

Celgene Corporation

Methodological Statement

summarizing the methodologies used in preparing the disclosure of transfers of value to health professionals and healthcare organisations pursuant to article 24 of the Code Of Conduct On The Promotion Of Prescription Only Medicinal Products (the “Code”).

Introduction

Celgene Corporation (“**Celgene**”) is marketing and selling through its local third party distributor – Genesis Pharma (Cyprus) Limited (“**Cypriot Distributor**”) – six medicinal products in Cyprus.

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

In the course of these activities, Celgene engages with health professionals¹ whose registered practice addresses are in Cyprus and with healthcare organisations¹ based in Cyprus.

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 article 24 of the 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 article 24 of the 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 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 and healthcare organisation, as set out in Schedule 1 the 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 article 24 of the Code, applying the relevant definitions contained therein. Celgene undertakes to promptly correct and add on its website, any

1 as defined by Schedule 1 of the Code

corrections or additions that may be required as a result of knowledge acquired after the date the disclosures are submitted.

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.

Distributors

Celgene markets its products through its Cypriot Distributor in Cyprus. To the best of Celgene's knowledge, Celgene Cypriot Distributor publishes according to the law of Cyprus and the Code, the transfers of values made on its own behalf and for its own account to such health professionals and healthcare organizations during the course of 2017 falling within its own disclosure obligations as defined in article 24 of the Code.

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 Cyprus and healthcare organisations based in Cyprus. 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.

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 24.3.04 of the Code.

Currency

Celgene has made its disclosures in Euros.

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.

Prepared by

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