
Global Methodological Note

Version: 1

Date: July 2017

I. INTRODUCTION

The Medicines Company's interactions with healthcare professionals (HCPs) and healthcare organizations (HCOs) are designed to advance medicine through the exchange of scientific information and expertise that can help optimize the treatment of critical care patients. These interactions are based on standards of ethics, integrity and fair payment for services rendered.

The Medicines Company is committed to upholding ethical standards and to ensure compliance when interacting with HCPs and HCOs. As an affiliate member of European Federation of Pharmaceutical Industries and Associations (EFPIA), The Medicines Company strives to comply with the new transparency requirements and seeks to ensure that our policies continue to align with industry standards in all the countries where we operate¹. As of 2017, and on an annual basis thereafter, The Medicines Company will make publicly available details of all reportable Transfers of Value² made to HCPs and HCOs during the previous calendar year (hereinafter, "Disclosure Reports").

This note describes The Medicines Company's general methodology used to prepare the disclosures in accordance with the EFPIA requirements, as well as our interpretation of the EFPIA Disclosure Code as required.

¹ The Medicines Company maintains active affiliates in France, Germany, Italy, Switzerland and the United Kingdom.

² Transfers of Value are defined as "direct and indirect transfers of value, whether in cash, in kind or otherwise, made, whether for promotional purposes or otherwise, in connection with the development and sale of prescription-only medicinal products exclusively for human use. Direct Transfers of Value are those made directly by The Medicines Company for the benefit of a recipient HCP or HCO. Indirect transfers of value are those made on behalf of The Medicines Company for the benefit of a recipient HCP or HCO, or transfers of value made through an intermediate and where the Company knows or can identify the HCP/HCO that will benefit from the Transfer of Value.

II. SCOPE

A. RECIPIENT CATEGORIES

1. **Healthcare Professionals:** According to the EFPIA Disclosure Code, an HCP is defined as any member of the medical, dental, pharmacy or nursing professions or any other person who, in the course of his or her professional activities, may prescribe, purchase, supply or administer a medicinal product. For example, a university professor who is unable to prescribe, purchase, supply or administer a medicinal product would not satisfy this definition and therefore related Transfers of Value would not be part of the Disclosure Reports.
2. **Healthcare Organizations:** Refers to (i) a legal organization that is a healthcare, medical or scientific association or organization such as a hospital, clinic, foundation, university or other teaching institution or (ii) a healthcare businesses through which an individual or group of HCPs provides services.

B. TRANSFERS OF VALUE CATEGORIES

1. **Donations and Grants to HCOs:** Although The Medicines Company does not provide donations or grants to individual HCPs, from time to time the Company does provide financial or in-kind donations and grants to HCOs to support programs that foster increased understanding of scientific issues that impact patient care. Examples of programs that may be considered for such funding include, educational workshops for HCPs and the development of educational tools or resources to support the care and treatment of a disease. This type of support is not linked to any benefit in return for The Medicines Company.
2. **Fees for Service or Consultancy:** The Medicines Company engages HCPs in exchange for financial compensation for purposes such as consulting or advisory services (e.g., provision of scientific expertise on specific topics during an advisory board or scientific advisory meeting) and speaker activities (e.g., presentation at a product symposia on behalf of the Company). Related Transfers of Value that are included in a corresponding Consulting or Professional Services Agreement include the fee-for-service, as well as expenses incurred in the course of the providing the services, such as travel and reasonable accommodations. The Medicines Company will

attribute the Transfers of Value that are incurred and can be reasonably associated to the HCP.

3. **Contributions to Costs of Events:** From time to time, The Medicines Company may sponsor events that foster medical and scientific knowledge in return for opportunities to promote our products or our company, such as the provision of booth space, general advertising, or sponsorship of a satellite symposium at a conference. Unless specifically required in a local law or industry code, funding of Continuing Medical Education (CME) events organized by commercial providers are outside the scope and therefore not part of the Disclosure Report. Where permitted by law and industry code, The Medicines Company may also sponsor individual HCPs to attend scientific/educational events. These sponsorships are part of The Medicines Company's commitment to fostering continuing medical education and improving patient care and may cover travel, accommodation and potential congress registration fees for the HCP. The Medicines Company does not compensate HCPs for their attendance at these events. The logistical and management fees charged by commercial agencies or travel agencies in the context of an event are not part of the Disclosure Reports.
4. **Research and Development:** The Disclosure Reports include those activities that are related to the planning or conduct of (i) non-clinical studies (as defined in the OECD Principles of GLP) (ii) clinical trials (as defined in Directive 2001/20/EC) and (iii) non-interventional studies that are *prospective* in nature and that involve the collection of patient data from or on behalf of individual, or groups of, HCPs specifically for the study. Transfers of Value relating to Research and Development will be reported in an aggregate format. Fees provided in the context of a retrospective, non-interventional study are not included in this aggregated amount. Fees for services paid to an HCP that relate to research and development that are not being provided under a Clinical Trial Agreement will be reported under "Fees for Service and Consultancy" and not in the aggregated amount.

C. COLLECTION AND PROCESSING OF DATA

1. **Tax:** The Medicines Company reports Transfers of Value as net, e.g., without value added tax unless the collection of net values is not possible through the Company's financial systems.
2. **Currency:** The Medicines Company collects Transfers of value in the original currency in which they are made. The

Disclosure Reports shows the Transfers of Value in the local currency. If a payment is captured in another currency, it will be converted into local country currency using the annual average rate of OANDA.

3. **Exclusions:** The following payments or other Transfers of Value are not included in the Disclosure Reports:
 - 3.1 Transfers of values related to commercial agreements with an HCO, such as a rebate.
 - 3.2 Transfers of values made to employees of The Medicines Company.
 - 3.3 Transfers of Value relating to food and beverages.
 - 3.4 Transfers of Value relating to informational and educational materials.
 - 3.5 Transfers of Value for anonymous market research.
 - 3.6 Transfers of Value to a clinical research organization.
 - 3.7 Transfers of Value to an ethics committee.
4. **Direct and Indirect Payments:** As a general principle, The Medicines Company seeks to disclose the ultimate beneficiary of a Transfer of Value. Where applicable, the Disclosure Reports include indirect Transfers of Value that are made through an intermediate and where The Medicines Company knows or can identify the HCP/HCO that will benefit from the Transfer of Value.
5. **Country:** Transfers of Value to an HCP or HCO whose practice, professional address, or place of incorporation is one of the EFPIA member countries, will be disclosed using the corresponding form for the country where the recipient has its principal practice using as reference the address provided during the contracting process.
6. **Date:** Direct payments made by The Medicines Company use the date the transaction was paid as the date of the Transfer of Value. This applies to both single and multi-year agreements, which may result in multiple Transfers of Value.
7. **Cancellations:** In the circumstances when a flight or accommodation is booked but the event is cancelled or the HCP is unable attend, no Transfer of Value will be attributed to that HCP.
8. **Cross-border payments:** The Medicines Company maintains a corporate office in the United States. The Medicines Company's internal processes and systems allow the Company to reconcile Transfers of Value made

to HCPs and HCOs from EFPIA countries provided by all Company entities, including the United States entity.

9. **Third-Party Payments:** Where a third party company represents or acts on behalf of The Medicines Company, The Medicines Company ensures that its respective disclosure obligations are fulfilled in a written contract outlining such obligations.

III. DISCLOSURE FORM

A. REPORTING FORMAT

The Medicines Company is utilizing the reporting templates provided by our supporting vendor, BMI Systems, which is consistent with the template provided by the EFPIA or the local industry codes.

B. YEAR

The Disclosure Reports contain all reportable Transfers of Value for FY2016. Although The Medicines Company strives to comply with all reporting deadlines, however, given the size and resources of the organization, Disclosure Reports will be completed as soon as possible after six months of the end of the reporting period.

C. PUBLICATION

The Medicines Company will post all Disclosure Reports on the Company's Global Corporate Website:
www.themedicinescompany.com.

The Medicines Company does not maintain local websites in the EFPIA member states and is not an official member of local industry associations.

D. LANGUAGE

The Disclosure Reports will be in English.

IV. CONSENT MANAGEMENT

A. INDIVIDUAL AND AGGREGATE DISCLOSURE

In keeping with the goals of the EFPIA Disclosure Law, The Medicines Company is committed to disclosing Transfers of Value under the names of individual recipients. At the same time, The Medicines Company seeks to comply with applicable data protection laws, which may impose certain limitations on the ability to make disclosures on an individual basis. Unless a country has specific legislation governing the transparency of financial relationships with the pharmaceutical industry which supersedes data privacy obligations, The Medicines Company obtains consent of individual HCPs prior to disclosure through our contracting process, i.e., on a contract-by-contract basis.

B. REVIEW AND REVOCATION

Individuals who wish to review their data may contact openpayments@themedco.com. An HCP or HCO can also request data they believe to be inaccurate to be corrected.

Individuals who wish to revoke their consent to the publication of data in the Disclosure Reports may contact dataprivacy@themedco.com.