

**METHODOLOGICAL NOTE WITH REGARD TO TRANSFERS OF  
VALUE (ToV) TO HCPs (HEALTHCARE PROFESSIONALS), HCOs  
(HEALTHCARE ORGANISATIONS) AND ORDMS (OTHER RELEVANT  
DECISION MAKERS), DURING THE 2020 CALENDAR YEAR:  
BOEHRINGER INGELHEIM LTD.**

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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 ToVs made to HCPs, ORDMs and HCOs, either directly or indirectly during 2020. 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.

The term ‘healthcare 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.

Disclosure will also apply to ‘other relevant decision makers’ (ORDMs), this 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.

The term 'healthcare organisation' means 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 health professionals or other relevant decision makers provide services.

Patient Organisations are not considered to be HCOs and are separately included in the Patient Organisation report on the BI UK website.

### **3. DATA COLLECTION**

Payments made to HCPs, ORDMs and HCOs during the 2020 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 database.

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 3<sup>rd</sup> parties e.g. accommodation, travel or registration fees for HCPs to attend medical education events.

Direct ToVs are defined as those ToVs, payments or benefits in kind, made directly by Boehringer Ingelheim to the benefitting HCPs/HCOs.

Indirect ToVs are those made on behalf of Boehringer Ingelheim for the benefit of a Recipient, or ToVs through an intermediate and where Boehringer Ingelheim knows or can identify the HCP/HCO that will benefit from the ToV.

Benefit in Kind (BiK) refers to anything that is deemed to have a value but actual monies were not received by the recipient. Non-financial transfers of value are disclosed based on the financial valuation of the non-financial spend (goods / service time spend etc.). When engaging an agency as a third party, any administration fees charged by agencies are not included as these are not ToVs to HCPs or HCOs. Where it is not possible to separate and attribute the 'administration fees' the full value of the ToV will be declared, however this will not constitute a full benefit (in cash or in kind) to the HCP/HCO as the agency would have retained a 'service fee'.

In principle, subsistence does not fall within the scope of the ABPI 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 and the ToV declared against that entity.

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 which are benefits-in-kind 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.

In the case of therapy reviews delivered as a Medical Education Goods and Services the ToV is processed on clinic days where the therapy review took place and was delivered, and not on payment date of invoice from the third party to Boehringer Ingelheim.

Boehringer Ingelheim discloses all ToVs it makes between 1 January and 31 December of one year by 30th June of the following year. A ToV is made when the transfer is complete (e.g., on payment date or transfer of value date). For example, if a contract is signed on 1 October 2019 but the payment is made on 1 January 2020, the Disclosure will be published by end June 2021.

#### **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 ToVs made to these UK HCPs, ORDMs and HCOs. Boehringer Ingelheim's data collection and reporting tool receives ToVs from the various entities, which enables us to perform quality checks to report as per the ABPI Code requirements.

Where a ToV is made outside of the recipient's country the ToV will be reported within the country disclosure report based on the recipient's principal professional address or place of incorporation.

## **9. EDUCATION OF HCPs/ORDMs THROUGH HCOs or IMEs**

When Boehringer Ingelheim provides ToV to HCPs for medical education through a HCO or Independent Medical Education (IME) 3<sup>rd</sup> 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.

## **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.

Where the ToV is a benefit in kind, values are reported on the date the recipient received the benefit (which may be different to the year in which the contract was agreed).

## **12. OVER THE COUNTER BUSINESS TRANSFER OF VALUES**

No over-the-counter ToV have been included in the 2020 disclosure. Only ToVs relating to prescription medicines are being disclosed.

## **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.

Boehringer Ingelheim produces a 'PID' (Project Initiation Document). Which is a summary document of the project outline that demonstrates the equitable contributions from all parties involved in the Joint Working project. For multi company projects, each company is responsible for the disclosures of their own transfers of value.

All ToV relating to Joint Working are captured in the disclosure report. The executive summaries for these projects can be accessed via the link here: <https://www.boehringer-ingelheim.co.uk/joint-working>. The executive summaries may also be found direct 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:**

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

- **Sponsorship agreements** with HCOs or 3<sup>rd</sup> 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 HCP, unless the beneficiary HCP is unknown then these will be disclosed against the HCO.

#### **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.

Participation in market research where such participation involves remuneration and/or travel. Payments for these services are only disclosed if Boehringer Ingelheim is aware of the identity of those participating in the market research.

#### **RESEARCH AND DEVELOPMENT AGGREGATED TRANSFER OF VALUE TOTALS:**

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

#### **PATIENT ORGANISATIONS:**

As part of our commitment to transparency, we disclose support to Patient Organisations on an annual basis.

Any project collaboration with a Patient Organisation is based on a written agreement that clearly states the nature, purpose and duration of the activity, as well as any support (either financial or non-financial support) provided by Boehringer Ingelheim Ltd.

All ToV relating to Patient Organisations can be accessed via the link here: [Support to patient organisations | Boehringer Ingelheim | UK \(boehringer-ingelheim.co.uk\)](#). They may also be found direct on the Boehringer Ingelheim Ltd website.

## **14. CONSENT AND LEGITIMATE INTEREST**

### **1<sup>st</sup> January 2020- 30<sup>th</sup> June 2020**

Up until 30<sup>th</sup> June 2020 Boehringer Ingelheim relied on the legal basis of consent for ToVs. In case consent was either not given by the Recipient or not documented sufficiently to prove the existence of consent, ToVs are disclosed on an aggregate level only.

### **1<sup>st</sup> July to 31<sup>st</sup> December 2020**

From 1st July 2020 in complying with our obligations as a member of the ABPI and promoting transparency and trust in the healthcare industry Boehringer Ingelheim changed the legal basis for



processing to Legitimate Interest, as explained in the Boehringer Ingelheim Ltd HCP Privacy Notice. A clause was included in every engagement contract and HCPs were informed that if they were to engage with Boehringer Ingelheim from the 1<sup>st</sup> July 2020 onwards, Boehringer Ingelheim will no longer rely on obtaining their 'consent' for the disclosure of individual ToV on the ABPI portal and instead will be relying on 'Legitimate Interest to disclose this information. 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.

This also included any service provided under an International contract for an activity undertaken in collaboration with any other global Boehringer Ingelheim entity, as the obligation regarding disclosure remains with the Boehringer Ingelheim entity in the Consultants country of work/residence.

Research and development ToV are not impacted by this change. Research and development (including clinical trials) related activities are only required to be disclosed at an anonymised aggregated level.

Boehringer Ingelheim will not report on partial transactions in relation to the respective legal basis for ToV. Therefore for the disclosures for the reporting year a HCP will either be classed as under the legal basis of Legitimate Interest or Consent. If a HCP has worked with Boehringer Ingelheim post July 2020 on the basis of a Legitimate Interest contract then Boehringer Ingelheim will treat all ToVs for that reporting year for that HCP as under Legitimate Interest. If a HCP only engaged with Boehringer Ingelheim before 1<sup>st</sup> July 2020 on a 'consent' contract and the HCP refused consent then all payments made to that HCP during the year would be included in the aggregate spend. This process also applies to long term contracts which were signed before 1<sup>st</sup> July 2020 on the basis of 'consent'.

As part of Boehringer Ingelheim's pre-disclosure process, HCPs have an opportunity to verify their individual disclosure via the Pre-Disclosure Portal.

Where HCPs have set up separate legal entities through which to deliver their services, Boehringer Ingelheim will disclose the transfer of value under the name of the legal entity.

## **15. 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. For ToV data up until the 30<sup>th</sup> June 2020 where a HCP has not engaged with Boehringer Ingelheim after this date, 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.

## **16. CANCELLATIONS**

If an event is cancelled, the ToVs related to the event are disclosed only if Boehringer Ingelheim can attribute the ToV to a recipient.

In light of COVID-19, any events that were converted from face to face to virtual where the recipient received a ToV via a virtual registration, that ToV will be disclosed.

Where Boehringer Ingelheim has to pay cancellation fees to HCP/HCOs as per service contracts, due to cancellation of initiatives or events, these payments are reported against that HCP/HCO.