



TEVA
UK & IRELAND



2022

Environmental, Social and Governance Progress Report

Teva UK & Ireland

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A Message from Kim Innes

A focus on environmental, social and governance (ESG) is everyone's business at Teva. It's in our DNA. Right from the top of our global organisation, through the regions, clusters, countries and down to our individual people and their teams.

At Teva, we seek to align our corporate resources and expertise with relevant areas of global health and social need and conduct our business responsibly. We're dedicated to promoting health and increasing access to treatment for patients, while cultivating a culture of compliance, ethics and transparency, and taking steps to reduce our environmental impact.

Here in the UK and Ireland, as one of the largest suppliers of medicines to both healthcare systems, we take our responsibility to patients, customers, and communities very seriously. It's how we make sure we are doing the right thing by the people that we serve, and it gives us a framework to help ensure the long-term sustainability of our company.

Our ESG approach is underpinned by priority topics and globally we achieved six targets ahead of schedule, including meeting our 2030 target to increase energy efficiency, exceeding our 2030 target to reduce total water withdrawal in areas projected to be in water stress and meeting our 2023 targets to train employees on compliance policies.

Closer to home, we're proud of the achievements we made and our contributions to society in the past 12 months, including:

- **Partnering with the Carbon Trust to measure the cradle-to-grave carbon footprint of Teva inhalers**, helping us identify where we could potentially reduce emissions
- **Greening our office spaces**, by implementing recycling schemes and introducing a number of sustainability initiatives to reduce electricity and water consumption
- **Embedding a culture of Inclusion & Diversity** through working groups to share experiences, champion new ideas and challenge bias where it is found
- **Supporting the health and wellbeing of patients through our Life Effects platform**, shining a light on the impact chronic conditions have on everyday life

I hope you find this report useful, and it gives you a small insight into the work that we're doing locally across the UK and Ireland for the benefit of all.



A handwritten signature in black ink, appearing to be 'K. Innes'.

Kim Innes
General Manager
UK & Ireland

About Teva

We are working towards our Purpose: We are all in for better health.



We're one of the world's leading providers of generic medicines, with an innovative portfolio of specialty medicines and biosimilars, over-the-counter healthcare products and active pharmaceutical ingredients.

Approximately one in every five prescribed generic prescriptions packs in the UK is filled with a Teva product,¹ and it's estimated our generic medicines save the NHS around £2.4 billion in 2022.² In Ireland, Teva supplies more prescription medicines to Irish pharmacies than anyone else.³



We have over 2,000 employees across UK and Ireland sites working in a range of roles – from sales and marketing, to manufacturing, research and development (R&D) and distribution.



We're passionate about making Teva a great place to work for all employees and are committed to promoting inclusion and diversity throughout everything that we do.



We're headquartered in Israel, where Teva was founded in 1901.

Our UK commercial activities are headquartered in Castleford, West Yorkshire alongside our distribution centre, with additional offices in Harlow, Essex.

Our Ireland commercial activities are headquartered in Dublin, Ireland.

We also have manufacturing and R&D sites in Runcorn and Larne in the UK, and Baldoye and Waterford in Ireland.

ESG at Teva

Our Approach

Teva provides quality, affordable medicines, improving the lives of patients around the world.

To ensure our company continues to be sustainable, make a meaningful impact and create long-term value, we manage topics that are important to our business and to our stakeholders. This includes advancing access to medicines, promoting inclusion and diversity, protecting the planet and prioritising quality, ethics and transparency.



For more information on our global approach to ESG, search “**ESG at Teva**”

Environmental

Minimising our impact on the planet



We reduced our Scope 1 & 2 emissions by 34% vs 2019 at our Ridings Point distribution centre



We improved energy efficiency at our Ridings Point distribution centre by 7.3% vs 2019
100% of electricity used at our Waterford site is renewable

Social

Advancing health and equity



We rolled out a volunteering policy – giving all employees two days of paid volunteering per year



We reviewed HR policies to make them more accessible, including the introduction of gender-neutral language as standard

Economic Impact

As an employer and manufacturer, Teva creates jobs and contributes to economic output. Beyond direct expenditure, Teva's activities, spending and re-spending support other jobs and contribute to additional gross domestic product (GDP).⁴

Contribution to global GDP in 2022	Direct contribution to local GDP in 2022	Number of local FTE* jobs supported in 2022
UK: £471 million	UK: £242 million	UK: 2,490 (1,090 directly & 1,400 indirectly)
Ireland: €553 million	Ireland: €200 million	Ireland: 1,539 (760 directly & 789 indirectly)

* Full-time equivalent

Governance

Dedicating ourselves to quality, ethics and transparency



We reinforced our compliance principles and commitment to integrity with training completed by 100% of applicable employees



Globally, with EcoVadis, we assessed 56% of critical suppliers on their ESG performance (target: 100% by 2025)

Our Impact and Performance

Environmental

We actively implement measures across all our UK and Ireland sites with the aim of avoiding, reducing and controlling pollution, as well as promoting responsible use of energy and natural resources.

We are fully committed to playing our part in meeting the ambitious goals, outlined in Teva's global 2022 ESG report.⁵

- **Climate Action and Resilience**
 - Reduce absolute scope 1 and 2 greenhouse gas (GHG) emissions by 25% by 2025 and by 46% by 2030 (vs. 2019)*
 - Reduce absolute scope 3 GHG emissions by 25% by 2030 (vs. 2020)
 - Increase energy efficiency (kWh/USD revenue) by 10% by 2030 (vs. 2020)
 - Increase total proportion of electricity purchased or generated from renewable sources to 50% by 2030
- **Responsible Use of Natural Resources**
 - Reduce total water withdrawal by 10% in areas projected to be in water stress by 2030 (vs. 2020)
 - Increase the proportion of recycled and responsibly sourced materials by 10% by 2030 (vs. 2025)
 - Reduce the overall mass of secondary and tertiary packaging materials per unit dose by 2030
 - Assess the environmental life cycle impact of key respiratory products by 2030
- **Effluents and Waste**
 - Meet AMR Industry Alliance commitment to minimise antimicrobial discharges by assessing 100% of Teva sites that are handling drug products by 2030
 - Meet AMR Industry Alliance commitment to minimise antimicrobial discharges by assessing 50% of antimicrobial drug product and drug substance supply by 2030
 - Assess and mitigate the environmental impact of pharmaceutical ingredients used in operations
 - Continue to minimise waste generated from operations and the environmental impact of its disposal by 2030

*Target is tied to Sustainability Linked Bond

We're optimising the temperature of our Ridings Point distribution centre to reduce heating demand and cut carbon consumption. We're working to improve energy efficiency across our commercial sites by 5% and have already 100% of electricity used at our Waterford site is renewable.

Over the course of the past two years, several sustainability initiatives have progressed. We moved forward with plans to electrify our fleet; 60% of vehicles are now electrified, resulting in a 23% reduction in our fleet-related CO₂ emissions.

We achieved external certifications to the following International Organization for Standardization (ISO) standards (for our commercial UK operations, including our Yorkshire distribution centre, our site in Essex and field force):

- 45001 Health & Safety Management
- 14001 Environmental Management System
- 50001 Energy Management System

Carbon footprint assessment

A benchmarking exercise⁶ found that some of our existing metered-dose inhaler (MDI) products, produced at our Waterford plant, have less than half the carbon footprint of comparable competing products currently on the market. Teva UK and Ireland saw increased market demand for dry powder inhaler (DPI) products in 2022 following findings from a carbon footprint assessment performed in partnership with the Carbon Trust for various Teva inhaler products. The assessment found a significant difference in carbon footprint between metered dose inhaler (MDI) products (11.05 gCO₂e) and comparative DPI products (0.63 gCO₂e). Results also highlighted that some of Teva's MDI products have less than half the carbon footprint of comparable competitor products across their life cycle. The original carbon footprint assessment was performed in 2020, and we initiated a re-certification with the Carbon Trust in 2022.

Greening our workplaces

We've placed a significant emphasis on doing what we can to green our workplaces and progressed a number of sustainability initiatives throughout 2022. We've installed charging points to support the move to electrification of our fleet and are encouraging our business drivers to move to fully electric vehicles.

We converted our warehouse lighting to LED, saving 189 TCO₂e annually, and reducing electricity costs by 64%. We've introduced PIR motion sensors to lights in our office spaces to ensure lights turn off when they are not in use.

At our Ridings Point site, the introduction of low-flush lavatories has led to a saving in water. In addition, use of chemical and cleaning products has been reduced through the introduction of Purex water cleaning technology.

At our Larne site, we implemented food waste bins and TerraCycle collections for hard-to-recycle plastics. Relatively simple changes, like switching from single-use overshoes, cable ties and storage bags, have reduced waste in our laboratories.

My Green Lab

Teva Ireland started its My Green Lab journey in 2022, increasing laboratory sustainability through completing baseline assessments in its quality control and R&D laboratories. The assessment surveyed positive practices related to energy, water, waste, chemistry, materials and engagement, and the site formed employee-led green teams to implement changes in 2023.

Social

We take our responsibility to patients, carers, healthcare professionals and the wider community very seriously. We're proud of our contribution to healthcare in the UK and Ireland and will continue to work hard to fulfil our mission of improving the lives of patients.

High-quality medicines that save our healthcare systems money

We're proud to be one of the leading providers of generic medicines in the UK and Ireland. It's estimated that our generic medicines save the NHS around £2.4 billion annually.² These savings can be reinvested back into the NHS for the benefit of patients up and down the country. In Ireland, it's estimated that the Government can achieve a national saving of up to €1 billion over the next five years by switching to generic and biosimilar medicines.⁷



1 in 7 prescribed medicine **packs** supplied to the UK is a Teva pack⁸



1 in 8 prescription **packs** supplied to Irish Pharmacies is a Teva medicine³



Teva UK supplies **188 prescribed solid dosages (tablets, capsules or caplets) every second** to the pharmaceutical market⁹



11 tablets, capsules or caplets supplied by Teva are taken by patients in Ireland per second¹⁰

Supporting patients, caregivers and healthcare professionals

Through our Life Effects platform, we're proud to support patients with chronic conditions and their caregivers as they navigated the challenges of living with chronic conditions. We collated insights from patients with cancer, migraine, multiple sclerosis and mental health challenges – sharing their often moving and highly personal stories. Their experiences serve as an inspiration and trusted resource for the thousands of patients in the UK and Ireland coping with similar challenges.

In the UK we are proud to partner with Pharmacist Support, the professional charity for pharmacists, on their ACTNow campaign which supports the pharmacy profession to prioritise their own mental health and wellbeing with toolkits, resources and focused support.



Being a great place to work for all

Our biggest asset as a company is our people, and we care deeply about them, their health, safety and well-being. We place a strong emphasis on continuing to be a great place to work for all. We work hard to create an inclusive working environment, where every colleague is respected and supported to achieve their potential and drive our success.

At Teva, one of our core values is making our families proud. We know that our people's wellbeing and family life comes first, and we're committed to being a flexible employer who respects a healthy work/life balance. We recently introduced carers leave, for those employees that need to take time to look after their loved ones. We have a global platform for carers which colleagues can use as a "safe space" to share their own personal experiences. We also have a range of supportive health and wellbeing programmes to help our colleagues look after both their physical and mental health,

including access to mindfulness apps, virtual meetups inspired by the “shed” model and a variety of workout opportunities including high-intensity training sessions and lunchtime yoga and pilates.

We have a volunteering policy which enables employees to give their time to causes that matter to them. We are driving our diversity and inclusion work through workstreams focusing on gender, race and disability. We held drop-in sessions on the gender pay gap. And we hold regular menopause-specific sessions.

Economic Impact⁴

Teva In 2022, Teva UK’s economic activities:

- Contributed £471 million to global GDP
- Directly contributed £242 million to UK GDP

Teva UK supported a total of 4,655 full-time equivalent (FTE) jobs around the world in 2022, and a total of 2,490 FTE jobs in the UK (1,090 directly and 1,400 indirectly).

As a leading generic drug company in the UK, our generic products help save the NHS an estimated £2.4 billion annually.² These savings help free up funds which can create financial space for investment in new therapeutic approaches and meeting unmet medical needs.

In 2022, Teva Ireland’s economic activities:

- Contributed €553 million to global GDP
- Directly contributed €200 million to Ireland’s GDP

Teva Ireland supported a total of 6,754 FTE jobs around the world in 2022, and a total of 1,539 FTE jobs in Ireland (760 directly and 789 indirectly).

Governance

We’re dedicated to quality, ethics and transparency. They sit at the heart of everything we do.

We do things the right way, always

Globally, we assessed 56% of critical suppliers on ESG performance (Target: 100% by 2025), 46% of critical suppliers achieved bronze or higher score in EcoVadis (Target: >75% by 2025) and 31% of critical suppliers achieved silver or higher score in EcoVadis (Target: >50% by 2025).

We reinforced our compliance principles and commitment to integrity for our workforce by training or retraining 100% of active employees on applicable Teva compliance policies. Key subjects covered in the training include: doing business with ethics and integrity; fair competition; global data privacy; and conflicts of interest.

We achieved a 100% completion rate across the UK and Ireland for eligible employees. In addition, our local Compliance Officers conducted 1:1 and group training for employees where necessary according to job role and function.

In addition, ESG requirements are now incorporated into our supplier reviews for our manufacturing and research and development sites in Runcorn (UK) and Waterford (Ireland).



An industry leader

We play a leading role in a number of industry bodies. In the UK, we're active members of the British Generic Manufacturers Association, which advocates for greater access to affordable and high-quality medicines in the UK. We're also members of the Ethical Medicines Industry Group.

In Ireland, we're members of Medicines for Ireland, an industry group which promotes healthcare reform for Irish patients to receive the best treatment in the most affordable way.

Globally, Teva's carbon targets are now verified by the Science Based Targets initiative.

Connect with us

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LinkedIn [Teva Pharmaceuticals](https://www.linkedin.com/company/teva-pharmaceuticals)

Twitter [@Teva_UK](https://twitter.com/Teva_UK)

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- 5) Teva Pharmaceuticals 2022 ESG Progress Report <https://www.tevapharm.com/our-impact/esg-progress-report>
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- 7) Medicines for Ireland, Generic and biosimilar medicines set to free up €1 billion in HSE resources over the next five years, <https://www.medicinesforireland.ie/reductions-in-the-cost-of-medicines>
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