 2)	MWH	77,580	81,087	68,826	83,081	69,968	-16%
Renewable electricity (Scope 2)	MWH	–	43,868	185,562	389,563	381,913	-2%
Total energy consumption	Unit	2014	2015	2016	2017	2018	Change in 2018
Scope 1	MWH	1,714,934	1,640,154	1,527,571	1,972,874	1,628,586	-17%
Scope 2	MWH	1,259,006	1,262,842	1,207,680	1,468,783	1,363,502	-7%
Total Energy Consumption	MWH	2,973,941	2,902,996	2,735,250	3,441,611	2,992,087	-13%
Cumulative change from baseline 2012	MWH	-6%	-9%	-14%	8%	-6%	–

Notes:

- Renewable electricity produced is via our solar installations in Germany and the US.
- Biomass is wood or charcoal biomass at sites in India and Greece.

GRI 302: Energy

302-3: Energy intensity

Energy intensity	2014	2015	2016	2017	2018	Change in 2018
Energy consumption by employee (MWH/employee)	69.15	67.76	63.72	67.07	70.34	5%

GRI 303: Water

GRI 306: Effluents and Waste

303-1: Water withdrawal by source

306-1: Water discharge

Water withdrawal by source	Unit	2014	2015	2016	2017	2018	Change in 2018
Water withdrawal	M ³	7,458,424	8,106,000	7,747,820	9,143,027	8,513,576	-7%
Water discharge	M ³	5,791,950	6,113,990	6,961,685	9,233,138	7,489,991	-19%
% water discharged	M ³	78%	75%	90%	101%	88%	-13%
Cumulative change from 2014	M ³	0%	9%	4%	23%	14%	-37%
Water intensity	M ³ /employee	173.42	189.20	180.48	178.17	200.15	12%

Notes:

- In 2018, water withdrawal was from municipal water sources (76%), groundwater (21%) and surface water (4%).
- Water discharge is primarily to sanitary drains after treatment and to wastewater treatment facilities. Data is not available for the exact split of water discharge.
- In 2017, we discharged slightly more water than we used due to several factors including sending infiltrated groundwater to a treatment plant and accepting wastewater from a neighboring facility for treatment.

GRI 305: Emissions

305-1: Direct (Scope 1) GHG emissions

305-2: Energy indirect (Scope 2) GHG emissions

305-4: GHG emissions intensity

GHG emissions	Unit	2014	2015	2016	2017	2018	Change in 2018
Scope 1 emissions	tons CO ₂ e	428,744	405,044	392,268	467,980	376,905	-19%
Scope 2 emissions	tons CO ₂ e	575,015	542,262	455,017	491,871	466,813	-5%
Total GHG emissions	tons CO₂e	1,003,759	947,306	847,285	958,851	843,719	-12%
GHG emissions cumulative change from baseline 2012	tons CO₂e	-8%	-14%	-23%	-12%	-23%	–
GHG emissions intensity	tons CO₂e/ employee	23.34	22.11	19.74	18.70	19.84	-5%

Notes:

- GHG emissions are from US EPA eGRID, eGRID 2018 (with 2016 data), and includes CO₂, CH₄, N₂O and eGRID 2018 for US-based operations. International operations are from International Energy Agency (IEA), CO₂ Emissions from Fuel Combustion 2018-Year 2016.
- We also generate a small amount of GHG emissions from non-ozone depleting refrigerants (Scope 1 fugitive emissions) which in 2018 amounted to 16,364 tons CO₂e in total.

305-6: Emissions of ozone-depleting substances (ODS)

In 2018, we generated emissions of 915 tons CO₂e from HCFC-22 (R-22), a commonly used refrigerant.

GRI 306: Effluents and Waste

306-2: Waste by type and disposal method

Waste by disposal type in tons	Unit	2014	2015	2016	2017	2018	Change in 2018
Recycling including conversion to energy	Tons	64,644	101,092	93,708	83,472	103,833	24%
Bio treatment	Tons	52,279	70,864	61,861	48,571	40,142	-17%
Incineration	Tons	53,663	47,412	48,346	63,858	46,056	-28%
Landfill	Tons	18,972	10,419	15,229	12,749	11,536	-10%
Other	Tons	34,631	58,901	0	0	0	0%
Total waste	Tons	224,189	288,688	219,144	208,650	201,566	-3%
Percentage of waste recycled	%	29%	35%	43%	40%	52%	29%
Percentage of waste landfilled	%	8%	4%	7%	6%	6%	–
Total waste diverted from landfill	Tons	205,217	278,269	203,915	195,901	190,030	-3%

Waste by type in tons	Unit	2014	2015	2016	2017	2018	Change in 2018
Non-hazardous waste	Tons	42,141	49,488	50,792	75,192	92,001	22%
Hazardous waste	Tons	182,048	239,200	168,352	133,458	109,565	-18%
Hazardous waste as a percentage of total waste	%	81%	83%	77%	64%	54%	-15%
Waste intensity	Tons/employee	5.21	6.74	5.10	4.07	4.74	17%

Compliance

GRI 419: Socioeconomic Compliance Management Approach

Teva is committed to doing business the right way. Our Global Compliance program strives to identify, eliminate, minimize, remediate, control and monitor compliance risk at all levels of the organization, especially compliance risk related to potential bribery and corruption. In addition to embedding applicable laws and codes in our policies and procedures, we strive to increase the knowledge and personal responsibility of all employees to avoid situations that are contrary to Teva's values or that may damage Teva's reputation. To accomplish this, Our Code of Conduct provides the basis for ethical decision-making, and our activity and third-party approval programs, as well as ongoing training to employees, keeps us focused on ethical behavior as the key to long-term corporate and personal success. To that end, Teva's leadership incorporated Compliance KPIs into their personal annual goals in 2018 and cascaded these to their leadership teams.

See our full Code of Conduct here: https://www.tevapharm.com/files/about/corporate_governance/code_of_conduct/Teva_CodeOfConduct_12Feb2019_FINAL.pdf.

419-1: Non-Compliance with Laws and Regulations in the Social and Economic Area

In 2018, Teva was not the subject of any fine or penalty imposed pursuant to a government investigation.

Ethical business standards

GRI 205: Anti-Corruption Management Approach

Teva does not tolerate any form of bribery or corruption in the course of our business. Our zero tolerance for corruption applies to our relations with everyone. Our prohibition on improper payments covers interactions with healthcare professionals and other members of the healthcare community, government officials and customers, including private sector business partners. Teva also prohibits facilitation payments.

See our full policy on Preventing Corruption: https://www.tevapharm.com/files/about/corporate_governance/global_anti/teva_GC_PreventionCorruption_external_Jan2017_final_013017_signed.pdf.

See also a range of policies and positions relating to ethical business standards and upholding human rights:

- Corporate Governance Principles: https://www.tevapharm.com/files/about/corporate_governance/governance_doc/Statement_of_Corporate_Governance_Principles_October_2018.pdf
- Due Diligence and Interactions with Third Party Representatives: https://www.tevapharm.com/files/about/corporate_governance/Global_Compliance_Policy_on_Due_Diligence_and_Interactions_with_Third_Party_Representatives-V2-12.05.18.pdf
- Government Affairs: https://www.tevapharm.com/files/responsibility/position_and_policies/Teva_Government_Affairs_Position4.1.19.pdf
- Human Rights: https://www.tevapharm.com/files/responsibility/position_and_policies/Teva_Human_Rights_Position4.1.19.pdf
- Marketing and Promotional Practices: https://www.tevapharm.com/files/responsibility/position_and_policies/Teva_Marketing_Position4.1.19.pdf

In 2018, Teva's leadership incorporated Compliance KPIs into their personal annual goals and cascaded these to their leadership teams. Approximately 97% of employees who were new to a role (new hire or job change) completed relevant anti-corruption training. While 100% completion is an aspirational goal, we note that at any given time, there are some employees on long-term absence, maternity leave or military leave who may not be in a position to complete the training.

In addition, in 2018, our Global Compliance Division trained more than 16,500 employees on 10 ethical behavior topics in three campaigns during the year, branded as the Our Way of Life Campaign (OWL). These campaigns collectively achieved a 98% training completion rate. In addition to the OWL campaign, global R&D compliance training took place in 2018 with 99% completion among assigned R&D employees; GDPR training with a 95% training completion rate for relevant employees assigned; and a US Privacy Shield Training.

205-3: Confirmed Incidents of Corruption and Actions Taken

In 2018, the Office of Business Integrity (OBI) received 210 reports of alleged misconduct.

24% of the reports were business integrity/corruption related. These reports were shared with Teva's Audit Committee. 20% of the business integrity investigations were substantiated. Of those substantiated, 75% resulted in employee termination and 25% resulted in other actions, including formal warnings or referrals to legal counsel.

United Nations Global Compact Principles

The United Nations Global Compact (UNGC) is a strategic policy initiative of the United Nations 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 2018 we reconfirmed our membership as a Participant.

Global Compact Principles

Our Position

1	Businesses should support and respect the protection of internationally proclaimed human rights.	We conduct our business responsibly according to the highest ethical standards, including respect for human rights, both in our own operations and throughout our supply network. We maintain a Supplier Code of Conduct and include a relevant contract clause in new and renewing agreements for all procurement. See our position on Human Rights: https://www.tevapharm.com/files/responsibility/position_and_policies/Teva_Human_Rights_Position4.1.19.pdf .
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.	We respect the rights of employees to freedom of association and collective bargaining. We maintain a collaborative relationship with employees and address issues relating to their rights in a positive manner.
4	Businesses should support the elimination of all forms of forced and compulsory labor.	We do not engage in any practice that could be construed as forced labor. All Teva employees are employed lawfully and of their own free will.
5	Businesses should support the effective abolition of child labor.	We respect and support the rights of children and we are committed to safeguarding their interests. We do not employ children in any part of our business.
6	Businesses should support the elimination of discrimination in respect of employment and occupation.	We maintain a policy of equal opportunity and inclusive practices for new and current employees in all matters relating to their employment with Teva. See our position on Diversity and Inclusion: https://www.tevapharm.com/files/responsibility/position_and_policies/Teva_Diversity_and_Inclusion_Position4.1.19.pdf and our response to GRI 405 above.
7	Businesses should support a precautionary approach to environmental challenges.	We adopt environmentally-oriented practices in our operations and conserve resources wherever possible. See our responses to environmental disclosures GRI 302, 303, 305 and 306 above.
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.	We are committed to behaving with integrity and act to eliminate corruption. See our response to GRI 205 above.