



**UNITED NATIONS  
GLOBAL COMPACT  
COMMUNICATION ON PROGRESS**  
**Teva Pharmaceutical Industries Ltd**  
**August 2012**

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### Company Profile

Teva Pharmaceutical Industries Ltd.

**No. 1 global generic company**

**A Top 15 global pharmaceutical company**

**Producing 71 Billion tablets and capsules a year**

**Operating in 60 countries**

**Manufacturing in 74 production sites**

**Distributing products to over 120 markets**

**Employs 46,000 people worldwide\***

**Investing \$80 million in environmental projects**

**Presenting a global product portfolio of 1,300 molecules**

**Featuring \$18.3 billion in sales and \$4.4 billion in net income\*\***

\* Employees as of Dec. 2011\*\* Non GAAP, as for Dec. 2011

Teva Pharmaceutical Industries Ltd. is a global pharmaceutical company specializing in the development, production and marketing of generic and proprietary branded pharmaceuticals as well as active pharmaceutical ingredients. Teva is among the top 15 pharmaceutical companies and the largest generic pharmaceutical companies in the world. Teva enjoys a firmly established international presence, serving 100 markets around the globe. Teva has its headquarters in Israel, though more than 80% of Teva's sales, which totaled US\$ 18.3 billion in 2011. Teva has over 46,000 employees worldwide.

Teva's worldwide operations are conducted through a network of global subsidiaries primarily located in North America, Europe, Latin America, Asia and Israel. We have direct operations in approximately 60 countries, as well as 56 finished dosage pharmaceutical manufacturing sites in 23 countries, 21 API sites and 34 pharmaceutical R&D centers. The following are our principal operating subsidiaries as of December 31, 2011:

- **In North America**—United States: Teva Pharmaceuticals USA, Inc, Teva API Inc. and Cephalon Inc.; Canada: Teva Canada Ltd. (formerly known as Novopharm Limited).
- **In Europe**— Hungary: TEVA Pharmaceutical Works Private Limited Company; United Kingdom: Teva UK Limited; The Netherlands: Teva Pharmaceuticals Europe B.V., Pharmachemie Holding B.V., Teva API B.V.; France: Teva Santé SAS; Croatia: Pliva Hrvatska d.o.o.; Germany: CT Arzneimittel GMBH, ratiopharm GmbH; Poland: Teva Pharmaceuticals Polska sp. z o.o.; Italy: Teva Italia S.r.l.; Spain: Teva pharma S.L.; Monaco: Laboratoire Theramex S.A.M.; Czech Republic: Teva Czech Industries s.r.o.; Russia: Teva Limited Liability Company.
- **In Latin America**—Chile: Laboratorio Chile S.A.; Mexico: Lemery Desarrolloy Control, S.A.; Argentina: IVAX Argentina S.A.
- **In Israel**—Teva Pharmaceutical Industries Ltd, Plantex Ltd, Salomon, Levin & Elstein Ltd., Abic Ltd., Assia Chemical Industries Ltd., Teva Medical Ltd., Abic Investment (1959) Ltd., Abic Marketing Ltd., Intermedic Ltd., Teva Holdings Ltd., Teva Medical (Marketing) Ltd., Beth Dagan Vaccines Ltd., Mashab Ltd., PharmaPlantex Limited Arig Investment Ltd., Teva Global Products Limited Partnership.
- **In Asia**— Japan: Taiyo Pharmaceutical Industries Co. Ltd, Taisho Pharmaceutical Industries, Ltd.

In addition to the subsidiaries listed above, we have operations in various strategic and important locations, including China, India, Turkey and other emerging and smaller markets.



Teva's principles of corporate governance can be downloaded from [www.tevapharm.com](http://www.tevapharm.com).

Teva's core business lines of fully-integrated human pharmaceuticals include either generic drugs for all major therapeutic and sterile requirements in a variety of dosage forms, from tablets and capsules to ointments, creams and liquids, or innovative drugs in niche markets where Teva has a relative advantage in research and development.

For more about Teva, please see: <http://www.tevapharm.com>

For Teva's financial reports, please see: <http://tevapharm.com/financial/reports.asp>

## **Teva's Global Presence**

Teva's global presence is represented by 74 production sites and 34 R&D centers.

## Teva's Business Structure

Teva is structured on a functional basis for global leadership, and on a regional basis for business operations. The Corporate Responsibility Function within Teva is led by a dedicated team, headed by the CR Director who reports to the Human Resources Corporate VP & Chief Integration Officer.

## Teva Vision and Values

Teva is committed to conducting its business activities in a way which reflects the values of contribution to society, community and the environment. Teva is steadfast in upholding the core values of leadership, excellence, creativity, and strategic discipline. In all Teva's activities and in Teva's business strategy, Teva is committed to supporting the interests of all stakeholders and in particular, Teva's broad range of customers.

## Teva's Vision

Teva is committed to providing **high-quality, affordable** generic pharmaceuticals and innovative medical solutions to improve global healthcare.

## Teva's Community Objective

Teva is committed to improving global healthcare.  
We recognize our responsibility to invest in and support the communities we serve.

## CEO Commitment

**H.E. Ban Ki-Moon**  
Secretary-General  
United Nations  
New York, NY 10017  
USA

Dear Mr. Secretary-General,


**TEVA PHARMACEUTICALS INDUSTRIES LTD.: Participation in the UN Global Compact**

I am pleased to reconfirm that Teva Pharmaceutical Industries Ltd maintains its support for the Ten Principles of the United Nations Global Compact in respect to human rights, labor rights, the environment and anti-corruption.

Teva boasts more than 100 years of ethical and responsible business practices, and has always made significant efforts to support broader societal advancement in our business approach as we have expanded globally over the years. We strongly identify with the principles and objectives of the UN Global Compact and feel these are in full alignment with our business approach to date, and our expectation of our continued business activities in the future.

With this third Communication on Progress, we articulate our continued support for the Global Compact principles. We undertake to make an annual statement to all internal and external stakeholders of this commitment, in accordance with the UNGC guidelines and believe this third Communication on Progress, which describes our Company's efforts to implement the ten principles during 2011, complies with this undertaking.

Sincerely yours,

  
Dr. Jeremy Levin  
President & CEO  
Teva Pharmaceutical Industries Ltd.

Israel, July 2012

### Principle 1:

#### **Business should support and respect the protection of internationally proclaimed human rights.**

Teva is committed to upholding all laws, regulations and practices which are designed to protect human rights. Teva strictly opposes all form of discrimination and actively recruits all individuals without regard to differences of colour, race, gender, nationality, religion, sexual orientation or other personal indicators of diversity. Teva is strictly committed to practices which prevent all forms of sexual discrimination, sexual harassment, child labor and forced labour. This commitment is encompassed in the range of ethical standards that Teva applies in all its business operations.

#### **Ethical Standards**

Teva is committed to the strictest ethical standards, as are demanded by the sectors in which Teva operates. Teva has adopted three different Codes of Conduct which encompass different aspects of our business activity:

- Teva's Code of Business Conduct which is based on principles contained in the Sarbanes-Oxley Act (SOX).
- The IFPMA Code of Pharmaceutical Marketing Practices.
- Internal implementation of a program for prevention of restrictive trade practices.
- Foreign Corrupt Practices Act (FCPA).

#### **Teva's Code of Business Conduct**

All Teva employees are expected to uphold Teva's Code of Business Conduct, which they confirm when joining the Company and reconfirm every two years following obligatory online training. Teva's Code of Business Conduct can be viewed on Teva's website: [www.tevapharm.com](http://www.tevapharm.com)

The highlights of Teva's Code of Business Conduct include:



**Global Business Conduct** – It is Teva's corporate policy to comply with the laws of the countries in which it operates and with the regulatory requirements affecting its businesses. Teva maintains an ethical approach to business and fair dealing, and prohibits unfair or deceptive business acts and practices.

**Employee and Company Expectations** – All employees must understand and comply with Teva's policies, practices and directives with regard to observing the law and ethical standards in all matters concerning the Company, and to treat everyone with whom they come in contact, including co-workers, with respect and dignity. Teva is committed to maintaining high standards of conduct and to providing a productive, professional atmosphere in which to work.

Other sections of the Code include:

- **Healthy Workplace and Work Environment:** anti-discrimination and anti-harassment, drug and alcohol abuse and drug-free workplace, workplace violence, maintaining Health and Safety in the workplace, upholding employee privacy and using electronic communications responsibly.
- **Product Quality:** Teva's commitment making safe, quality products for customers and users of our products and the responsibility of employees to exert diligence in identifying and preventing practices that could impair product quality, safety or compliance with law.
- **Conflict of Interest:** Guidance for avoiding situations for improper personal gain, non-acceptance of bribes, kickbacks, or other types of unusual payments, avoidance of political activity and donations, adherence to the United States Foreign Corrupt Practices Act, and avoidance of fraudulent conduct, especially **healthcare fraud and abuse** - the offering and payment of remuneration or anything of value as an incentive or reward for prescribing, purchasing or recommending of a pharmaceutical product that is reimbursed under any governmental sponsored health care reimbursement program. Similarly the Code sets out guidelines for avoiding illegal transactions, insider trading, anti-trust compliance, observing trading sanctions and acceptance of external positions.
- **Accurate Record-keeping and Reporting:** Protection of company property, maintaining of company records and accounts, accurate and timely financial reporting, protection of proprietary information and data security.
- **Environmental Protection:** Teva's commitment to full compliance with all applicable environmental laws and good judgment with regard to the environmental aspects of use of Company facilities and real estate.



## Providing a working environment where everyone thrives and grows

Teva people are the powerhouse of the Company and their diversity brings a unique mix of talent, creativity and value to the organization. Teva people are characterized by flexibility, self-assurance and determined to find the best solutions to all issues and opportunities. Teva's empowering working environment inspires people who are achievement-oriented, take initiative and are ready to embrace change and challenge. Teva owe these behaviors to a legacy of leadership which has created a unique Teva culture.

Teva's culture, creative approach and long record of global success are what make Teva an industry leader. The way Teva operates brings out the best in Teva's people with continuous opportunities for personal growth alongside the Company's growth. Teva encourages each and every one of its employees to develop within a working environment which offers many development opportunities, enables them to identify with a common purposeful goal, and provides a clear ethical framework and supportive work culture. All of this contributes to a shared feeling of loyalty to the Company, high motivation, efficiency and creativity, growth and personal development. Teva supports the development of managers who can continue to contribute to the Company in roles of increasing scope and responsibility.

### "Grow with the Best": Teva's Employer Value Proposition

Teva's Employer Value Proposition (EVP) expresses Teva's unique position as an employer and is based on three main attributes of our organization:

1. **Sustained success:** Teva's balanced business model and numerous successful acquisitions have resulted in the
  - Company's consistent profitable growth.
  - Direct presence in 60 countries.
  - Employment of approximately 47,000 people worldwide.
2. **Unique Approach:** Teva differentiates itself through:
  - People who are confident in themselves, action oriented, creative, assertive and challenging.
  - People who are also humble in the knowledge that they will be surrounded by outstanding colleagues in the service of millions of patients.
3. **Dynamic Growth:** Employees remain at Teva because of the opportunities for career growth and development generated by dynamic global business success.



Supporting Teva's EVP is a comprehensive approach to Talent Management, which is designed to offer opportunities to people with potential to develop and grow, while maintaining Teva's competitive advantage through its people. The Talent Management program serves to identify, develop, motivate and retain key talent through a significant investment in development opportunities for a wide range of individuals.

### **Performance Management: Individual Development Plan (IDP)**

Continually developing and encouraging individuals to reach their maximum potential are essential principles of the performance management process in Teva. The IDP allows individuals to develop the skills required to successfully perform in their current role as well as obtaining the experience necessary for advancement to future roles. The IDP is an important tool designed to support employees with ongoing development and it is an integral part of the goal setting process. Once a year, employees participate in a personal IDP meeting with their managers. In 2011, over 90% of all employees around the world took part in such a review, supporting their ongoing performance and development with the company.

### **Rewarding employees with a living wage and social benefits**

Teva's approach to employee compensation is based on the view that employees should not only earn a living wage, but also receive support throughout their life and career with the Company. Individual salaries are fixed in accordance with level of responsibility, seniority and experience, within a framework which takes into account general market remuneration levels in similar industries. In addition, employees enjoy generous social and welfare benefits compatible with local market norms in their working location.

In addition, Teva's compensation plan aims to strengthen a high performance culture through a Pay for Performance approach with an objective to attract, motivate and retain the right talent which will drive for results and support Teva's growth.

## Maintaining a safe and healthy workplace for all

As an important part of its concept as a responsible employer which cares about its employees, their lives, and their workplace, Teva wishes to create a safe and healthy working environment for all its employees throughout its sites and facilities worldwide, and constantly improve the working environment.

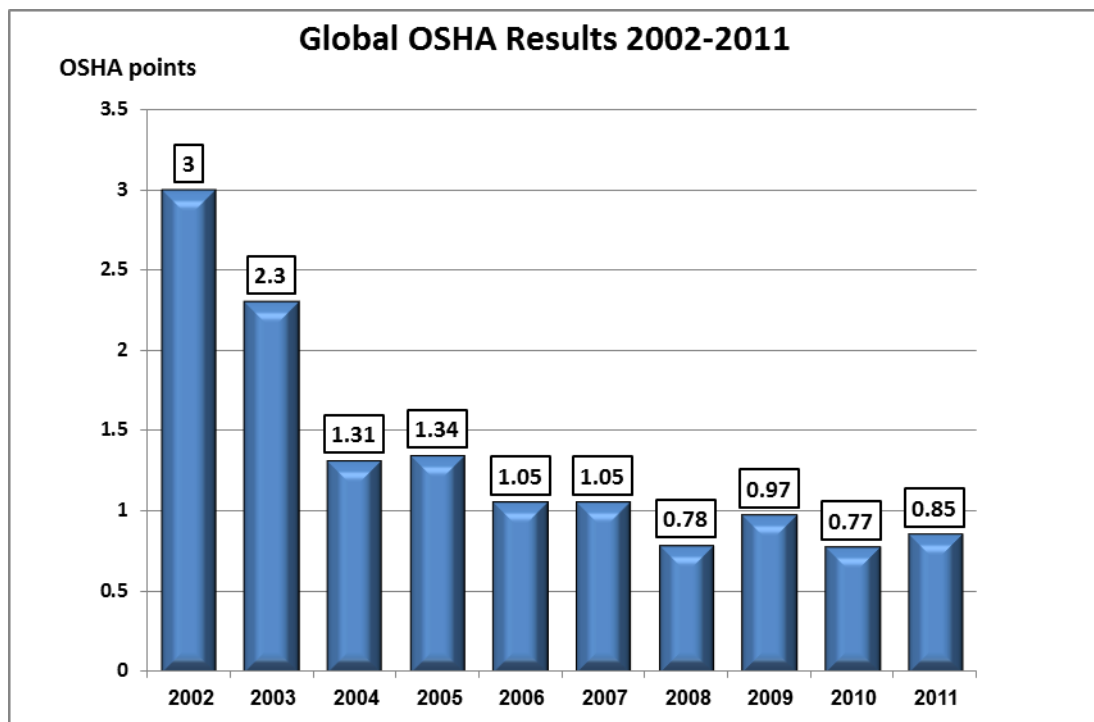
Teva invests considerable resources in building an organizational culture of safety, where work safety forms a cornerstone for both the Company and its employees. Teva trains and qualifies its managers and employees and ensures they acquire the appropriate skills in safety and methods of preventing hazardous situations and accidents.

Teva invests in the creation of a working culture of safety at work, based on developing awareness, training and safety risk prevention. Global responsibility for safety rests with the Company Director for Quality, Safety and Environment. In addition, each operating site at Teva maintains two Working Committees, one to advance overall safety awareness and culture and one to address safety risks and improve procedures in line with policy. In 2011, Teva counted 909 trained Safety Officers in many different locations. All accidents are fully investigated and actions taken to prevent recurrence. On average, Teva employees participate in over 10 hours of safety training as a minimum on an annual basis, and more than 242,000 hours of safety training were delivered in 2011.

The main safety activities conducted in Teva on a regular basis are as follows:

- In-house safety audits.
- Safety surveys by external experts.
- Development of safety standards and work processes according to unique needs and requirements.
- Fast and comprehensive assimilation of safety-related rules and regulations.
- Issuing a safety plan, including management tools.
- Safety training and communication for employees.

The accident index used in Teva is OSHA (Occupational Safety and Health Administration). Since the baseline year 2002, a significant decrease in the OSHA rate in Teva has been recorded. The global OSHA rate in 2011 stood at 0.85, continuing the significant improvements which have been made over several years due to consistent efforts and focus on safety. No fatalities as a result of work accidents have been recorded in Teva.



## Supporting and empowering communities

**Teva is committed to improving global healthcare. We recognize our responsibility to invest in and support the communities we serve.**

Teva views investment and involvement in local communities as an essential part of its social responsibility.

During 2010, Teva established a Global Community Relations forum and network that developed Teva's Global Community Relations Guidelines. During 2011, a work-plan was developed and data collection processes established for community data to be collated on a global basis for the first time.

Teva views investment and involvement in local communities as an essential part of its social Community relations policy leverages Teva's core values - together with a commitment to solidarity to the communities which Teva serves.

Teva's core community investment activities are supported by Teva's Board of Directors' Community Involvement Committee.

There are three dimensions of community activity:

- **Partnerships**, where Teva forms an alliance with a local leading non-profit organization to advance social causes, supported by specific community solidarity activities.
- **Employee Volunteering**, in which Teva encourages employees to volunteer in communities in which they live and work.
- **Donations**, through which Teva supports many different non-profit organizations. In 2011, Teva donated over \$55 Million in cash and almost \$5 Million in products, equipment and services to community programs in Israel and around the world. 60% of this total contribution was targeted to advance education and health. Over 350 non-profit partners worldwide benefited from this support.

## Principle 2:

### **Business should ensure that they are not complicit in human rights abuses.**

Teva's Code of Conduct states: *Each employee should respect the rights of and deal fairly with the Company's customers, suppliers, competitors and employees. No employee should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation or any other unfair dealing practice.*

## Access to medicine

Teva strives to advance healthcare, thereby contributing to strengthening the local social and economic infrastructure in all its global activities. A core element of this responsibility is the development of greater accessibility to drugs.

Teva's approach to development and marketing of all drugs is founded first and foremost on the health needs of communities in global locations where Teva operates. Teva offers a wide range of pharmaceutical products, many of these are generic alternatives of innovative pharmaceuticals, which provide millions of people around the world with sometimes life-saving access to affordable pharmaceutical solutions. Teva companies around the world also donate products to communities.

## Quality and Safety

Teva maintains the highest standards of safety and quality in all drug manufacture. During 2011, Teva upgraded its quality procedures and developed a new Quality Plan applicable across all Teva sites around the world.

Clinical trials are conducted against the most stringent standards available in the world, and even exceed the provisions of such standards. Teva maintains a comprehensive system for pharmacovigilance, in order to monitor side effects and issues relating to drugs long after their sale and use has been approved by the relevant authorities, and has a special unit staffed by experts who maintain checks on drugs and ensure their safety through time. This is to guarantee that Teva is not complicit in any way with regard to any undesired effects of any of Teva's pharmaceuticals.

### Principle 3:

#### **Business should uphold the freedom of association and the effective recognition of the right to collective bargaining**

Teva respects the right of employees to freely form associations and engage in collective bargaining, and maintains positive and fair-minded relations with all the Employee Representative bodies at all Teva sites. Teva believes in the basic right of all individuals to earn a living wage and to enjoy opportunities for personal growth. Teva's management maintains professional and collaborative relationships with employee representatives, and endeavours to work with them in an open and positive way at all times. In 2011, the number of Teva employees around the world who have membership in Employee Representative bodies was over 13,000 (approx. 28 percent of Teva's global workforce).

### Principle 4:

#### **Business should support the elimination of all forms of forced and compulsory labor.**

Teva strongly supports the elimination all forms of forced labor and declares that all Teva employees around the world are employed by Teva of their own free will and are not coerced into any form of employment in any way.

### Principle 5:

#### **Business should support the effective abolition of child labor.**

The nature of Teva's business is such that it requires, in the main, highly skilled individuals. Manufacturing sites for pharmaceutical and all ancillary products are strictly regulated and managed to the highest professional standards. In this context, the likelihood of child labor in any of Teva's operations around the world, including the operations of first tier suppliers, is effectively impossible. Nevertheless, Teva strongly supports the elimination of child labor in any form and declares that no children below the age of 16 are employed in any of Teva's business operations anywhere in the world.



### Principle 6:

#### **Business should support the elimination of discrimination in respect of employment and occupation.**

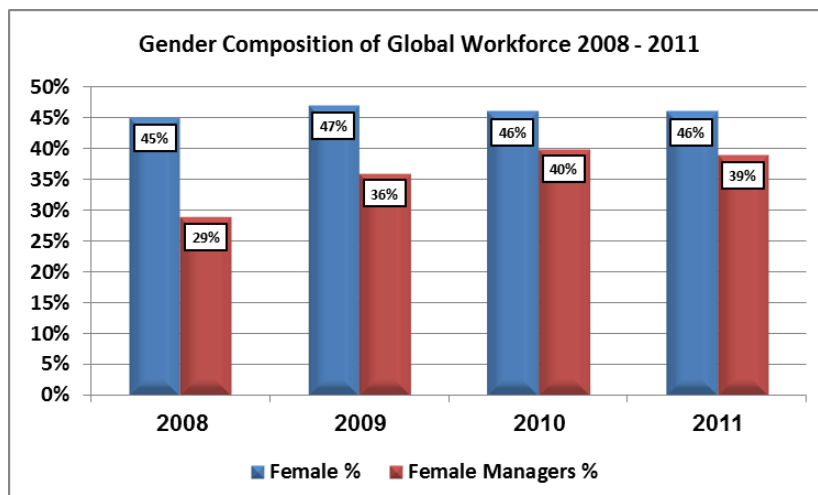
Teva is committed to maintaining a working environment in which every single employee can contribute to the success of the business, each with his or her own unique expertise. This is clearly demonstrated by Teva in the recruitment process. Teva's recruitment policy is a global policy and applies to every Teva operational location throughout the world. The policy is based first and foremost on an individual's suitability for the intended role, based on an understanding of his or her skills, competencies, professional experience and relevant academic qualifications.

Teva respects employees' right to privacy, and does not collect private information about employees other than authorized by law.

Recruitment of diverse populations is based on Teva's commitment to diversity and aims to strengthen the fabric of society on basis of equal opportunity and non-discrimination. Teva recruits employees without discrimination on the basis of race, religion, sex, personal status, sexual orientation, country of origin, age or disability.

### Women at Teva

Teva is conscious of the importance of and contribution of women in the business and strives to make Teva a gender-balanced workplace. Globally, 46% of Teva employees are female and 39% of Teva managers are female. These figures are well above global and local benchmarks across all industries and reflect Teva's true, practical commitment to equal opportunity for women and their professional advancement.



### Principle 7:

#### **Business should support a precautionary approach to environmental challenges.**

Teva recognizes the importance of protecting the environment as one of the key foundations of doing business and maintains a comprehensive infrastructure for planning, managing, assessing, improving, monitoring and measuring Teva's environmental impacts.

Teva tries to "think green" and encourages all employees to take part. The Company performs internal environmental audits and also complies with environmental audits performed by customers as required. Teva maintains continuous monitoring and control of environmental impacts and employs a single, consistent methodology worldwide.

Teva's key environmental policy guidelines are as follows:

- Strict adherence to all laws and regulations relating to environmental matters at all Teva's operations.
- Planned reductions of Teva's negative impacts on the environment (reduced waste-water levels, reduced air emissions, reduced solid waste and increased recycling).
- Use of the most advanced technologies for biological treatment of organic waste-water.
- Conversion of all Teva manufacturing sites to "green" sites.
- Protection of all natural resources that Teva impacts.

Teva's Environmental Policy and Practices fall within the responsibility of the Director of Safety and Environment. Under his leadership, Teva operates a number of frameworks to ensure ongoing, comprehensive environmental management:

### Environmental Risks

Over two years ago, a Steering Team for environmental risk management, led by the Director of Safety and Environment at Teva was formed to identify the major environmental risks at a global level. The Steering Team identified 36 specific risks related to the environment. By end of 2011, most of Teva plants had undergone an initial environmental mapping process to evaluate these risks.

## Implementation of REACH Legislation

Despite the fact that REACH (Registration, Evaluation, Authorization and Restriction of Chemicals) legislation does not apply to pharmaceutical products, and only to intermediate raw materials manufactured or imported into the European Union in quantities of 1 ton per year or more, all Teva manufacturing sites have completed pre-registration in line with Reach regulations. This is a further demonstration of Teva's precautionary approach in managing environmental safety and impacts. In parallel, all Teva suppliers have been requested to make similar assessments of materials used and pre-register them in the same way. In addition, Teva has adopted the REACH format for all MSDS (Material Safety Data Sheets), and as a first stage, Teva will publish all MSDS in the REACH format for all Teva manufacturing plants in Europe.

For more details on REACH, please see: [www.hse.gov.uk/REACH/index.htm](http://www.hse.gov.uk/REACH/index.htm)

### Principle 8:

**Business should undertake initiatives to promote greater environmental responsibility.**

Teva improves its direct environmental impacts in the following ways:

- Reduction of materials usage and resources including raw materials selection and waste handling by type.
- Selection of materials with reduced impact on the environment.
- Reduction of energy consumption and greater energy efficiency, including lighting, air conditioning and cooling systems.
- Efficient water usage and water savings in manufacturing "wet" processes and in sanitation processes through recycling of water, and strict control of all water processes.

## Managing Environmental Impacts

Teva's production processes have a direct impact on the environment through the use of materials including a wide range of chemicals, energy consumption, generation of liquid and solid waste, and air emissions. Teva strives to reduce the negative impacts generated by Teva's operations wherever possible.

During 2011, a new infrastructure for environmental data collection and monitoring was established on a global basis, focusing in this first phase, on energy consumption and water consumption. To date, data collection processes have existed in different local operations, but, as a global business, we must ensure consistent, regular and complete measurement in all operations in a structured way. 2011 is therefore a new baseline year for Teva, against which future performance will be evaluated and targets will be established. On a going basis, Teva is advancing efforts to expand the scope of environmental monitoring and control, and plans to include additional aspects of environmental performance on a global basis in the future.

### Energy consumption

Teva uses a wide range of energy sources in over 60 production sites in 23 countries which have formed the basis of the Teva's 2011 global baseline energy calculation. The largest energy source is purchased electricity (46% of total consumption), followed by natural gas (34%). The remaining 20% of energy is derived from a several sources, including almost 30,000 Gigajoules of renewable energy in Teva's plants in Germany for the first time.

### Water consumption

Teva makes consistent efforts to reduce water consumption in manufacturing processes and in office locations through careful management of cleaning processes and recycling of water wherever possible. As mentioned above, 2011 represents the first year in which a consistent global measurement of Teva's water consumption in all production operations was calculated, and this will serve as a baseline for future performance. In 2011, Teva's total water consumption amounted to 7.883 million cubic meters.

## Protection of Natural Resources

Teva protects natural resources by managing waste resulting from Teva production processes, reducing use of raw materials and increasing use of recycled raw materials.

### **Reduction of raw materials in the manufacturing process**

Teva's R&D Division examines production processes and identifies where raw materials can be reduced, depending on technological capabilities. Several parameters are checked including improvement in process utilization, reuse of materials, re-use of solvents and more. An example is alternative processes for reusing solvents which assists in reducing raw materials consumption.

### **Principle 9:**

**Business should encourage the development and diffusion of environmentally friendly technologies.**

## Environmental R&D

Teva maintains a unit of Teva's API Research and Development function to plan and develop production processes which offer greater environmental protection and improved environmental impact.

**Principle 10:****Business should work against corruption in all its forms, including extortion and bribery.**

It has been Teva's long-standing commitment to operate all of our business in compliance with applicable laws and regulatory requirements related to the Company's activities as well as ensuring that all Teva's business worldwide is conducted with honesty and integrity.

In order to further embed this commitment in a structured way, in 2010, Teva launched a new Anti-Corruption Policy. The purpose of this policy is to provide detailed guidance for complying with anti-corruption and anti-bribery laws that are applicable to all Teva activities worldwide. All employees indicated as relevant to the policy are trained in the Anti-Corruption Policy every two years and this process is carefully controlled by regional Compliance Officers in all Teva sites all over the world. The policy includes a specific set of rules regarding what is permitted and what is forbidden when giving gifts, hosting conferences, signing agreements or making donations to government officials and institutes.

All Teva employees who have any interaction with government officials are required to complete Teva's Anti-Corruption course. At the end of the course, employees take a test in order to assure that these important subjects are fully understood.

The Internal Risk Management process, together with Internal Auditor checks of adherence to policies related to compliance, fraud, corruption and bribery ensure that Teva maintains corruption-free in all its dealings. Teva's Code of Business Conduct clearly forbids fraudulent conduct and avoidance of any practice that may create a conflict of interest between those who purchase, prescribe or recommend our products and the best interests of the patients who use our products as well as prohibit the bribes and other illegal payments or gifts to governmental officials.

## About this Communication on Progress

### Scope

Teva joined the United Nations Global Compact in January 2010 and this is Teva's third Communication on Progress, covering Teva's global policies, with examples of practice during 2011. As a matter of policy, all Teva global operations around the world are committed to the Global Compact principles, and are working in many ways to make continuous further progress. Teva continues the process of developing assessment and measurement processes for global impacts and practices across the range of corporate social and environmental activities. We anticipate expanding and broadening our future annual communications to the Global Compact in line with progress made.

### Availability

This Communication on Progress will not be printed in hard copy. It will be available to all through the UN Global Compact website and the Teva corporate website. Teva employees around the world will be informed of this communication which will serve as a basis to further dialog and development of corporate responsibility practices.

## Contact Details

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**Ayala Miller welcomes feedback and suggestions from all who read this  
Communication on Progress.**

**Thank you!**

