

# Celgene Corporation

## Methodological Statement

*summarizing the methodologies used in preparing the disclosure of transfers of value to health professionals and healthcare organisations pursuant to the Bulgarian Code for Disclosure of Transfers of Value by Pharmaceutical Companies to Healthcare Professionals and Health Organizations*

### *Introduction*

Celgene Corporation ("*Celgene*") is marketing and selling through a regional third party distributor various medicinal products in Bulgaria.

Celgene also collaborates in pre-clinical research and clinical trials in Bulgaria.

In the course of these activities, Celgene engages with health professionals<sup>1</sup> whose registered practice addresses are in Bulgaria and with healthcare organisations<sup>2</sup> based in Bulgaria.

For avoidance of any doubt, Celgene is not a member of the Association of the research-based pharmaceutical manufacturers in Bulgaria (ARPharM) and additionally it is not a local person, does not have a subsidiary or other affiliate in Bulgaria; therefore, under art. 15 the Bulgarian Code for Disclosure of Transfers of Value by Pharmaceutical Companies to Healthcare Professionals and Health Organizations (the 'Bulgarian code') adopted by ArPharm, the Bulgarian Code does not apply directly to Celgene. However, considering Celgene's affiliation to the European Federation of pharmaceutical industries and associations (EFPIA) and Section 2.05 of EFPIA Code on Disclosure of transfers of value from pharmaceutical companies to HCP and HCO, Celgene is using its best endeavors to make the disclosures subject to this Methodological Statement in a manner consistent with the Bulgarian Code .The disclosures that Celgene has published on its website represent the transfers of value that Celgene has made to such health professionals and healthcare organisations during the course of 2017 insofar as those transfers of value fall within Celgene's disclosure obligations as defined in articles 18-22 of the *Bulgarian Code*.

### *Methodology*

The data upon which Celgene's disclosures are based has been collected and compiled by Celgene Corporation's Spend Transparency Office based in Summit, New Jersey. The Spend Transparency Office is responsible for the disclosure of transfers of value to health professionals and healthcare organisations made by any Celgene Corporation affiliate worldwide in accordance with relevant local laws and codes of practice.

In order to prepare for compliance with articles 18-22 of the Bulgarian Code, the Spend Transparency Office first identified all of the possible sources of information within the Celgene Corporation finance system and held by third party vendors that could identify any and all payments made by Celgene. Using

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1 as defined by Art. 9 of the Bulgarian code

2 as defined by Art. 10 of the Bulgarian code

information supplied by IMS Health, verified and supplemented by various commercial operations resources within Celgene, publically available information and information from third party vendors, the Spend Transparency Office narrowed down the list of payees to those that fell within the definitions of health professional, other relevant decision makers and healthcare organisation, as set out in paragraphs Art. 9, p. 1-4 of the Bulgarian Code. Celgene used the IMS OneKey Code as a unique identifier of any given health professional.

On the basis of these data Celgene has used its best endeavours to publish on its website all direct and indirect transfers of value made between 1 January 2017 and 31 December 2017 inclusive that fall within its disclosure obligations as set out in articles 18-22 of the Bulgarian Code, applying the relevant definitions contained therein. Celgene undertakes to promptly correct and add on its website any corrections or additions that may be required as a result of knowledge acquired after the date the disclosures are submitted.

The transfers of value should be publicly available for a period of 3 years.

Celgene should retain all transfers of value subject to disclosure for a period of minimum 5 years after the end of the report period, except the consent of the receiver of the transfer of value, including disclosure of his/her personal data, is withdrawn.

### ***Third parties***

Celgene has included in its contractual templates, on the basis of which it contracts with all third parties, a binding clause requiring the third party to notify to Celgene all transfers of value made to health professionals and healthcare organisations. Celgene has used its best endeavours to include all such transfers of value so notified within the scope of its publication on its website.

### ***Cross border transactions***

Celgene Spend Transparency Office has worked with all of Celgene's functions and affiliates worldwide to capture data relating to transfers of value made by them to health professionals with their practice address in Bulgaria and healthcare organisations based in Bulgaria. Celgene has used its best endeavours to include all such transfers of value within its disclosures on its website.

### ***Consent***

Celgene has used its best endeavours to seek consent from all health professionals to disclosure on an individual basis, naming the recipient and identifying the value of the transfer. To this end, Celgene has incorporated a binding clause to this effect in its contractual templates on the basis of which, pursuant to Celgene's relevant policies, all such engagements should proceed.

***Individual disclosure***

Except otherwise provided, the disclosure of ToVs to HCPs and HCOs is executed on an individual basis. The consent for disclosure is voluntary and can be withdrawn at any time. The lack of consent or its withdrawal by any HCP would lead to disclosure of the data in aggregate.

***Disclosure in aggregate***

Where the recipients of transfers of value cannot be disclosed for legal reasons, Celgene has disclosed those transfers of value on an aggregate basis.

Celgene has also disclosed on an aggregate basis transfers of value falling within the definition of “Research and Development Transfers of Value” pursuant to article Art. 21 of the Code.

***Currency***

Celgene has made its disclosures in Euros. The transfers of value that has been made in a different currency are converted in EUR.

***Tax***

Celgene has made its disclosures relating to direct transfers of value exclusive of all applicable indirect taxes. It is possible, however, that some indirect transfers of value made by third party vendors have been reported to us inclusive of taxes.

***Date methodology***

Celgene has made its disclosures relating to cash payments by reference to the payment date. In circumstances where transfers of value represent benefits in kind Celgene has made its disclosures by reference to the date of the event.

***Multi-year contracts***

Celgene has not identified any multi-year contracts that fall within its disclosure obligations for 2017 in Bulgaria.

Prepared by

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