

Pfizer Limited UK 2019 Methodological Note* for Disclosure of Transfers of Value Transparency Report

*** Explanation of implementation of the European Federation of Pharmaceutical Industries and Associations (EFPIA) Disclosure Code, in accordance with the Association of the British Pharmaceutical Industry (ABPI) Code of Practice**

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1. Introduction

We regularly work with health professionals (HCPs) and healthcare organisations (HCOs) who advise us on a range of topics such as medicines development, the role of a medicine in a patient treatment pathway; health economics and clinical best practice. These working relationships are essential to gaining the real-world information we need in order to deliver treatment choices that improve the health of patients and to share information that may be relevant to clinical decision making.

We want people to know, and understand, what we do and how we do it. We are committed to transparency about how we operate as a business and about the relationships we have with HCPs and HCOs. Sharing information about these relationships in a straightforward and open way will, we hope, help explain the critical value these relationships bring to patient management.

We believe that transparency is essential to building and maintaining confidence in us and in our medicines and strongly support the work being done by The European Federation of Pharmaceutical Industries and Associations (EFPIA) and the Association of the British Pharmaceutical Industry (ABPI) to improve transparency across the pharmaceutical industry.

The EFPIA Disclosure Code provides a common basis for reporting across Europe in relation to transfers of value (ToV). For more information on this Code visit <http://www.abpi.org.uk/our-work/disclosure/Pages/disclosure.aspx> or <https://www.efpia.eu/relationships-code/disclosure-of-payments-to-hcps/>

Here in the UK, disclosures of ToV payments made to HCPs and HCOs during 2019 will be available on www.disclosureuk.org.uk on 30th June 2020 and in a more detailed format on <https://www.pfizer.co.uk/hcp-hco-annual-disclosure-reports>

This report discloses all the ToV made to HCPs and HCOs in 2019. This methodological note presents some of the key aspects of how the ToV are categorised and in what format they are disclosed.

The ToV disclosed in this report cover all the payments made by Pfizer Limited and its affiliates to HCPs and HCOs resident in the United Kingdom.

2. Pfizer activities per EFPIA category

The following table defines what activities are reported in which EFPIA category and subcategory.

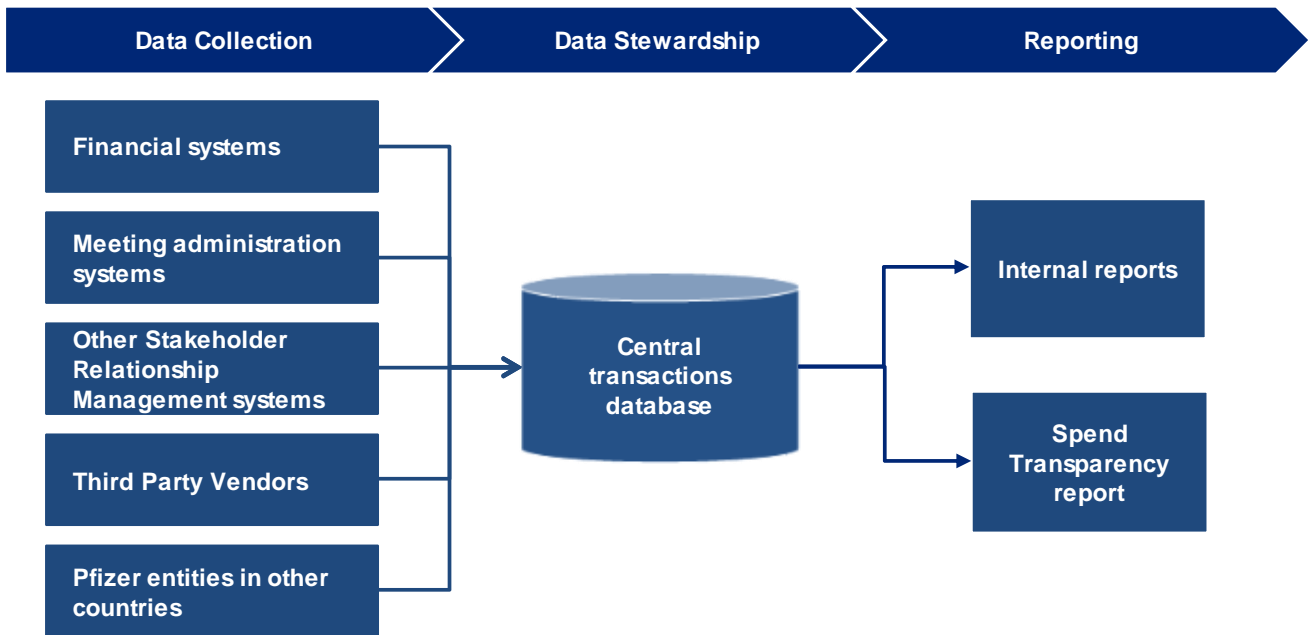
EFPIA category	EFPIA subcategory	Activities
Donations and Grants (HCOs only)	n/a	<ul style="list-style-type: none"> • Charitable contributions • Business Donations • Educational grants e.g. Medical and Educational Goods and Services including financial donations and benefit in kind goods and services and Quality Improvement Grants and Independent Medical Education Grants • Joint Working • Sponsoring of speakers/faculty which by nature of purpose and funding are classified under educational grants
Contribution to Cost of Events	Sponsorship agreements (HCOs only)	<ul style="list-style-type: none"> • Placement of a brand logo in a conference program or invitation communication in exchange for supporting the program • Funding an event in return for a display booth • Activities that qualify as Corporate Sponsorship according to Pfizer's Anti-Corruption Policies which includes funding events in return for sponsorship rights as well as providing speakers at third-party meetings for the benefit of HCOs • Satellite symposia at a congress • If part of a package: Name badges, drinks, meals etc. provided by the organisers (included in the sponsorship agreement) • Contributions provided to events through Professional Conference Organisers (PCOs) will be reported in the name of the benefitting HCO
	Registration fees	<ul style="list-style-type: none"> • Fees paid for the HCP/HCO to attend events not organised by Pfizer
	Travel & Accommodation	<ul style="list-style-type: none"> • Travel (e.g. flight, train, taxi, car hires, tolls, mileage reimbursement, parking) • Accommodation
EFPIA category	EFPIA subcategory	Activities
Fee for Service and Consultancy	Fees	<ul style="list-style-type: none"> • Speaker engagements • Advisory Boards* • Study-related engagements • Preceptorships

		<ul style="list-style-type: none"> • Post-marketing surveillance studies • Non-Interventional Studies that are retrospective in nature • Medical writing • Data analysis • Development of education materials • General consulting / advising • Speaker training if linked to a speaker engagement • Any other activity which qualifies as General Consultancy according to Pfizer's Anti-Corruption Policies
	Related expenses	<ul style="list-style-type: none"> • Travel (e.g. flight, train, taxi, car hires, tolls, mileage reimbursement, parking) • Accommodation
Research and Development Transfers of Value	n/a	<ul style="list-style-type: none"> • Clinical Trials • Data Monitoring Committees related to studies • Non-Interventional Studies that are prospective in nature • Independent Medical Grants classified as: General Research Grants, Investigator Sponsored Research (ISR) and Independent Research - Institutional Research Funds • Clinical & Research Collaboration

* excluding Data Monitoring Committees related to studies which are disclosed in aggregate under R&D

3. Sources of Information

The data for the ToV disclosed in this report are taken from a variety of source systems within Pfizer. Below is a high-level overview of the processes for collection and reporting of the data.



The ToV are collected from the internal and external data sources and systems and then fed into a central database where data is validated and stewarded. From the database, the disclosure reports are generated.

4. Definition of the Transfers of Value (ToV)

This section outlines some key aspects of how the ToV are defined.

- 4.1. Definition of HCP:** The term 'Health Professional' includes members of the medical, dental, pharmacy and nursing professions and any other persons who in the course of their professional activities may administer, prescribe, purchase, recommend or supply a medicine.
- 4.2. Definition of an 'Other Relevant Decision Maker' (ORDM):** The term 'Other Relevant Decision Makers' particularly includes 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.
- 4.3. Definition of HCO:** The term 'Healthcare Organisation' means either a healthcare, medical or scientific association or organisation such as 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 health professionals or other relevant decision makers provide services.
- 4.4. Pfizer Employees who practice as HCPs:** We do not disclose salaries paid to Health Professionals employed by Pfizer. Pfizer Limited would not disclose any support provided by Pfizer to a Pfizer employee who is also a Health Professional, to attend a third-party meeting; it would be deemed that the Pfizer employee attended the meeting for professional reasons related to their Pfizer employment.
- 4.5. Definition of a 'direct Transfer of Value':** Are those made directly by Pfizer for the benefit of a recipient.
- 4.6. Definition of an 'indirect Transfer of Value':** Are those made on behalf of Pfizer for the benefit of a recipient (known as a Benefit in Kind Transfer of Value), or a ToV made through an intermediary and where the member company knows or can identify the HCP or HCO that will benefit from the ToV.
- 4.7. Timing of ToV:** This report discloses all ToV whose transaction date falls within the year 2019. The transaction date is defined as the clearing date in the financial system. In the case of meetings, it is the last day of the meeting.
- 4.8. Benefit in Kind ToV:** Reported in the calendar year that the benefit was provided. When the Benefit in Kind provided to an HCO spans over two calendar years, the ToV is reported in the calendar year where the ToV was actually delivered.
- 4.9. ToV date:** The dates to be considered for disclosure are:
 - 4.9.1. Direct ToV:** Payment date SAP system clearing date.
 - 4.9.2. Indirect ToV:** Reporting date is the date of the event (last day of the event in case of multi-days event), or the date reported by the intermediary providing the data to Pfizer Limited or its affiliates.
- 4.10. ToV in case of partial attendances or cancellation:**
 - 4.10.1.** Cancellation Fees are not reported
 - 4.10.2.** ToV in case of HCP partially attending an event is disclosed

4.11. Multi-year contracts: Where contracts are valid for more than one year, each individual direct ToV is captured and disclosed in the corresponding reporting period.

4.12. GDPR legal basis (to disclose ToV regarding individuals): Pfizer Limited discloses the ToV based on the legal basis of legitimate interest, as explained in the EEA Pfizer HCP Privacy Notice. Pfizer and its affiliates are committed to the principle of transparency in respect of transfers of value it makes to HCPs. The overall benefits of transparency to society and patients in the processing and disclosure of such data must be balanced against the interests, rights and freedoms of the individuals. We believe this balance is achieved in circumstances where HCPs are provided with information about how and why their personal data will be processed and disclosed, and taking into account the reasonable expectations of HCPs with whom we interact. In addition, our disclosures do not contain full governmental identifiers of the individuals concerned and technical measures have been adopted in the websites where the ToV are disclosed under Pfizer's control in order to minimize, to the extent possible, that individual names may be easily found through search engines.

As long as the legal basis is still valid, i.e. an individual has not objected to Pfizer's processing and disclosing his/her personal data, the sum of all ToV to that HCP during the reporting period is disclosed under his/her name.

If an HCP objects to the disclosure of his/her personal data in respect of the ToV associated with him/her, the ToV are not disclosed under the name of the individual HCP but are disclosed in the "aggregate" section of the report.

4.13. Over-the-counter medicines (OTC): OTC medicines are out of scope for this report.

4.14. ToV from Pfizer legal entities in other countries (cross border ToV): This report includes ToV to HCPs and HCOs who are residents of the United Kingdom. This includes all ToV (direct and indirect) made by any Pfizer affiliates in the 33 European countries included in the EFPIA disclosure code. For non EFPIA countries, Pfizer will do their best effort to collect and disclose direct ToV made by Pfizer affiliates.

4.15. Currency: ToV are reported in British Pounds. ToV made in a different currency were converted to British Pounds when this report was created. The Pfizer standard exchange rates for the ToV day of payment were applied.

4.16. Value Added Tax (VAT): Treatment of VAT depends on the ToV. Where Pfizer hasn't claimed the VAT back, we disclose the gross i.e. including the VAT. Where Pfizer has claimed the VAT back, we disclose net value.

4.17. Valuation of in-kind donations, grants and Medical and Educational Goods and Services: The rate for colleague time given as part of a MEGS for activities such as meeting facilitation or project management has been valued at £35 per hour. This figure is based on the lower end of the industry standard hourly rate for these types of activities provided by a third-party vendor, because Pfizer Limited does not need to factor in overhead costs, and additions such as pension and superannuation.

4.18. Country Unique Identifier: All HCPs and HCOs are assigned a country unique identifier number to ensure all ToV are correctly assigned. This information is not disclosed in the final report.

- 4.19. Self-Incorporated HCP:** ToV to a self-proprietor or to an individual HCPs legal entity (a Limited company) is reported at an individual HCP level if the ToV is categorised as ‘fees for services and consultancy and/or related expenses’, ‘registration fees and/or travel and accommodation’. ToV to a self- proprietor or to an individual HCPs legal entity (a Limited company) is reported at an individual HCO if the ToV is categorised as ‘donations and grants’, ‘joint working’ or ‘sponsorship agreements’.
- 4.20. ToV to HCP not included in the disclosure report:** Where Pfizer Limited has paid travel or accommodation directly on behalf of an HCP to attend a Pfizer organised meeting, and the HCP is not able to attend the meeting, the ToV will not be reported. Where Pfizer Limited has pre-paid registration fees on behalf of an HCP to attend a third-party meeting, and the HCP is not able to attend the meeting, the ToV will not be reported.
- 4.21. ToV to HCPs where there is a zero fee for the consultancy:** Pfizer Limited will disclose any expenses (e.g. travel, accommodation) paid to a HCP associated with consultancy work the HCP has completed, even if the HCP has not asked for a fee for the associated consultancy work completed.
- 4.22. Indirect ToV to HCPs via a third-party:** Where HCPs have requested that their payment is made to a third-party such as their employer, the ToV has been reported as being received by the HCP (this is an EFPIA and ABPI Code of Practice requirement).
- 4.23. ToV made to informal groups which are not formal HCOs:** Pfizer supports third-party meetings organised by HCOs in return for putting up a promotional stand. Some of these third-party meetings are with health care groups which are not a legal entity, nor does the health care group have a reportable address; e.g. a Specialist Registrar Group. Pfizer Limited refers to these groups as ‘informal groups’. Pfizer Limited always aims to attribute the disclosable benefit to an appropriate associated disclosable legal entity.
- 4.24. ToV to an HCO for catering:** Where Pfizer Limited has made a ToV to an HCO for catering services or to the catering subsidiary of the HCO, in return for putting up a promotional stand at a third-party meeting, this ToV will be reported in Corporate Sponsorship
- 4.25. ToV to HCO for Fees for Service:** Activities such as hiring the conference facilities or utilising the catering services of an HCO for a meeting organised by Pfizer limited would be categorised as fees for service.
- 4.26. ToV to a patient organisation:** Interactions with patient organisations will be disclosed on <https://www.pfizer.co.uk/patient-organisation-funding-support>
- 4.27. Third-party vendors who make a ToV on Pfizer’s behalf:** Where Pfizer Limited has engaged a third-party vendor to manage travel logistics for HCPs to attend a Pfizer organised meeting, the expenses paid to the HCPs will not be disclosed in the 2019 financial year if the meeting has not been reconciled and closed down by the third-party. In these exceptional circumstances, the expenses will be reported in the following disclosure report year (i.e. 2020).

4.28. Joint Working: Where Pfizer Limited has worked with more than one organisation for a joint working project, the total ToV given to those organisations by Pfizer Limited, will be split equally between the organisations involved, unless the Project Initiation Document (PID) in the contractual agreement states otherwise. The details of such interactions can be found in <https://www.pfizer.co.uk/joint-working>

4.29. Compassionate Use: Pfizer Limited does not disclose a ToV for any medicines provided on request to HCPs for individual patients which are for compassionate use.