

DISCLOSURE OF TRANSFERS OF VALUE TO HEALTHCARE PROFESSIONALS AND HEALTHCARE ORGANISATIONS

METHODOLOGICAL NOTES

Date of Issue:	June 2020
Country Scope:	Netherlands
Version:	1.0

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INTRODUCTION

Pharma Mar S.A. is a member of the European Bio-pharmaceutical Enterprises (EBE), a specialized group of research-based pharmaceutical companies within EFPIA (European Federation of Pharmaceutical Industries and Associations). As such, Pharma Mar S.A. is bound by the EFPIA Code 2019 ^[1], to disclose any amount attributable to Transfers of Value to Healthcare Professionals and Healthcare Organizations in each Reporting Period.

The EFPIA Code 2019 ^[1] states in Article 23 that together with the template describing the Transfers of Value, each Member Company shall publish a note summarizing the methodologies used by it in preparing the disclosures and identifying each category of the Transfers of Value. The note, including a general summary and/or country specific considerations, shall describe the recognition methodologies applied, and should include the treatment of multi-year contracts, VAT and other tax aspects, currency aspects and other issues related to the timing and amount of Transfers of Value for purposes of this Code.

CONTENT

1. General Summary & Country considerations

This methodological note is referred to any Transfer of Value made in 2019 in Netherlands for Research & Development activities. The commercial activities for Pharma Mar's products in this country is contracted to IQVIA. IQVIA conducts all marketing and promotional activities related to our product, according to EFPIA Code of Practice or to the applicable Local Code of Ethics. Pharma Mar S.A. do not have a registered subsidiary in Netherlands in 2019 and individual local disclosure obligations lay with each HCP respectively.

Therefore, Pharma Mar S.A, declares on its own behalf only the Transfers of Value related to Research & Development that can be clearly linked to activities as defined on the Art. 23 of the EFPIA Code 2019 [\[1\]](#).

Transfers of Value finally intended for HCPs/HCOs related to Research & Development that can be clearly linked to activities as defined on the 23 of the EFPIA Code 2019 ^[1], have been declared as an aggregate amount under the "Research and Development Transfers of Value" category. The amounts disclosed under "Research & Development" caption corresponds to payments made to HCOs and may include as underlying concepts not only Investigators payments and grants, but also administrative fees, concomitant medication, expenses on diagnostics tools and other similar concepts.

However, please note that the foresaid amount shall not include those cases in which Pharma Mar cannot ascertain the specific amount which has been transferred to a Dutch entity whatever the category of the Transfer of Value may be. In this regard, Pharma Mar shall not include under the "Research and Development Transfers of Value" category for Netherlands, any payments done to Clinical Research Organizations (CRO) acting on behalf of Pharma Mar in the conduction of a clinical trial where the amount of the Transfer of Value, the category and/ or final recipient of the transfer of value cannot be ascertained in a reliable form under the methodology used by Pharma Mar (e.g. some international trials) and we will

disclose those amounts in full in the “Research and Development Transfers of Value” section of Disclosure of Pharma Mar in Spain (i.e. the contracting company) instead.

2. Other issues and criteria applied

To the best of our knowledge, the following criteria have been used to compile and summarize the information.

- Amounts are disclosed in Euros, and do not include VAT.
- All the amounts disclosed correspond to Transfers of Value that took place exclusively during 2019.

ABBREVIATIONS

EFPIA: European Federation of Pharmaceutical Industries and Associations

EBE: European Bio-pharmaceutical Enterprises (EBE)

HCO: Healthcare Organization (for a complete definition of the term you may refer to the EFPIA Code on Disclosure of Transfers of Value from Pharmaceutical Companies to Healthcare Professionals and Healthcare Organizations, Schedule 1 Definition of terms)

HCP: Healthcare Professional (for a complete definition of the term you may refer to the EFPIA Code on Disclosure of Transfers of Value from Pharmaceutical Companies to Healthcare Professionals and Healthcare Organizations, Schedule 1 Definition of terms)

HCP Code: EFPIA Code on the Promotion of Prescription-Only Medicines to, and Interactions with, Healthcare Professionals, adopted by the EFPIA Board.

REFERENCES

- [1] European Federation of Pharmaceutical Industries and Associations (EFPIA) Code of Practice 2019