
6. VAT

Will the figures we publish include VAT?

Legal background

The EFPIA Disclosure Code allows member companies to publish gross or net figures (i.e. including or excluding VAT).

Methodology

Bayer will report all ToVs as net amounts, excluding VAT. Where quoted separately on invoices, Tourist Tax is excluded from ToV value.

7. ToVs connected to product groups which do not solely comprise prescription pharmaceuticals

What will we do if a ToV is connected to a group of products which is not solely comprised of prescription-only pharmaceuticals?

Background

Under the EFPIA Disclosure Code, ToVs are only covered in connection with prescription-only medicines. In practice, however, such ToVs may relate to a group of products made up of a combination of prescription-only and non-prescription pharmaceuticals and other products or devices.

Example

Healthcare professionals are invited to a scientific event, where results of a clinical trial related to a prescription-only medicine are presented. At the same time, information on over-the-counter medicines in the same therapeutic area is provided.

Methodology

As long as ToVs are not exclusively connected to over-the-counter medicines or medical devices – which are not in scope of the EFPIA Disclosure Code - Bayer will disclose such ToVs in full. ToVs made to any HCPs or HCOs that can influence the prescription of a medicine in relation to the Radiology business, will be disclosed in full. Bayer will disclose package deal service fees for any transfers of value not relating to ordinary course purchases and sales of medicine.

8. Reporting period

What will we do if more than one reporting period could be considered when publishing details of ToVs?

Examples

This situation may arise in various situations:

1. A healthcare professional agrees during one reporting period to appear as a guest speaker at an event, the flights are booked during this period, but the event itself takes place in the following reporting period.
2. A sponsorship for an event is granted in one reporting period, but relates to an event taking place in the next reporting period.
3. A speaker is engaged for an event at the end of one reporting period, but the invoice is received and the honorarium is paid in the next reporting period.
4. An HCP enters into a long-term consultancy contract with Bayer, which lasts for eighteen months i.e. a time longer than one reporting period.

Methodology

We will publish ToV in accordance with the following rules:

In the case of short term activities within a defined timeframe (e.g. congresses or other scientific events), the start date of the activity defines the reporting period. For long-term activities, the posting date of the relevant invoice determines the reporting period. Donations are always reported in the reporting period where they are made.

In the event that an invoice for a short term activity is not received in time to include the ToV in a report, the amount will be disclosed in the following report.

For the examples given above this methodology leads to the following results:

- As the event is a short term activity, all related ToVs will be reported in the reporting period in which the event takes place.
- As the event is a short term activity, the sponsorship will be reported in the reporting period in which the event takes place.
- As the speaker is engaged for a specific event, the payment will be reported in the reporting period where the event took place. Only if the invoice is received too late will reporting be postponed until the next reporting period.

24. Collaborative Working including Joint Working Projects

How will ToV created within Collaborative Working including Joint Working projects be recorded?

Legal background

The Department of Health defines collaborative working, including 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.

Pooling resources can consist of financial input, seconding personnel or arranging 3rd party support from both parties (Bayer and the NHS).

For the TOV we are only reporting the contribution from Bayer.

Methodology

Where, under the Collaborative Working, including Joint Working, contract that the ToV is financial, we will disclose the individual payments based on the date when Bayer receives the respective invoice(s). Equally, where the ToV is for a 3rd party service we will disclose the individual payments based on the date when Bayer receives the respective invoice(s) from the contracted 3rd party supplier.

Where the ToV is a Bayer employee seconded into a HCO we will publish the appropriate reference cost for the activity provided during the reporting period. If the secondment spans two reporting periods we will publish the relevant amounts for each reporting period respectively.

25. Research & Development (R&D)

Which ToVs are reported under "R&D"?

Our approach

For the purpose of disclosure, research and development ToVs are ToVs to health professionals or healthcare organisations related to the planning or conduct of non-clinical studies (as defined in the OECD Principles of Good Laboratory Practice); clinical trials (as defined in Regulation 536/2014); non-interventional studies that are prospective in nature and involve the collection of data from, or on behalf of, individual or groups of health professionals specifically for the study. Costs that are subsidiary to these activities can be included in the aggregate amount.

26. Basic research

What will we do about publishing TOVs relating to basic research?

Our approach

As basic research is usually targeted at either developing new products or relates to a specific product and is intended to extend its scope of use, we will publish the total value of ToV under the category "R&D".

If we conduct basic research unconnected to the development of new or enhancement of existing products, we will publish it under the category "contracted service agreements" rather than under "R&D".

In the event, however, that we support basic research in the form of donations to a university hospital, for example, we will publish the corresponding ToV under the category "monetary donations / donations in kind".

For any queries relating to the disclosure of 2023 data, please contact hcpdisclosure@bayer.com

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