

**METHODOLOGICAL NOTE WITH REGARD TO TRANSFERS OF
VALUE (ToV) TO HCPs (HEALTHCARE PROFESSIONALS), HCOs
(HEALTHCARE ORGANISATIONS) AND ORDMS (OTHER RELEVANT
DECISION MAKERS), DURING THE 2019 CALENDAR YEAR:
BOEHRINGER INGELHEIM LTD.**

As per ABPI guidance, the 2019 disclosure information was originally published in an aggregated format due to the COVID 19 Pandemic. This note is relevant to the full disaggregated data published as per ABPI guidance in July 2020.

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1. INTRODUCTION

Boehringer Ingelheim Ltd is committed to the disclosure of Transfers of Value (“ToV”) made to Healthcare Professionals (“HCPs”), Other Relevant Decision Makers (“ORDMs”) and Healthcare Organisations (“HCOs”). These interactions and collaborations take place as the HCPs, ORDMs and HCOs offer expert knowledge on patients’ behaviours and management of diseases. This knowledge plays a large role in Boehringer Ingelheim’s commitment to improve patient care and treatment options, which is essential to improving patient outcomes.

Boehringer Ingelheim compensate HCPs, ORDMs and HCOs that we work with for their valuable insights and time which they offer to us. We also provide funding for medical education; this can be directly to the HCPs, via HCOs or via third party specialist providers.

Boehringer Ingelheim hopes that by disclosing its ToV, such as payments and other benefits in kind e.g travel and accommodation costs, that we make to HCPs and HCOs, it will enhance the public’s knowledge and understanding of why interactions are necessary to improve patient care.

In line with the Association of the British Pharmaceutical Industry Code (“ABPI Code”), Boehringer Ingelheim will publicly disclose the ToV it makes to HCPs, ORDMs and HCOs.

Boehringer Ingelheim is committed to transparency and proud of the relationship that we have with HCPs, ORDMs and HCOs, as we believe that it plays a vital role in developing life-enhancing and life-saving medicines through sharing knowledge to improve patient outcomes.

2. SCOPE

This disclosure includes all ToV made to HCPs, ORDMs and HCOs, either directly or indirectly during 2019. This includes fees for any consultancy services, expenses paid which are associated with the service provided and sponsorship of attendance by HCPs and ORDMs at meetings, sponsorship of meetings, grants, donations and benefits in kind provided to institutions, organisations and associations, contracts between the company and institutions, organisations and associations and joint working projects.

The disclosure also includes the aggregate transfer of value to HCPs and HCOs in relation to research and development for clinical trials (as defined in Directive 2001/20/EC), non-clinical studies (as defined in the OECD Principles of Good Laboratory Practice) and non-interventional studies that are prospective in nature and involve the collection of data from, or on behalf of, individuals or groups of HCPs specifically for the study.

3. DATA COLLECTION

Payments made to HCPs, ORDMs and HCOs during the 2019 calendar year were identified from the company’s internal data collection systems and the details verified against a number of secondary systems. Names and addresses were matched with the IMS IQVIA One Key data base.

ToV to HCPs, ORDMs and HCOs can be provided from any Boehringer Ingelheim entity around the world. Global and local internal processes apply to these interactions to ensure they have a legitimate purpose and data is collected consistently.

- ToV can be provided directly by Boehringer Ingelheim to HCPs, ORDMs and HCOs e.g payments for services a HCP/ORDM/HCO provides, or;
- Indirectly by 3rd parties e.g. accommodation, travel or registration fees for HCPs to attend medical education events.

In principle, subsistence does not fall within the scope of the ABPI Disclosure Code obligations and should not be disclosed. However, when they are an integral or inseparable part of the ToV (e.g. included in the registration fee, hotel room rate) they have not been filtered out.

Boehringer Ingelheim will disclose ToV against the HCP, ORDM or HCO with whom we contract and pay. When a HCP provides services via a Ltd company then that company will be processed as a HCO.

For non-monetary transfers of value, the company's internal accounting and logging systems are screened to identify e.g. Medical and Educational Goods and Services that were provided and a representative ToV calculated and allocated. Similarly, where internal resources have been provided to a HCO, the financial benefit of the resource has been calculated and allocated as a ToV.

4. DATE USED FOR DATA COLLECTION

Direct payments to HCPs, ORDMs and HCOs made by Boehringer Ingelheim, generated through our reporting system aim to use the date the transaction was paid. This is applicable to single and multi-year contracts which result in multiple ToV payments.

In the case of indirect payments (e.g. conferences where accommodation and or travel is provided or registration fees are paid on behalf of HCPs, ORDMs or HCOs), the conference or meeting date is captured as the date of collection of the ToV. Where this is not possible, the date of the ToV is used.

5. TREATMENT OF VALUE ADDED TAX ("VAT")

Boehringer Ingelheim reports ToV in all categories as net, i.e. without VAT, unless a VAT invoice has been received from the HCP, ORDM or HCO if they are registered for VAT, or unless the collection of net values is not possible through the Boehringer Ingelheim financial systems.

All Research and Development ToV is reported excluding VAT.

6. TREATMENT OF TAX

Boehringer Ingelheim reports ToV in all categories without withholding tax, unless the collection of net values is not possible through the Boehringer Ingelheim financial systems.

7. CURRENCY MANAGEMENT

Boehringer Ingelheim collects ToV in the original currency in which they are made. In instances where UK HCPs, ORDMs or HCOs received ToV from non-UK affiliates or the Corporate Head Office in Germany in the local currency, the conversions have been made from the original currency to pound sterling using the approved currency exchange rates in Boehringer Ingelheim's validated financial systems.

8. CROSS-BORDER PAYMENTS

Boehringer Ingelheim operates globally, therefore UK HCPs, ORDMs and HCOs are contracted for interactions with other Boehringer Ingelheim entities. Through our internal processes and systems, we are able to reconcile ToV made to these UK HCPs, ORDMs and HCOs. Boehringer Ingelheim's data collection and reporting tool receives ToV from the various entities, which enables us to perform quality checks to report as per the ABPI Disclosure Code requirements.

9. EDUCATION OF HCPs/ORDMs THROUGH HCOs

When Boehringer Ingelheim provides ToV to HCPs for medical education through a HCO or Independent Medical Education (IME) 3rd Party, we will endeavour to disclose the ToV against the HCO or IME. However, if Boehringer Ingelheim selects the individual HCPs who benefit from the educational event conducted by the HCO or IME, we will disclose on an individual basis under the name of the HCP or ORDM, providing they have consented under the applicable Data Privacy laws.

10. UNIVERSITIES, TEACHING AND OTHER MEDICAL RELATED INSTITUTIONS

Boehringer Ingelheim supports universities and teaching institutions where the recipients who benefit are HCPs, ORDMs or HCOs; in these instances, Boehringer Ingelheim will disclose the ToV against the university or teaching institution. In an instance whereby the institution is not considered a HCO and Boehringer Ingelheim are able to identify any HCP as the recipient of an indirect ToV, then Boehringer Ingelheim will disclose this against the individual HCP where appropriate.

11. MULTI-YEAR CONTRACTS

When Boehringer Ingelheim has contracted with a HCP, ORDM or HCO that spans more than 1 calendar year, only ToV executed during the calendar year will be included in the disclosure. The remainder of the contract values will be disclosed in future relevant disclosure periods.

12. OVER THE COUNTER BUSINESS TRANSFER OF VALUES

No over-the-counter ToV have been included in the 2019 disclosure.

13. CATEGORIES OF DISCLOSURE

JOINT WORKING:

The Department of Health defines joint working between the NHS and the pharmaceutical industry as situations where, for the benefit of patients, one or more pharmaceutical companies and the NHS pool skills, experience and/or resources for the joint development and implementation of patient centred projects and share a commitment to successful delivery.

All ToV relating to Joint Working are captured in this report. The executive summaries for these projects can be accessed via the links to the report. The executive summaries may also be found on the Boehringer Ingelheim Ltd website.

DONATIONS AND GRANTS TO HCOs:

Grants and Donations including Medical Education Goods and Services are provided to HCOs as ToV to not for profit HCOs to:

- Educate the public on disease, medical conditions and science;
- Support science, technology, medicine, healthcare, research and education;
- Genuine philanthropic and charitable purposes that are consistent with Boehringer Ingelheim's scientific and disease-state interests.

These are formalised in contracts that describe the purpose of the funding and related ToV. If a donation in kind is provided to a HCO (e.g. Boehringer Ingelheim staff time), a monetary value will be attributed to the donation in kind for the purpose of disclosure.

Donations and grants will be disclosed under the "Donations and Grants" section in the disclosure reports.

CONTRIBUTION TO COST OF EVENTS:

Boehringer Ingelheim provides ToV to HCPs, ORDMs and HCOs for education support at medical/educational events or congress for:

- **Sponsorship agreements** with HCOs or 3rd parties (Professional Conference Organisers PCOs) appointed by HCOs to manage an Event;
- **Registration Fees:** i.e. the cost of the registration fee for a HCP to attend a medical and educational event or congress;
- **Travel and Accommodation:** includes the cost of flights, trains, parking fees, taxis, hotel accommodation etc.

SPONSORSHIP

Boehringer Ingelheim supports HCOs by way of sponsoring events and projects. Where a third party company is a professional conference or event organiser (PCO) acting on behalf of a HCO, we will make every effort to disclose the ToV against the HCO, even when the payment is made to the third party. Where this is not possible the ToV will be made against the PCO.

Where a sponsorship includes an individual registration fee or travel and accommodation, these will be disclosed under the applicable categories under the name of the HCO, unless the beneficiary HCP is known, whereby we will disclose against the individual if we have the consent of the same.

FEE FOR SERVICE AND CONSULTANCY:

Boehringer Ingelheim provides ToV for services it receives from HCPs, ORDMs and HCOs under services agreements. Services relate to advice, speaker fees, speaker training, data analysis, development of educational materials and consultancy. These are disclosed under the “**Fees**” section on the disclosure report.

The cost of travel and hotel accommodation associated with the services received will be disclosed under the “**related expenses agreed in the fee for service or consultancy contract**” section in the disclosure reports.

RESEARCH AND DEVELOPMENT AGGREGATED TRANSFER OF VALUE TOTALS:

Research and Development ToV is disclosed on an aggregate basis as per the ABPI Disclosure Code. These are costs which relate to events that are considered essential to conduct a study.

14. CONSENT

Boehringer Ingelheim will obtain the individual consent from a HCP to disclose their personal data on a contracted service by service basis, or at the point where the HCP agreed to any T&Cs in accordance with the applicable Data Privacy laws. If a HCP conducts several consultancy services during the reporting year and provides consent in the final contract of that year, then this consent will be applied to all retrospective services conducted up to 1 Jan 2019 and disclosure will take place at an individually named level. A HCP can withdraw or withhold consent for their individual data to be disclosed at any time. If a HCP consults via a Ltd company, where their company name enables personal identification, then consent will be sought and where provided the ToV will be at the named level under the HCO area of the report. If consent is not provided the ToV will be reported under the HCP aggregate area. Where consent is later informed as withdrawn, the HCPs name will be removed and added to the anonymous aggregated data. Consent is not required for HCO disclosure.

15. AGGREGATE DISCLOSURE

Where consent has not been provided, Boehringer Ingelheim will disclose all ToV made to a HCP on an anonymous aggregated basis.

16. QUALITY CHECKS PRIOR TO REPORTING

Before reporting, Boehringer Ingelheim internal processes endeavour to ensure ToV made to HCPs, ORDMs and HCOs are collected and reconciled to the best of our ability. Data quality checks are performed to ensure ToV to any HCP who has not provided consent for individual disclosure are reported in aggregate. Additional data and process monitoring takes place for quality assurance prior to reporting.