

# Global Third Party Due Diligence Policy

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## Purpose

The purpose of this Global Policy is to outline Third Party Due Diligence (TPDD), the process and standards for onboarding, engaging and interacting with **Third Party Representatives (TPRs)**, which ensures Teva and its TPRs conduct their activities ethically and in compliance with all **Applicable Laws and Codes**.



## Scope

In Scope:	Other Considerations:
<ul style="list-style-type: none"> <li>▪ <b>TPR Customers: Third Parties</b> whom Teva provides or sells <b>Goods</b> and who further provides or sells these Goods, directly or by an intermediary, to <b>Government Officials (GOs), Government Entities, or Healthcare Organizations (HCOs)</b></li> <li>▪ TPR vendors: Third Parties engaged and/or paid by Teva that may, with reasonable foreseeability, act on behalf of or represent Teva, directly or by an intermediary, in front of GOs, Government Entities, HCOs, or <b>Healthcare Professionals (HCPs)</b></li> </ul>	<ul style="list-style-type: none"> <li>▪ Individual HCPs engaged by Teva are covered under other global and/or local policies &amp; procedures. Please contact your Local Compliance &amp; Ethics Officer (LCO) for further guidance.</li> <li>▪ Additional parties engaged by <b>TPRs</b> (such as subcontractors and intermediaries) may also require TPDD. TPDD on these parties may be required arising from potential corruption risks related to the additional parties and their owners, location of the entities, risk profile of the business case and value/distribution chain, and similar TPDD risk-related elements. In these cases, the standards outlined in this Policy will apply.</li> </ul>

## Application

All **Teva Organizations Worldwide** are responsible for compliance with this Global Policy.

*Teva personnel should promptly report any known or suspected violation of this Policy or **Applicable Laws and Codes** in accordance with **Teva's Code of Conduct**. Any Teva personnel receiving a report of noncompliance alleging corruption, fraud, or financial misconduct, should promptly forward complete details to Teva's Office of Business Integrity (OBI). Teva will not tolerate retaliation against anyone making a good faith report. Any breach of this Policy, including failure to report actual or potential violations, may result in disciplinary measures, up to and including termination of employment.*

## Guiding Principles

- 1 Conducting business ethically, refraining from bribery and corruption, and acting in accordance with [Teva's Code of Conduct](#) and **Ethical Business Clauses** is essential to Teva.
- 2 Teva will only conduct business with ethical, reputable, and approved **TPRs** using Teva's TPDD evaluation process.
- 3 Teva cannot take actions indirectly through a **Third Party** that Teva itself cannot take directly. Teva may be held responsible for the actions of TPRs and expects them to abide by all **Applicable Laws and Codes**.

## Teva's Standards

- a. Teva does not tolerate any form of bribery or corruption. Teva nor **TPRs** must never — directly or indirectly — give, offer, or promise **Anything of Value** for the purpose of improperly:
  - Obtaining or retaining business,
  - Securing a business advantage, or
  - Influencing any other decision or action by the recipient.
- b. TPRs must only be engaged if they have been approved according to the [Global Third Party Due Diligence Policy & Procedure](#).
- c. Teva engages TPRs through a **Written Agreement** or Purchase Order that includes Teva's **Ethical Business Clauses**.
- d. Payments to TPRs must be:
  - Made after completion of due diligence and executed Written Agreement or Purchase Order; and
  - In accordance with [Applicable Finance and Procurement policies](#) and applicable P2P processes.
- e. Teva may require TPRs to train relevant employees and subcontractors in line with Teva's Ethical Business Clauses.

- f. Teva may require a TPR's books and records be audited (directly by Teva or by external party) to ensure that they are complying with the requirements of their contractual obligations under the Written Agreements or Purchase Order.

## TPR's Standards

- a. **TPRs** must never— directly or indirectly — give, offer, or promise a bribe, kickback, other improper payment, or **Anything of Value** to improperly influence a decision or gain an unfair business advantage for Teva.
- b. TPRs must abide by all **Applicable Laws and Codes** and conduct their activities in accordance with Teva's **Ethical Business Clauses**.
- c. TPRs must ensure that any fourth parties, including but not limited to subcontractors and intermediaries, engaged by the TPR to provide services and/or sell **Goods** related to Teva, adhere to the same Ethical Business Clauses that apply to the TPR.

## Exceptions

Please submit requests for exceptions to [ThirdPartyProgramGlobal@tevapharm.com](mailto:ThirdPartyProgramGlobal@tevapharm.com) using the [Third Party Due Diligence \(TPDD\) Exception Form](#). Teva's head of the TPDD program or Global Chief Compliance & Ethics Officer must approve any exceptions in writing.

## Resources

Name of Resource	Location of Resource
Applicable Finance and Procurement Policies & Procedures	MyTeva intranet
Ethical Business Clauses	MyTeva intranet
Global Third Party Due Diligence Policy & Procedure	MyTeva intranet
Short Form Ethical Business Clauses (to be used with TPR Purchase Orders)	MyTeva Intranet

Teva's Code of Conduct	MyTeva intranet
Third Party Due Diligence (TPDD) Exception Form	MyTeva intranet

## Glossary

- **Applicable Laws and Codes** – The international, regional, national, and local laws, regulations, decisions and guidelines of relevant authorities, and industry codes governing the activity or interactions. These may include Applicable Laws and Codes of the country where the Teva entity responsible for the activity is located, where the activity or interaction takes place, and/or where the Healthcare Professional (HCP) works.
- **Business Sponsor** – Teva employee responsible for the relationship with the Third Party Representative (TPR) and the primary point of contact between Teva and the TPR.
- **Cross-Border Third Party Representative (Cross-Border TPR) Engagement** – An engagement in which the location of the following is in two (2) or more different countries:
  - o Country where TPR is registered/incorporated
  - o Country where the Teva contracting entity is registered/incorporated
  - o Country where the TPR is providing the services or distributing the goods
  - o Country where the Business Sponsor is based
- **Customer** -
  - o Current or prospective business partner that purchases or intends to purchase any Teva product or service,
  - o Party that negotiates the purchase price or purchase terms of Teva products or services on behalf of such purchaser, or
  - o Representative, owner, shareholder (10% or greater), officer, director, or employee of such purchaser.
  - o Examples of Customers include retailers, wholesalers, and distributors.
- **Ethical Business Clauses** – Contractual standards approved by Teva's Legal Department that must be included in a Written Agreement or Purchase Order with relevant terms & conditions referring to anti-bribery/anti-corruption.
- **Goods** – Services and products, including marketed or to be marketed drugs, molecules under development, active pharmaceutical ingredients (APIs), and finished dosage drugs.

- **Government Entity** –
  - Federal, national, state, provincial, local, or municipal body or any department, agency, or subdivision of them,
  - Government-owned or government–controlled enterprise or organization,
  - Public international organization (for example, the UN, World Bank, EU, WTO, NATO),
  - Political organization or office, or
  - Entity that is considered a government body under applicable local law.
- **Government Official (GO)** –
  - Elected, appointed, or career official or employee of a federal, national, state, provincial, local, or municipal government or any department, agency, or subdivision of them,
  - Officer or employee of a government-owned or government–controlled enterprise or organization (for example, a Healthcare Professional (HCP) working at a government-owned or government–controlled hospital or clinic),
  - Officer or employee of a public international organization (for example, the UN, World Bank, EU, WTO, NATO),
  - Individual acting for or representing a government or any of the organizations referred to above, even if they may not be an employee of such government or organization,
  - Individual who is considered to be a GO under applicable local law,
  - Candidate for political office or official of a political party, or
  - Family member of any of the GOs described above.
- **Healthcare Organization (HCO)** – An entity providing healthcare services including hospitals, clinics, pharmacies, and group medical practices.
- **Healthcare Professional (HCP)** – A member of the medical, dental, pharmacy, and nursing professions and any other individuals who, in the course of their professional activity, are qualified or permitted to prescribe, supply, administer, purchase, recommend, reimburse, pay for, or acquire a medicine, or influence or authorize any of the foregoing. The term also includes health service managers and administrative or clinical support staff who provide support to HCPs, as well as any employees of any entity that is owned by or comprised of HCPs. Examples of HCPs include physicians, nurses, medical assistants, pharmacists, paramedics, product formulary committee members, clinical investigators, and public and private hospital employees.

- **Teva Organizations Worldwide** – Teva Pharmaceutical Industries Ltd. and its subsidiaries and affiliates in which Teva holds, directly or indirectly, 50% or more of outstanding equity interest, voting power, or rights to appoint at least one of the directors and managers.
- **Third Party** –
  - Anyone who is not a Teva employee (including former Teva employees), or
  - Any entity that does not qualify as part of **Teva Organizations Worldwide** and:
    - is active in the pharmaceutical industry environment, or
    - Has a relationship to Teva that is active (currently conducting business with Teva) or has been inactive for less than 3 years.
  - A Third Party would include Teva’s vendors, customers, business partners, or any other party that interacts with Teva.
- **Third Party Representative (TPR)** –
  - A Third Party to whom Teva provides or sells goods and who further provides or sells these goods, directly or by an intermediary, to Government Officials (GOs), Government Entities, or Healthcare Organizations (HCOs); or
  - A Third Party engaged and/or paid by Teva that may, with reasonable foreseeability, act on behalf of or represent Teva, directly or by an intermediary, in front of GOs, Government Entities, HCOs, or Healthcare Professionals (HCPs).