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1 Introduction

This methodological note is intended to help readers understand how the **Transfers of Value (ToVs)** from Gilead Sciences Inc. and its **Affiliates (Gilead)** to **Healthcare Professionals (HCPs)** and **Healthcare Organisations (HCOs)** in the UK have been collated and reported.

A glossary has been included at the end of this methodological note containing an alphabetical list of the main terms used within this note and their definitions. The terms in the glossary are always capitalised and appear in bold on first use within this note to aid lookup. The glossary also contains hyperlinks to other terms defined within the glossary to aid understanding.

Gilead has no “over the counter” medicines and no medical devices, so all Transfers of Value relate to prescription-only medicines, i.e. those medicines that must be prescribed by a suitably qualified HCP.

Gilead began its EFPIA transparency reporting project in 2013 to supplement existing country transparency reporting mechanisms in Denmark, France, Netherlands, Portugal, and UK. This was to ensure that Gilead would be ready to capture all relevant ToVs to **Reportable Recipients** prospectively throughout 2015 prior to the first EFPIA disclosure in 2016.

To enable Gilead to have assurance that all ToVs to all Reportable Recipients will be reported in the correct format and language(s) for each country, it was decided to automate and standardise data extraction as far as possible and to use a **Reporting Engine** supplied by a **Reporting Engine Provider** to produce the reports. Gilead also uses the Reporting Engine Provider’s HCP / HCO master data to confirm Reportable Recipients, which supports Gilead’s data accuracy efforts.

To help with checking and managing the data locally, Gilead has engaged a **Data Steward** for each Gilead Affiliate who is responsible for ensuring completeness and accuracy of data.

2 Definition of Transfers of Value

ToVs may arise from the following broad types of activity (there are others):

- a. **Advisory Boards** - HCPs give Gilead advice on particular aspects of its strategy or the use of its medicines. Gilead may pay an honorarium to each participant and / or pay their travelling expenses to the place where the meeting is being held.
- b. **Speaker meetings** - HCPs are engaged to train other HCPs on the use of Gilead’s medicines. Gilead may pay an honorarium to each speaker and may pay travelling expenses to all attendees including the speaker(s).
- c. **HCP Sponsorship** – Gilead may Sponsor one or more HCPs to attend a scientific conference or congress which might include paying the HCPs’ conference fees and / or their travelling expenses.
- d. **HCO Sponsorship** - Gilead may Sponsor one or more HCOs who will choose which HCPs to send to a conference. In this case, Gilead does not know which HCPs received the ToVs and will therefore report the ToVs against the relevant HCOs.
- e. **Clinical trials prior to approval** - Gilead pays HCOs to participate in clinical trials which are an essential part of ensuring that medicines are effective and have an appropriate safety

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profile. Gilead may also pay travelling expenses for HCPs involved in clinical trials to travel to meetings with other HCPs involved in the same clinical trials. Note that clinical trials ToVs are reported within the single figure for research and development activities within each country provided the ToVs fall within the scope of the original agreed trial protocol; any ToVs outside of that scope are reported as fees for services and associated travelling expenses.

- f. Market research - small ToVs might be made to HCPs in return for answering questions about Gilead products and / or a therapeutic area. Gilead only participates in “blind” market research where it does not know the identities of the participants. Gilead has therefore not reported any ToVs for market research activities.
- g. **Investigator Sponsored Research** – research may be undertaken by individual HCPs and / or HCOs where they would like to investigate a particular aspect of a Gilead medicine. This type of research, where supported by paying a **Grant** to the relevant HCO, is reported as a ToV under the appropriate heading.
- h. Grants, **Donations** and benefits in kind – Gilead may make grants or donations to HCOs to enhance patient care, or benefit the NHS and maintain patient care, or for the purpose of supporting research.
- i. Joint Working – Gilead may work in collaboration with the NHS on activities which benefit patients where there is a shared commitment to successful delivery.
- j. Note that food and drink is not reportable under the **EFPIA Disclosure Code**.

3 Definition and management of Cross-Border Spend

Some ToVs to Reportable Recipients are made by a Gilead Affiliate, or on behalf of a Gilead Affiliate, that is not the “home country” (country of principal practice) of the HCP or HCO receiving the ToVs. For example, Gilead UK might make ToVs to a German HCP, or an events agency working for Gilead’s European Head Office might make ToVs to several HCPs from different countries. This is called **Cross-Border Spend**.

Any ToVs made by, or on behalf of, any Gilead Affiliates to Reportable Recipients within EFPIA countries, including Cross-Border Spend, are captured as described under [“How Transfers of Value are captured and recorded by Gilead”](#).

4 Which Recipients of Transfers of Value are reported by Gilead

Gilead has flagged all Reportable Recipients as defined under the EFPIA Disclosure Code within its internal systems to aid extraction of relevant ToVs. The Reportable Recipients are defined in the Glossary.

In the UK the local reporting template used is in English.

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5 How Transfers of Value are captured and recorded by Gilead

5.1. Direct Spend

Gilead makes some ToVs directly to HCPs and HCOs; these transfers are referred to as **Direct Spend**. Direct Spend typically covers items such as fees for services and associated travelling expenses, plus any non-monetary ToVs made to HCPs via Gilead employee out-of-pocket expenses.

Gilead has modified its **Enterprise Resource Planning (ERP)** system and employee expense reimbursement system to extract all Direct Spend to any Reportable Recipient into a standardised format. These data are uploaded into an internal database where they are checked and stored temporarily before being transferred to the Reporting Engine.

5.2. Indirect Spend

ToVs made to HCPs and HCOs by **Third Party Vendors** on behalf of Gilead are called **Indirect Spend**. Indirect Spend typically covers travel and accommodation at meetings and conferences, and may also include honoraria payments.

Gilead uses a template Excel spreadsheet to enable Third Party Vendors to capture ToVs to Reportable Recipients. The template Excel spreadsheet provides data in the same standardised format, which are then treated in the same way as for Direct Spend as described above.

5.3. ToV Dates

The date recorded against each ToV determines the ToV reporting period. The ToV date recorded by Gilead is the payment date except for the following instances:

- a. Air / Rail Travel: The ToV date is the date the travel ticket is issued (i.e. the date on which Gilead has committed to the travel);
- b. Travel Transfers: The ToV date is the date the transfer was provided; and
- c. Accommodation: The ToV date is the latest date on which the accommodation was provided (i.e. the last day of the hotel stay).

For joint working activities, the assignment of the ToV to the NHS partner is made on the date that the NHS or other service provider (for example where Gilead's contribution is through funding services via a third party) receives payment from Gilead. Thus for activities that take place over a number of years, the entire ToV will be assigned only once and will be disclosed for the year in which the payment is made.

Some payments were made in 2015 for activities that occurred in 2014, and these are reported as ToVs in the 2015 report. Some payments will be made in 2016 for activities that occurred in 2015 and these ToVs will be reported in the 2016 report, due for publication in 2017.

5.4. Treatment of Tax

The ABPI implementation of the EFPIA Disclosure Code permits companies to choose whether to report ToVs inclusive or exclusive of taxes and Gilead has chosen to report inclusive of taxes.

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5.5. Currency Management

Each ToV is transferred to the Reporting Engine in its original currency. The Reporting Engine has the capability to convert the ToV into any currency enabled within the system. This permits Gilead to publish the required local report in local currency, albeit some ToVs may have been made in a currency other than the local currency.

The Reporting Engine Provider maintains exchange rates within the Reporting Engine using rates obtained from a well-known, reputable provider.

6 How Gilead manages Consent

Gilead has sought **Consent** from Reportable Recipients as required by UK **Data Privacy** legislation for individual disclosure of their ToVs in the ABPI Report. Such Consent has been obtained by reporting period.

Gilead does not permit “cherry-picking”: either all ToVs made to a Reportable Recipient in a reporting period are disclosed individually, or they are disclosed in aggregate.

7 How Gilead avoids reporting duplicate transactions

Gilead has put in place several steps to ensure that ToVs are reported only once. The key step is that the Gilead Affiliate that makes the ToV is responsible for capturing the ToV.

Where Gilead works with other pharmaceutical companies, each company reports the ToVs relating to the activities that they organised. For jointly organised events, the companies agree in advance which ToVs will be reported by each company. This mechanism avoids duplicate reporting for joint activities.

Data Stewards are responsible for reviewing Reportable Recipient ToVs in the Reporting Engine and taking reasonable steps to identify and resolve any potential duplicates.

As a minimum, Reportable Recipients who Consent to individual disclosure are pre-notified of the ToVs Gilead intends to disclose in their name, and therefore have the opportunity to identify any duplications or other errors.

8 How Gilead checks the accuracy of reports

In addition to the steps above to prevent duplicate ToVs, Data Stewards also review Reportable Recipient ToVs in the Reporting Engine for accuracy and completeness. Some of the activities they undertake as part of this review may include:

- a. Identifying inconsistencies in the ABPI Report output, such as fees for services with no associated travelling expenses, or travelling expenses related to Sponsorship of cost of events without any associated registration costs;
- b. Sample checking ToVs back to source documentation, such as signed contracts or supplier invoices; and
- c. Tracing expected ToVs from planning documents through to the Reporting Engine.

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Such activities as those described above give Gilead reasonable assurance that the ToVs it reports are as accurate and complete as possible.

9 Publication of reports

Data Stewards are responsible for producing the local report required under their local EFPIA Disclosure Code implementation and publishing it appropriately. The ABPI report is published on the ABPI central platform.

Reportable Recipients may notify Gilead of any errors in reporting, or withdraw their Consent, for up to 3 years following publication.

Gilead's document retention period is 10 years in lieu of any statutory retention period.

Any queries regarding Gilead's ABPI reporting should be made using the website www.gilead.com/news/media-inquiries.

30 March 2016

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10 Glossary

This glossary includes the technical definitions of all terms used within this methodological note, including relevant abbreviations.

Term	Meaning
Consent	<p>Consent refers to the Reportable Recipient agreeing to Gilead's use and disclosure of that Reportable Recipient's personal data for Data Privacy purposes.</p> <p>To be valid, Consent must be given freely and must be informed.</p> <p>For Consent to be 'informed', Gilead must tell the Reportable Recipient in advance of Consent being given: (i) what personal data of that Reportable Recipient Gilead wants to collect; and (ii) how Gilead intends to use that personal data.</p> <p>Consent can be withdrawn by the relevant Reportable Recipient at any time by giving notice to Gilead.</p>
Cross-Border Spend	<p>Any payment made by one Gilead group company to a payee (Reportable Recipient) who is reportable by another Gilead Affiliate (e.g. a payment made by the UK Affiliate to a German HCP is reportable by Gilead Germany).</p>
Data Privacy / Data Protection	<p>The laws relating to processing of personal data (information relating to an identifiable person), including Directive 95/46/EC (the 'Data Protection Directive') and national legislation implementing the same.</p>
Data Steward	<p>The Data Steward is the individual in each Gilead Affiliate who is responsible for:</p> <ul style="list-style-type: none">• generating, maintaining and publishing disclosure reports• co-ordinating communications with Reportable Recipients and taking appropriate action to resolve any identified issues
Direct Spend	<p>Direct spend means all Transfers of Value to a Reportable Recipient made directly by Gilead. In other words, all sums paid by Gilead directly to a Reportable Recipient. This spend is recorded in Gilead's ERP (finance) systems.</p>
Disclosure Code	<p>See EFPIA Disclosure Code.</p>
Donation	<p>Philanthropic payment to a registered charity.</p>
EFPIA	<p>EFPIA or the 'European Federation of Pharmaceutical Industries and Associations' is the body that represents the pharmaceutical industry in Europe. Further information can be found here.</p>
EFPIA Disclosure Code	<p>EFPIA's code sets out requirements for the disclosure by the pharmaceutical industry of its financial interactions with HCPs/HCOs (see Transfers of Value). The Disclosure Code was required to be transposed into the national codes of all 33 EFPIA member associations by 1 January 2014. The full text of the Disclosure Code and other information about transparency reporting can be found here.</p>
EFPIA Report	<p>The local report of ToVs to Reportable Recipients as required by the EFPIA Disclosure Code.</p>
Enterprise Resource Planning (ERP)	<p>The system that enables Gilead to generate and manage purchase orders, invoices and other key business documents.</p>
Gilead	<p>Gilead Sciences Inc. and its Affiliates.</p>
Gilead Affiliate	<p>Any Gilead group company in any country, including those outside the EFPIA remit.</p>

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Grant	Funding given to independent organisations, such as HCOs , for particular projects for the enhancement of patient care, or benefit of the NHS whilst maintaining patient care, or for the purpose of supporting research.
Healthcare Organisation (HCO)	The definition given in the ABPI Code of Practice is: <i>“either a healthcare, medical or scientific association or organisation such as a hospital, clinic, foundation, university or other teaching institution or learned society whose business address, place of incorporation or primary place of operation is in Europe; or an organisation through which one or more HCPs or other relevant decision makers provide services.”</i>
Healthcare Professional (HCP)	The definition given in the ABPI Code of Practice includes: <i>“members of the medical, dental, pharmacy and nursing professions or any other persons who in the course of their professional activities, may administer, prescribe, purchase, recommend, supply or use a medicine.”</i> and also includes <i>“any employee of a pharmaceutical company whose primary occupation is that of a practicing health professional”</i> as defined above. For the purposes of disclosure, the term HCP also encompasses <i>“other relevant decision makers”</i> as defined in the ABPI Code of Practice as: <i>“those with an NHS role who could influence in any way the administration, consumption, prescription, purchase, recommendation, sale, supply or use of any medicine but who are not health professionals.”</i> The individual’s primary practice or principal professional address is in Europe.
Indirect Spend	Indirect spend means all Transfers of Value to a Reportable Recipient which are made by a Third Party Vendor on Gilead’s behalf.
Investigator Sponsored Research	Research may be undertaken by individual HCPs and / or HCOs where they would like to investigate a particular aspect of a Gilead medicine. Gilead may choose to support this research by paying a Grant to the relevant HCO .
Patient Organisation	Patient organisations are defined as not-for-profit organisations (including the umbrella organisations to which they belong), mainly composed of patients and/or caregivers, that represent and/or support the needs of patients and/or caregivers.
Reportable Recipient	Means any HCP/HCO in relation to whom Gilead is required to disclose the Transfers of Value that it makes. .
Reportable Spend	All Transfers of Value made by any Gilead Affiliate, or by any third party on behalf of any Gilead Affiliate, to any Reportable Recipient .
Reporting Engine	The database and reporting system that holds ToV data and enables Gilead to produce the EFPIA Reports in the appropriate format and language for each EFPIA reporting country.
Reporting Engine Provider	The software company that owns the Reporting Engine and maintains it for Gilead .
Sponsorship	Individual Sponsorship – financial support for Reportable Recipients to attend educational events including travel, accommodation and registration fees. Event Sponsorship – financial support for Third Party educational events.
Third Party Vendors	Any agency (e.g. medical education agency, events agency, Contract Research Organisation) which makes payments to Reportable Recipients on Gilead ’s behalf.
Transfer of Value (ToV)	A Transfer of Value means a direct or indirect benefit (whether money or money’s worth)

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given to a [Reportable Recipient](#) by [Gilead](#).

The [ABPI Code of Practice](#) defines such transfers as follows:

“a direct or indirect transfer of value, whether in cash, in kind or otherwise, made, whether for promotional purposes or otherwise, in connection with the development or sale of medicines. A direct transfer of value is one made directly by a company for the benefit of a recipient. An indirect transfer of value is one made on behalf of a company for the benefit of a recipient, or through an intermediate and where the company knows or can identify the recipient that will benefit from the transfer of value.”