



Teva Pharmaceutical Industries Ltd

Targeted Research

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Executive summary

Teva Pharmaceutical Industries Ltd

Introduction and background

Sykehusinnkjøp HF has asked KPMG for support in gathering and analyzing publicly available information on Teva Pharmaceutical Industries Ltd (“Teva”) and its potential links to the Israeli occupation of Palestinian territory. Teva is one of the world’s largest biomedical companies with USD 15.8b in 2023 revenue, and the company is listed on the Tel Aviv Stock Exchange (“TASE”) and the New York Stock Exchange (“NYSE”).

Teva’s exposure to the Palestinian pharmaceutical market

The involvement of Teva in the Palestinian pharmaceutical market has been a subject of debate, primarily concerning allegations of Teva benefiting from discriminatory trade policies enforced by Israel. These allegations stem primarily from the 2012 "Captive Economy" report by the NGO Who Profits, which suggests that the Paris Protocol undermines the Palestinian pharmaceutical market by aligning it with Israeli customs laws and thereby restricting import options. It claims that Palestinian pharmaceutical manufacturers face logistical challenges and additional costs due to Israeli-imposed restrictions, while Israeli companies like Teva enjoy unfettered access to the Palestinian market. Despite these claims, other sources indicate that the Palestinian territories exercise some autonomy in regulating their pharmaceutical market.

Contradictory reports highlight the complexity of the situation. Some sources note that Palestinians are compelled to purchase certain medicines from Israeli producers due to a lack of alternatives. Allegations also exist that Teva benefits from Israel’s control over imports and exports to the Occupied Palestinian Territory (OPT), making Palestinian products more expensive due to high taxes on raw materials. However, more recent data from the Palestine Economic Policy Research Institute (MAS) suggest a balanced pharmaceutical market, with a significant portion of drugs produced locally. The US International Trade Administration confirms that both Israeli and Palestinian approvals are necessary for medical imports to the OPT. Overall, while there are claims of Teva benefiting from Israeli trade policies, the evidence remains mixed and inconclusive.

Teva and the UN “blacklist”

Teva was reportedly included in discussions surrounding a UN “blacklist” of companies linked to the Israeli settlement economy, as proposed by the Palestinian Authority and Arab states in 2016. The list faced significant political pushback from the US and Israeli governments, leading to multiple delays in its publication. Media reports from 2017 to 2019 speculated on Teva’s inclusion, with various media outlets suggesting its potential listing. However, despite these assertions, when the UN Human Rights Council eventually published the “blacklist” in February 2020, Teva was not included. The list examined 188 businesses, concluding that only 112 met the criteria for involvement in settlement activities, but it did not disclose the names of the companies considered but not included in the published list.

Subsequent reports, including from the Israeli newspaper Haaretz in 2022, claimed that Teva was part of the original list, though this is not reflected in official UN documents. As of June 2023, the latest update to the list, 15 companies were removed from the list for having ceased activities in the disputed territories. Teva remained absent from the updated list, highlighting a discrepancy between public claims and official records. The reasons for this inconsistency remain unclear, as no definitive explanation has been provided.

Physical presence in OPT

Teva, with a significant portion of its workforce based in Europe and a smaller presence in Israel, has been scrutinized for its alleged involvement in Israeli settlements. Despite having several manufacturing and R&D



facilities in Israel, none appears to be located in disputed territories at the time of writing this report. Who Profits has listed Teva among companies benefiting from the occupation, though specific details are not provided. The organization's claims seem to rely on the 2012 report alleging Teva's advantage from a captive Palestinian pharmaceutical market, with no recent updates.

In 2016, reports emerged that Teva had relocated its operations from the Atarot settlement in the West Bank to Beit Shemesh, possibly due to boycott threats. The move was noticed by the NGO Gush Shalom, though the specific subsidiary, MBT Biological Laboratories, is not widely recognized in other sources. Currently, no open-source information confirms Teva's physical presence in the Occupied Palestinian Territories.

Links to the IDF

Teva Pharmaceuticals has demonstrated active support for the Israeli Defense Forces (IDF) during ongoing conflicts. Yossi Ofek, Teva Israel's regional SVP and General Manager, recently highlighted the company's efforts to significantly increase the delivery of critical medicines to aid both civilians and the IDF. Teva has also engaged in charitable collaborations, donating medical supplies and equipment to IDF soldiers. Additionally, some Teva employees have been called to serve in the IDF's reserve forces, with reports indicating that even the CEO of Teva's logistics subsidiary, SLE, was involved in active duty.

Teva has participated in the "Adopt-a-Battalion" program, an initiative fostering relationships between IDF soldiers and civilian supporters through financial donations and engagement activities. Although Teva is no longer listed as an active partner on the program's website, its past involvement underscores its support for the IDF. Overall, Teva's contributions and participation in such initiatives illustrate its commitment to supporting Israeli military efforts.

Other information

Teva Pharmaceuticals has been involved in several complex issues related to its operations and regulatory challenges. Firstly, the logistics facility jointly operated by Teva and its subsidiary SLE in Shoham is owned by Amot Investments Ltd, which also has assets in the settlement of Ariel, considered illegal under international law. Amot purchased the facility from Teva in 2019.

Teva is currently recruiting for a temporary Account Manager role, with one potential location being Modi'in-Makkabim-Re'ut, a location that is considered a partial illegal settlement by the EU. However, the exact nature of Teva's operations in this area remains unclear, and the job advertisement may be erroneous, as it does not appear on Teva's official career webpage.

Furthermore, Teva has faced significant regulatory actions and fines, particularly in the US, where it has incurred over USD 6 billion in penalties and settlements since 2020 for various violations, including price-fixing and unapproved promotion of medical products. In 2024, the EU fined Teva USD 503 million for abusing its market position and spreading misinformation.

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Introduction

Terms of reference

KPMG AS was instructed by Sykehusinnkjøp HF on 21 November 2024 to undertake targeted research of any potential connections of Teva to OPTs. The research is limited to publicly available sources.

The objective of this report is to provide Sykehusinnkjøp HF with decision-making support by providing independent research of facts and identification of issues and concerns which may subject Sykehusinnkjøp HF to regulatory or reputational risks if it (further) engages with the company.

Scope of work

Publicly available information

The scope of work for this assignment includes the collection and analysis of publicly available information from the following types of sources:

- local and global corporate records such as business registries, as well as aggregators of such information.
- local and global media sources, aggregators, and archives.
- official regulatory databases of relevant jurisdictions, as well as commercial risk and compliance databases.
- official, open-source, and commercial litigation databases of relevant jurisdictions.
- social media accounts and websites if relevant and where available.
- any other type of journalistic, open-source, or otherwise relevant and publicly available information.

Based on our source landscape, we aim to:

- uncover any information connecting the subject to OPTs, human rights violations, and similar.

Our research was carried out in English, Hebrew, Arabic, as well as other relevant languages where required.

Limitations

Our report is based solely on publicly available information.

Disclaimer

Our report aims to provide an objective and nuanced account of the information collected, enriched by analysis where appropriate, and should as such be considered intelligence and not evidence. The information collected is based on the sources provided, with efforts to corroborate through multiple and independent primary and secondary sources. This report does not provide opinions or recommendations on any course of action.

This report should be considered current as of 19 December 2024 when the research was concluded. Subsequent events have not been taken into consideration.



Restrictions on the use of this report

Our reports are confidential and intended solely for internal use. Any disclosure, copying, quotation, or reference, in whole or in part, is strictly prohibited without prior written consent. If consent is granted, it may be subject to conditions, including but not limited to indemnification against any third-party claims resulting from the release of any portion of our reports.

Teva Pharmaceutical Industries Ltd

Introduction and background

Mandate

Sykehusinnkjøp HF has asked KPMG for support in gathering and analyzing publicly available information on Teva Pharmaceutical Industries Ltd (“Teva”) and its potential links to the occupied Palestinian territory (“OPT”). This includes researching the potential existence of Teva-operated production facilities in OPT, potential involvement in human rights abuses, as well as other indicators of Teva contributing to the maintenance of the Israeli occupation of Palestinian territory.¹

Company profile

Teva Pharmaceutical Industries Ltd (“Teva”) is a global manufacturer of pharmaceuticals headquartered in Tel Aviv, Israel. Teva serves primarily the North American and European markets with its pharmaceutical portfolio, which includes over 3,600 medications spanning the spectrum from generics to specialty treatments.² Teva reported global revenues of USD 15.8b in 2023,³ making it the world’s 25th biggest biomedical company by revenue.⁴ Teva is listed on TASE⁵ with American Depositary Receipts representing the Israeli shares listed on NYSE.⁶

Open-source information

Teva’s exposure to the Palestinian pharmaceutical market

We identified several sources claiming that Teva is a beneficiary of discriminatory trade policies enforced by Israel through its control of OPT borders.⁷ Most of these sources seem to cite a report published by the NGO Who Profits⁸ in 2012 named “Captive Economy: The Pharmaceutical Industry and the Israeli Occupation”,⁹ a report largely based on anonymous sources. As such, we have attempted to identify information pertaining to the state of the pharmaceutical market in the OPT and Teva’s role within it. We will first outline the main arguments presented in the report.

The “Captive Economy” report argues that the Paris Protocol, which regulates the financial relations between Israel and the Palestinian Authority, undermines the Palestinian pharmaceutical market by making it subservient to Israeli customs laws and policies. The report claims that all drugs imported to OPT will first need to be registered in Israel, which limits import options for the Palestinian market. Moreover, the report

¹ «KPMGs mandat er å utføre undersøkelser for å identifisere hvorvidt Teva Pharmaceutical har produksjon på okkupert område i Palestina eller om de på andre måter bidrar til å opprettholde Israels ulovlige tilstedeværelse eller er involvert i menneskerettighetsbrudd i Palestina»

² <https://www.sec.gov/Archives/edgar/data/818686/000119312524031005/d600678d10k.htm> p 165;
<https://www.tevapharm.com/our-company/teva-facts-figures/>

³ <https://ir.tevapharm.com/news-and-events/press-releases/press-release-details/2024/Teva-Reports-Growth-in-Fourth-Quarter-and-Full-Year-2023/default.aspx>

⁴ https://en.wikipedia.org/wiki/List_of_largest_biomedical_companies_by_revenue

⁵ https://market.tase.co.il/en/market_data/security/629014/major_data

⁶ <https://www.nasdaq.com/market-activity/stocks/teva>

⁷ E.g. <https://www.jstor.org/stable/48740665> or <https://investigate.afsc.org/company/teva-pharmaceutical-indus>

⁸ <https://www.whoprofits.org/sections/view/3?who-profits-research-center>

⁹ <https://www.whoprofits.org/publications/report/61>

alleges that Israel creates logistical hurdles for Palestinian pharmaceutical exporters which adds costs and reduces effectiveness, such as by not allowing Palestinian bulk exports of pharmaceuticals through the Ben Gurion airport for security reasons or imposing strenuous licensing requirements. Finally, the report states that Teva and other Israeli pharmaceutical producers are not placed under similar constraints and instead “enjoy easy access to the Palestinian market, free of customs and checkpoint disturbances”.¹⁰

However, other sources provide an impression that OPT enjoys some autonomy in regulating its internal pharmaceutical market. Certain sources also refer to Teva’s compliance with Palestinian pharmaceutical regulations. In an article published in 2008 by Palestinian news outlet Maann News, the Palestinian Ministry of Health is said to have imposed a new procedure whereby all medical suppliers are required to register with the Ministry and obtain a license prior to selling its products in the OPT. The Ministry’s undersecretary is quoted as commending Teva for registering with the Ministry and sees it as an important step for both for the Ministry and the Palestinian Authority to gain independence from the Israeli market. Moreover, the article states that this policy was seen as a response to the Israeli policy of not allowing Palestinian pharmaceutical products in East Jerusalem.¹¹

Another news outlet, Kull Al-Arab, published an article in 2011 covering an event held at the Movenpick Hotel in Ramallah organized by Pharmex Pharmaceuticals and Medical Products Company and the Pharmacist Syndicate celebrating the collaboration between Pharmex Palestine and Teva International. One of the speakers at the event was Dr. Akram Al-Daqqaq, Sales and Marketing Manager of Teva for the Palestinian interior region as well as the regions governed by the Palestinian Authority. Another attendee, according to the article, was Dr. Kamal Al-Wazani, Director of Licensing and Authorization at the Palestinian Ministry of Health. The head of the Pharmacist Syndicate is referenced commending the Palestinian Ministry of Health’s policy mandating all Israeli and foreign medical imports to go through a Palestinian agent. Al-Daqqaq, the Teva representative, is referenced as saying that only 3% of Teva’s business stems from the local market, which includes the Palestinian market.¹²

Other articles refer to Teva as benefitting from restrictions in the Palestinian market. An article in Palestinian news outlet Al-Hadath from 2014 states that Palestinians in the West Bank are forced to buy certain medicines from Israeli producers, including Teva, due to a lack of Palestinian or foreign non-Israeli alternatives for approximately 60 medical products and supplies.¹³

In an article in Maann, dated November 2022, the Palestinian Ministry of Health is quoted as having released a recall order on the drug Optalgin within the Palestinian market following the death of an Israeli after consuming the drug. A pharmacist and alleged public health expert states in a video interview with the Maann news anchor that the drug is produced by Teva and distributed in the Palestinian and Israeli market.¹⁴

In an article published in December 2023 by media outlet People’s Dispatch, Teva is accused of being “complicit in limiting the supply of medicines to Palestine”. An anonymous Palestinian activist is quoted stating that Teva is a “major medicine supplier” in the West Bank. The article alleges that Teva benefits from Israeli control of imports and exports to OPT as Israel reportedly impose high taxes on raw material used for pharmaceutical production entering the West Bank, thus making Palestinian products more expensive than Israeli products.¹⁵ We could not corroborate this information through open sources.

According to a research report published by the Palestine Economic Policy Research Institute (MAS) in 2019, the Palestinian pharmaceutical drug market was in 2017 divided between 52.5% of drugs being produced locally in Palestine and 47.5% being produced in Israel or abroad, calculated by revenue. The report states

¹⁰ <https://www.whoprofits.org/publications/report/61>

¹¹ <https://www.maannnews.net/news/111855.html>

¹² <https://www.kul-alarab.com/Article/352261>

¹³ <https://www.alhadath.ps/article/2462/-6-%D8%B3%D9%84%D8%B9-%D9%88%D8%AE%D8%AF%D9%85%D8%A7%D8%AA-%D8%A5%D8%B3%D8%B1%D8%A7%D8%A6%D9%8A%D9%84%D9%8A%D8%A9-%D8%A3%D8%B3%D8%A7%D8%B3%D9%8A%D8%A9-%D9%84%D8%A7-%D9%8A%D9%85%D9%83%D9%86-%D9%84%D9%84%D9%81%D9%84%D8%B3%D8%B7%D9%8A%D9%86%D9%8A%D9%8A%D9%86-%D9%85%D9%82%D8%A7%D8%B7%D8%B9%D8%AA%D9%87%D8%A7>

¹⁴ <https://www.maannnews.net/news/2081489.html>

¹⁵ <https://peoplesdispatch.org/2023/12/30/the-pharmaceutical-landscape-in-occupied-palestine/>

that the revenue data was collected through interviews with representatives of manufacturing companies.¹⁶ A summary of the report is available for download on MAS' website in English.¹⁷ Moreover, another MAS report dated July 2018 states that there is a registered decline in import of Israeli pharmaceutical products to Palestine, from 34% to 20%, with the difference being absorbed by Palestinian products.¹⁸ MAS is, according to its website, a non-profit scientific research institute based in Ramallah and registered with the Palestinian Ministry of Higher Education.¹⁹

The numbers presented by MAS are similar to the 2012 report "Captive Economy" which estimates that the OPT pharmaceutical market is comprised of 50% Palestinian manufacturers, 35% Israeli manufacturers, and 15% other imported products. The report states that the numbers stem from an interview with a representative of the Union of Palestinian Pharmaceutical Manufacturers.²⁰

The US International Trade Administration, a body under the US Department of Commerce, states that all medical and pharmaceutical imports to OPT require both Israeli and Palestinian Ministry of Health approvals and registrations.²¹ The guidance, last updated in October 2023, additionally states that Palestine has local pharmaceutical manufacturing and relies on a wide range of countries for imports.²² The claims are, however, not sourced.

Ascertaining whether Teva is a beneficiary of potentially discriminatory trade practices enforced by the state of Israel is challenging given the lack of authoritative information in open sources.

Teva and the UN "blacklist"

On 12 September 2017, a Times of Israel article stated that Teva was among several companies listed on a UN list of "settlement friendly firms".²³

The UN list is a database on enterprises undertaking business activities related to occupied areas of Palestine, and is not updated on an annual or regular basis. The database, which several media organizations have referred to as a "blacklist",²⁴ is a result of "Resolution 31/36" that was adopted by the UN Human Rights Council in March 2016. Resolution 31/36 condemned Israel's activities in occupied areas of Palestine, which it described as a "violation of international law". Paragraph 17 of the resolution states that a "database of all business activities" in these areas of Palestine should be compiled.²⁵

The 2017 Times of Israel article states that the list was compiled following a proposal put forth by the Palestinian Authority and Arab states in 2016, and had caused outrage with US and Israeli governments with the US threatening to pull out of the council should the list be published. The article states that the list was planned to be published in December 2017.²⁶ However, the publishing of the list was delayed. According to another article in the Times of Israel, published 5 March 2019, the UN report was delayed at several intervals after being commissioned in 2016, first in February 2017, then in December 2017, and again in January 2018.²⁷

¹⁶ https://mas.ps/cached_uploads/download/migrated_files/20191104114020-2-1640017428.pdf (page 8 - Table 1)

¹⁷ <https://mas.ps/en/publications/2857.html>

¹⁸ <https://mas.ps/en/publications/2814.html>

¹⁹ <https://mas.ps/en/background-mission-statement>

²⁰ https://www.whoprofits.org/writable/uploads/publications/1668626890_1aa4455a6a4cc3b32b5d.pdf

²¹ <https://www.trade.gov/country-commercial-guides/west-bank-and-gaza-healthcare>

²² <https://www.trade.gov/country-commercial-guides/west-bank-and-gaza-healthcare>

²³ <https://www.timesofisrael.com/coca-cola-teva-on-un-blacklist-of-settlement-friendly-firms-report/>

²⁴ <https://www.timesofisrael.com/un-human-rights-agency-releases-blacklist-of-112-companies-that-aid-settlements/> ; <https://www.middleeastmonitor.com/20200212-un-blacklists-112-companies-with-ties-to-illegal-israel-west-bank-settlements/> ; <https://edition.cnn.com/2020/02/12/middleeast/un-blacklist-israel-settlements-intl/index.html>

²⁵ <https://documents-dds-ny.un.org/doc/UNDOC/GEN/G16/082/57/PDF/G1608257.pdf?OpenElement> ; <https://www.business-humanrights.org/en/latest-news/un-creates-database-of-companies-operating-in-israeli-settlements-in-occupied-west-bank-east-jerusalem/>

²⁶ <https://www.timesofisrael.com/coca-cola-teva-on-un-blacklist-of-settlement-friendly-firms-report/>

²⁷ <https://www.timesofisrael.com/un-again-delays-blacklist-of-companies-doing-business-with-settlements/>

On 12 February 2019, an article in Al-Jazeera again mentioned Teva as one of several companies that were at risk of being added to the UN “blacklist”. According to Al-Jazeera, the UN was planning to release an updated version of the list in March 2019 which would include Teva. The article reiterates the continued pushback by the Israeli and US government with calls for stopping the list from being published by impacted business leaders.²⁸

News outlet Middle East Monitor published an article on 7 March 2019 stating that the publication of the UN “blacklist” report had been further delayed. The article quotes UN Human Rights Commissioner Michelle Bachelet saying that the report was delayed due to “factual complexity” and that “Further consideration is necessary to fully respond to the [human rights] council’s request.” The article further states that Israel actively lobbied for the report to remain unpublished over fears that listed companies could be targeted by boycotts.²⁹

Middle East Monitor published another article on 12 February 2020 stating that the UN “blacklist”, which included Teva, had been published. The article quotes Palestinian prime minister Mohammed Shtayyeh saying that the Palestinian Authority will “pursue companies listed in the report legally through international institutions”. The High Commissioner for Human Rights Michele Bachelet, however, is quoted saying that even though the settlements are considered illegal under international law, the UN “blacklist” “does not provide a legal characterization of the activities in question, or of business enterprises’ involvement in them.” Nevertheless, the CEO of one of the targeted companies, Hot Telecommunications Systems Ltd., is referenced as writing in a letter to Israeli prime minister Benjamin Netanyahu that being on the list might prompt “legal procedures” and lead international corporations to pull out their investments.³⁰ A CNN article published 12 February 2020 stated that the UN had not called for sanctions or boycotts of the listed companies.³¹

The UN “blacklist”, as linked in Middle East Monitor’s article and dated 12 February 2020, does, however, not include Teva.³² A technical reissuance³³ of the document dated 28 February 2020 similarly makes no mention of Teva.³⁴ The report states that it had scrutinized 188 businesses with alleged links to Israeli settlements in OPT. Out of the 188 businesses, only 112 “met the required standard of reasonable grounds to believe involvement in one or more of the listed activities”. The report does not state the names of the 76 companies that were deemed as not meeting the criteria for being listed.³⁵ An article in Israeli news outlet Haaretz, published 20 October 2022, claimed that the original list of 112 companies published in February 2020 included Teva,³⁶ even though the company was not mentioned on the official UN list from 2020.

An article published 30 June 2023 in Jerusalem Post states that the UN Office of the High Commissioner for Human Rights was supposed to update the list on an annual basis after being published in 2020 but were unable to do so due to lack of funding. According to the article, the UN only had capacity to review the companies listed in the original report, 15 of which were removed in June 2023 due to having discontinued their exposure to prohibited activities in the OPT.³⁷ The updated list does not include Teva.³⁸

²⁸ <https://www.aljazeera.com/news/2019/2/12/israeli-firms-face-un-blacklist-for-settlement-business>

²⁹ <https://www.middleeastmonitor.com/20190307-delaying-publication-of-the-settlement-blacklist-exposes-the-uns-false-narratives-on-human-rights/>

³⁰ <https://www.middleeastmonitor.com/20200212-un-blacklists-112-companies-with-ties-to-illegal-israel-west-bank-settlements/>

³¹ <https://edition.cnn.com/2020/02/12/middleeast/un-blacklist-israel-settlements-intl/index.html>

³² https://www.middleeastmonitor.com/wp-content/uploads/2020/02/20200212_UN-Companies-Operating-Israeli-Settlements.pdf

³³ <https://research.un.org/en/docs/symbols>

³⁴ <https://documents.un.org/doc/undoc/gen/g20/053/49/pdf/g2005349.pdf>

³⁵ https://www.middleeastmonitor.com/wp-content/uploads/2020/02/20200212_UN-Companies-Operating-Israeli-Settlements.pdf

³⁶ <https://www.haaretz.com/middle-east-news/palestinians/2022-10-20/ty-article/.premium/un-envoy-in-west-bank-calls-for-updated-list-of-companies-doing-business-with-settlements/00000183-f497-da7c-a5eb-fed74c470000>

³⁷ <https://www.jpost.com/breaking-news/article-748362>

³⁸ <https://www.ohchr.org/sites/default/files/documents/hrbodies/hrcouncil/sessions-regular/session31/database-hrc3136/23-06-30-Update-israeli-settlement-opt-database-hrc3136.pdf>

Teva does not appear to have been explicitly mentioned in any iterations of the official list, despite public proclamations that it has been or will be. We did not identify likely reasons for this discrepancy.

Physical presence in OPT

According to Teva's most recently filed annual report with the SEC, most of Teva's employees are located in Europe, with its 3,385 employees in Israel making up just 9.3% of its global workforce.³⁹ Regardless, Teva self-reports that it has "several" manufacturing and R&D facilities in Israel,⁴⁰ but that the impact of the war on these facilities has been "immaterial".⁴¹ In addition to its headquarters, we identified three potential Teva facilities in Israel: a raw materials plant in Neot Hovav,⁴² a manufacturing and R&D facility in Kfar Saba,⁴³ and a logistics center in Shoham operated by its subsidiary Salomon, Levin & Elstein Ltd ("SLE").⁴⁴ None of these facilities is in disputed territory.

However, an Al-Jazeera article from 2016 states that Teva is one of several Israeli companies on Who Profits' list of companies benefitting from occupation. The NGO is an Israeli organization that supports the global Boycott, Divestment, Sanctions (BDS) movement by providing a databank of entities that profit from the occupation. Even though the article mentions Teva, it does not specify how Teva profits from the occupation.⁴⁵ Who Profits' own webpage dedicated to Teva appears to be based on the 2012 report alleging that Teva benefits from a captive Palestinian pharmaceutical market, but does not appear to have been updated since then.⁴⁶

In late March 2016, however, several Arabic language media sources state that Teva was one of several companies that moved its operations out of illegal settlements due to fears of boycotts of its products. According to the articles, Teva moved its laboratories from the Israeli settlement Atarot in the West Bank to the Israeli city Beit Shemesh at a non-specified date.⁴⁷ The Arabic news sources refer to a report published by anti-occupation organization Gush Shalom which was referenced in an article in Israeli news outlet Haaretz on 27 March 2016.⁴⁸ Gush Shalom reports on its webpage that it was the Teva subsidiary "MBT Biological Laboratories" ("MBT") which reportedly "quietly relocated" from Atarot to Beit Shemesh,⁴⁹ possibly during the

³⁹ <https://www.sec.gov/Archives/edgar/data/818686/000119312524031005/d600678d10k.htm> p 17

⁴⁰ <https://www.sec.gov/Archives/edgar/data/818686/000119312524031005/d600678d10k.htm> p 38 and 56

⁴¹ <https://www.sec.gov/Archives/edgar/data/818686/000119312524031005/d600678d10k.htm> p 98; Re-iterated in Teva's quarterly filing for Q3 2024 <https://www.sec.gov/Archives/edgar/data/818686/000119312524252039/d874174d10q.htm> p 11

⁴² <https://neot-hovav.org.il/en/company/teva/> ; <https://www.brightfuture.co.il/en/newpagec3abd78b>

⁴³ <https://www.teva.co.il/about-teva/teva-Israel/teva-kfar-saba/> and <https://www.sle.co.il/>

⁴⁴ https://www.electra.co.il/en/group_projects/industry_laboratories_and_research/teva_logistics_center_shoham

⁴⁵ <https://www.aljazeera.net/news/2016/4/25/%d9%85%d9%86%d8%b8%d9%85%d8%a9-%d8%a5%d8%b3%d8%b1%d8%a7%d8%a6%d9%8a%d9%84%d9%8a%d8%a9-%d8%aa%d9%82%d9%88%d8%af-%d8%a7%d9%84%d9%85%d9%82%d8%a7%d8%b7%d8%b9%d8%a9>

⁴⁶ <https://www.whoprofits.org/companies/company/4212?teva-pharmaceutical-industries> note the disclaimer in the lower-left corner "All the information contained in this page is valid until 22/07/2012"

⁴⁷ <https://www.arab48.com/%D9%81%D9%84%D8%B3%D8%B7%D9%8A%D9%86%D9%8A%D8%A7%D8%AA/%D8%A7%D9%84%D8%A7%D8%B3%D8%AA%D9%8A%D8%B7%D8%A7%D9%86-%D9%88%D8%A7%D9%84%D9%85%D8%B3%D8%AA%D9%88%D8%B7%D9%86%D8%A7%D8%AA/2016/03/28/%D8%AA%D8%B2%D8%A7%D9%8A%D8%AF-%D8%A7%D9%84%D8%B4%D8%B1%D9%83%D8%A7%D8%AA-%D8%A7%D9%84%D8%A5%D8%B3%D8%B1%D8%A7%D8%A6%D9%8A%D9%84%D9%8A%D8%A9-%D8%A7%D9%84%D8%AA%D9%8A-%D8%AA%D8%BA%D8%A7%D8%AF%D8%B1-%D8%A7%D9%84%D9%85%D8%B3%D8%AA%D9%88%D8%B7%D9%86%D8%A7%D8%AA> ; <https://center-lcra.com/index.php?s=28&id=16332> ;

https://www.masrawy.com/news/news_press/details/2016/3/28/776548/%D8%B4%D8%B1%D9%83%D8%A7%D8%AA-%D8%A7%D8%B3%D8%B1%D8%A7%D8%A6%D9%8A%D9%84%D9%8A%D8%A9-%D8%AA%D9%86%D9%82%D9%84-%D9%85%D8%B5%D8%A7%D9%86%D8%B9%D9%87%D8%A7-%D9%85%D9%86-%D8%A7%D9%84%D9%85%D8%B3%D8%AA%D9%88%D8%B7%D9%86%D8%A7%D8%AA-%D8%AE%D8%B4%D9%8A%D8%A9-%D8%A7%D9%84%D9%85%D9%82%D8%A7%D8%B7%D8%B9%D8%A9 ; <https://al-ain.com/article/105241>

⁴⁸ <https://www.haaretz.com/israel-news/2016-03-27/ty-article/.premium/israeli-firms-increasingly-leaving-west-bank/0000017f-df01-db5a-a57f-df6bd8b60000?v=1733338881529>

⁴⁹ <http://zope.gush-shalom.org/home/en/events/1459092710/>

second intifada.⁵⁰ Atarot, located in occupied East Jerusalem, houses an industrial zone with 300 facilities and employs 5,000 workers, according to an article published by Jerusalem Institute in January 2021.⁵¹

We have not been able to identify MBT or its links to Teva in other open sources. This might be due to a name change or cessation of business, but we note that Teva appears to have ceased semi-detailed reporting on its properties and facilities from 2017 onwards.⁵² However, there are several potential legitimate explanations for this change in reported information, for example Teva's change of SEC reporting obligations in the period, or as a result of its acquisition of Actavis Generics in 2016.⁵³

If Teva continues to have a physical presence in the OPT, this is not information that is available in open sources.

Links to the IDF

Teva is outspoken in its support for the IDF in the ongoing war. Yossi Ofek, the regional SVP and General Manager of Teva Israel,⁵⁴ gave an interview to the Israeli news outlet Ynet in September 2024 where he explained how Teva had "tripled" the delivery of critical medicines and explicitly sought to aid both civilians and the IDF with medical supplies.⁵⁵

Another Ynetnews article from October 2023 states that Teva made several contributions such as donating medicines in collaboration with charities. These donations also allegedly included Teva employees donating equipment for Israeli Defense Force (IDF) soldiers in collaboration with the Pitchon-Lev charity, a poverty alleviation charity.⁵⁶ The article also states that several Teva employees have been called up to serve as part of IDF's reserve force.⁵⁷ In a different article posted by the Jerusalem Post on 24 December 2023, it appears that the CEO of SLE, Teva's logistics subsidiary in Israel, was allegedly fighting in Gaza after being called into the reserve force. The CEO is quoted saying that "Our brigade also received deliveries of equipment collected by Teva workers for us".⁵⁸

According to an article in Israel365News, dated 26 September 2016, Teva is one of several companies that have participated in the "Adopt-a-Battalion" program. Through this program, companies can develop "deep and lasting relationships between IDF soldiers and civilians who support them" by providing an annual donation of about \$27,000 for three years. Donors are reportedly invited to adoption ceremonies and "receive direct communication with commanders including reports on their battalion, soldier progress, updates about activities done through the adoption, pictures, personal letters from soldiers, gifts bearing the battalion's insignia and opportunities to join soldiers on bases and during their vacation time."⁵⁹ Another article in Israel National News from 8 June 2014 similarly states that Teva has participated in the "Adopt-a-Battalion" program.⁶⁰ However, Teva no longer appears to be an active "partner" on the programme's official website.⁶¹

Teva appears to be an active supporter of the IDF.

⁵⁰ https://settlement-products.fandom.com/wiki/Factories/Businesses_that_have_left_the_settlements

⁵¹ <https://jerusalemstitute.org.il/en/events/%D7%A2%D7%98%D7%A8%D7%95%D7%AA/>

⁵² <https://www.sec.gov/Archives/edgar/data/818686/000119312517045463/d346875d20f.htm> p 47 onwards, compare with <https://www.sec.gov/Archives/edgar/data/818686/000119312518039076/d529462d10k.htm>

⁵³ <https://www.tevapharm.com/news-and-media/latest-news/teva-completes-acquisition-of-actavis-generics/>

⁵⁴ <https://www.linkedin.com/in/yossi-ofek/?originalSubdomain=il>

⁵⁵ <https://www.ynet.co.il/economy/transport/article/sjkeqhwrc>

⁵⁶ <https://www.pitchonlev.org.il/about/?lang=en>

⁵⁷ <https://www.ynetnews.com/article/sjyjuf1111a>

⁵⁸ <https://www.jpost.com/special-content/the-heroes-of-teva-779380>

⁵⁹ <https://israel365news.com/310744/civilians-companies-invited-adopt-idf-battalion/>

⁶⁰ <https://www.israelnationalnews.com/news/181476>

⁶¹ <https://web.archive.org/web/20240521110925/https://ametz.ufis.org.il/%D7%94%D7%A9%D7%95%D7%AA%D7%A4%D7%99%D7%9D-%D7%A9%D7%9C%D7%A0%D7%95/> note that the link is an archived webpage from May 2024. The actual domain appears to be geoblocked when accessed directly.

Other information

- The landlord of the joint Teva/SLE logistics facility in Shoham is an active investor in illegal settlements. Amot Investments Ltd (“Amot”) lists both the Teva/SLE facility as well as an industrial estate in the illegal settlement Ariel as assets on its webpages.⁶² Amot appears to have purchased the facility from Teva in 2019.⁶³ Amot is majority owned by Alony-Hetz Properties and Investments Ltd, a company with several additional alleged links to the occupation economy.⁶⁴
- Teva appears to currently be recruiting for a temporary Account Manager role that is available at five different locations in Israel.⁶⁵ One of the possible locations is Modi'in-Makkabim-Re'ut, a location considered to be a partially illegal settlement by the EU.⁶⁶ Only a single, east-facing zip code in Modi'in-Makkabim-Re'ut continues to be considered an illegal settlement by the EU,⁶⁷ down from three zip codes in 2012.⁶⁸ We could not identify whether Teva operates facilities in Modi'in-Makkabim-Re'ut, nor why the job advertisement appears to recruit for so many locations despite being temporary. It is possible that the advertisement is an error. No similar advertisement can be found on Teva's official Israeli career webpage.⁶⁹
- Teva has been the subject of a variety of regulatory actions and fines in the last few years alone. In the US alone, Teva has been fined a total of more than USD 6b since 2020 for price-fixing or anti-competitive practices, unapproved promotion of medical products, violations of the false claims act and labour violations.⁷⁰ Teva was additionally fined USD 503m by the EU in 2024 for abusing its dominant market position and spreading misinformation about a competitor.⁷¹

⁶² <https://web.archive.org/web/20240228123904/https://www.amot.co.il/en/assets-list/industry/amot-ariel/> and <https://web.archive.org/web/20240223162707/https://www.amot.co.il/en/assets-list/industry/teva-sla-logistics-center/> note that both links are archived webpages from May 2024. The actual domain appears to be geoblocked when accessed directly.

⁶³ <https://en.globes.co.il/en/article-mmot-buys-tevas-logistics-center-1001303332>

⁶⁴ <https://investigate.afsc.org/company/alony-hetz>

⁶⁵ <https://www.alljobs.co.il/Search/UploadSingle.aspx?JobID=7953668>; archived at <https://web.archive.org/web/20241206091435/https://www.alljobs.co.il/Search/UploadSingle.aspx?JobID=7953668>

⁶⁶ https://taxation-customs.ec.europa.eu/eu-israel-technical-arrangement_en and https://taxation-customs.ec.europa.eu/document/download/7b0df9b7-cbdb-48aa-a98f-172ae9513336_en?filename=Settlements%20Zipcodes%20Final%20%28004%29.pdf

⁶⁷ <https://postalcode.48shops.com/City.aspx?ln=english&id=476351>

⁶⁸ <https://www.israelnationalnews.com/news/158946>

⁶⁹ https://careers.teva/?locale=he_IL

⁷⁰ https://violationtracker.goodjobsfirst.org/?parent=teva-pharmaceutical-industries&order=pen_year&sort=

⁷¹ <https://www.reuters.com/business/healthcare-pharmaceuticals/teva-fined-503-mln-by-eu-disparaging-rival-product-2024-10-31/>



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