

HCP/HCO DISCLOSURE

METHODOLOGICAL NOTE

1. Introduction

Johnson & Johnson Innovative Medicine (J&J IM) is committed to transparency and integrity in its interactions with Healthcare Professionals (HCPs) and Healthcare Organisations (HCOs). These interactions support the advancement of medical science, patient care, and the appropriate use of medicines. In line with the EFPIA Code on Disclosure of Transfers of Value and its transposition into applicable national codes, J&J IM discloses its Transfers of Value (ToVs) made to HCPs and HCOs.

2. Definitions

Recipients:

In the context of EFPIA Code on Disclosure of Transfers of Value, this term refers to any HCP or HCO whose primary practice, principal professional address or place of incorporation is in Europe.

Healthcare Professionals (HCPs): Any natural person who is a member of the medical, dental, pharmacy, or nursing professions, or any other person who may prescribe, purchase, supply, recommend, or administer medicinal products.

Healthcare Organisations (HCOs): Any legal person or organisation that is a healthcare, medical, or scientific association or organisation through which one or more HCPs provide services.

Note: from the above-mentioned Recipients, we also report inactive accounts, which could include retired or deceased HCPs. Our reporting is based on the last known address of the HCP, by the time the ToV activity took place.

Kind of ToVs:

- **Direct ToV:** All payments made by the Company directly or indirectly, whether in cash, in kind or otherwise, or any reimbursement, to Recipients such as fees for services, related expenses for Speakers' and Consultants' services, grants, donations and sponsorships to HCOs.
- **Indirect ToV:** refers to transfers of value made on behalf of another party, typically involving expenses related to travel, accommodation, or event registration.
- **Research & Development (R&D) ToV:** are ToVs to HCPs or HCOs related to the planning or conduct of (i) non-clinical studies (as defined in OECD Principles on Good Laboratory Practice); (ii) clinical trials (as defined in Directive 2001/20/EC); or (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 (Section 15.01 of the HCP Code).

3. Disclosure Scope

The disclosure report covers all direct or indirect costs, including R&D costs, related to Prescription-only Medicine and, to the extent applicable, accompanying devices, provided by J&J IM to Recipients.

Excluded ToVs:

The following is a non-exclusive list of ToVs that we exclude from our disclosure report:

- Activities incurring ToV where J&J IM has no visibility of the ultimate beneficiary (e.g., blinded market research).
- Purchases and sales of medicines in the ordinary course of business
- Meals
- Charities and charitable contributions not addressed to HCOs / Patient Organisations
- ToVs by a distributor/sales intermediary NOT made on behalf of/at the direction of a J&J IM Company; those ToVs must be disclosed by the distributor/sales intermediary and not by the J&J IM Company
- Product samples

ToV Reporting Policy

In general, J&J IM reports ToV in the calendar year in which the payment was executed or the activity took place.

- Direct costs such as fees for service and reimbursements for out-of-pocket costs, donations, grants or sponsorships to HCOs will be included in the calendar year in which we executed the **actual payment or reimbursement** in our financial systems.

Although our company policies generally prohibit the reimbursement of out-of-pocket expenses, any such expenses paid under exceptional circumstances are disclosed in the calendar year in which they are paid.

- Indirect costs such as travel (e.g. flight ticket), accommodation (e.g. hotel room cost) and registration fees will be included in the calendar year during which the **activity occurred**.

In case of payments through a third party, our payment date to the third party is used as the determining factor to allocate the payment to the related calendar year.

Research & Development (R&D)

In line with the EFPIA disclosure requirements, all R&D ToV to HCPs or HCOs are disclosed in aggregate amount per country. This means that no individual reporting is done on the public disclosure.

Non-monetary ToVs:

Benefits in-kind are reported based either on the cost paid by J&J IM or on their current fair market value as calculated based on objective external parameters. The value assigned to each benefit in-kind is stated in the contract with the Recipient.

ToV in case of partial attendance or cancellation and refund:

Only costs related to partial participation are reported. Costs of cancellation prior to the event are not reported as they do not constitute a value transfer to their Recipients.

Cross-border activities

ToVs to any HCP/HCO of a country that is in scope of the EFPIA disclosure code will be reported in their country of residence, regardless of which J&J IM company organized and/or made the ToV.

Voluntary disclosure

n/a

4. Specific Considerations

Country unique identifier

For each Recipient J&J IM will report the country unique identifier that is available in its Customer Relationship Management System (CRM), if applicable and required following local country's disclosure rules and regulations.

Self-incorporated HCP

Unless local legislation or industry code requires otherwise, in case an HCP is contracted and paid through an HCO (Health Care Organization) that the HCP is part of, we will disclose the ToV (Service Fee) on the HCO that received the ToV. Any person-related expenses, like travel & accommodation, will be reported on the HCP unless otherwise stated in the contract.

Multi-year agreements

For contracts that span across multiple years, typically a split payment approach is used. This means that the total value is transferred in multiple, separate payments over time. Each of these separate payments will be included in the calendar year in which we executed the actual payment or reimbursement in our financial systems.

Country specificities

n/a for the EMEA Mnotes

Quality checks

J&J IM conducts regular data quality reviews and reconciliation procedures to maintain high data standards and facilitate continuous process improvement.

Disclaimer: Although we strive for efficient and fast processing, it might occur that payment information becomes available only after the date of publishing. We expect this to be exceptional and will monitor actual occurrences. We will publish a quarterly amendment in case of significant changes to the initial publication.

5. Data Protection Legal Basis

Depending on the country, the applicable legal basis for processing may vary and may include Legitimate Interest, Legal Obligation, or Consent. Where processing is based on Legitimate Interest, healthcare professionals (HCPs) have the right to object to the processing of their personal data. In addition, according to individual privacy rights, consent to individual disclosure can be withdrawn by HCPs, in which case disclosure is made on an aggregate basis. We apply consent or withdrawal of consent per HCP for all ToVs for a given year.

The HCP's aggregate section of the Disclosure reporting template contains the total value per cost type that was transferred to HCPs that have chosen not to be disclosed individually.

6. Form of Disclosure

Date of publication

ToVs are published annually in accordance with EFPIA and national code timelines and made available via the appropriate disclosure platform.

Disclosure platform:

<https://www.jnj.com/innovativemedicine/emea/how-we-work/transparency>

Disclosure language:

Disclosure is done in the local language.

7. Disclosure of Financial Data

All payments (e.g. fees for service, Donations, Grants, Sponsorships and other financial support) are reported exclusive of VAT. They include Withholding Tax (when applicable), regardless of whether it is paid directly to the authorities or not.

All ToVs from services or products (e.g. flight ticket, hotel room) are reported gross, so inclusive of VAT (and tips) when applicable.

The reported ToV amounts should not be used for any VAT/Tax reporting purposes. If fiscal reports are required, the company provides them directly to the HCPs/HCOs.

All values reported are in local currency, i.e. the currency of the country in which disclosure is made.

For ToVs that were originally made in non-local currency, a conversion to local currency is made and exchange rate details can be provided on a case by case basis.

8. Additional Information

We rely on a combination of automated systems, standardized processes, and manual data entry from internal and external resources to record relevant data and finally report it. The information reported in this submission reflects our good faith and best efforts to comply with the requirements of the EFPIA Disclosure Code. Should we, despite our best efforts to ensure accurate reporting, fail to include complete and correct information in our submission, we will appropriately investigate and address in case of erroneous information.

The ToVs disclosed as per EFPIA requirements and on this site are only used to meet the EFPIA reporting requirements. The costs are not to be used as backup for any Tax Authority Reporting, or any other reporting like this.