



WORLD **DIABETES** FOUNDATION

FINANCIAL STATEMENTS FOR 2017

APPROVED BY THE BOARD OF DIRECTORS 7 MARCH 2018

CVR-nr. 26 56 17 79

Krogshøjvej 30A · DK-2880 Bagsværd

CORE ACTIVITIES



The objective of the Foundation is to further the prevention and treatment of diabetes in developing countries by providing financial support to:

- **Increased awareness of and knowledge about diabetes**
- **Prevention of the disease and its complications**
- **Education and training**
- **Distribution systems**
- **Diagnosis**
- **Access to diabetes care**
- **Monitoring**

MANAGEMENT REVIEW 2017

FINANCIAL HIGHLIGHTS

Donations

In 2017, donations from Novo Nordisk A/S totalling DKK 85,210k were recognised as income, against DKK 85,128k in the previous financial year.

The World Diabetes Foundation's income base derives primarily from two ten-year deeds of gift from Novo Nordisk A/S. The deeds of gift cover the periods 2008 - 2017 and 2015 - 2024. In 2017 income was recognised under both deeds of gift.

Fundraising portfolio

In the financial year 2017, donations of DKK 957k were raised through various fundraising activities.

Distributions

Pursuant to article 8 of the Statutes of the World Diabetes Foundation, the net profit for the year should, to the widest possible extent, be distributed in the same financial year. The distribution requirement was thus observed in 2017 when the Foundation distributed DKK 87,211k to new projects against DKK 88,050k in the previous year.

Administration

The Foundation maintained administrative expenses at a reasonable level without diluting its strategic imperatives.

It is a requirement for the Foundation to keep administrative expenses below 10% of total income. In 2017, administrative expenses accounted for 6.79% of total income, against 6.49% in the previous year.

Project Portfolio

To date, the World Diabetes Foundation has supported 535 projects in 116 countries. 239 of these are ongoing projects.

To qualify for consideration, applications must target prevention and treatment of diabetes through a qualitative and/or experimental / innovative approach, designed to improve and ensure greater and more equal access to diabetes care.

The objective of project applications must not only fall within the scope of the Foundation's statutes, but must also be aligned with its strategic framework. Key focus is on the efficiency, productivity and sustainability of proposed designs. The Board gives priority to projects with a strong poverty focus - and to solutions which can potentially yield replicable models and be scaled.

During the financial year, 47 new project grants were approved by the Board of Directors.

Long-term commitment

The UN Sustainable Development Goals (SDGs), the World Health Organisation's (WHO) Global Action Plan (2013-2020) and national strategies and action plans remain key benchmarks in the realisation of WDF's mission.

At the Secretariat level, the Foundation continued its work as official member of the WHO Global Coordinating Mechanism (GCM). The Coordinating Mechanism is tasked with the mandate of supporting the implementation of the SDGs and WHO's Global Action Plan, incl. knowledge sharing and coordination with non state actors and philanthropic foundations.

The Foundation's strategic plan for 2017 - 2021 mirrors the increasingly complex landscape in which our partners operate. Macro economic trends which often require a whole-of-system approach, interdisciplinarity and collaboration across sectoral boundaries.

The pillars of our strategy continue to revolve around the Foundation's role as a catalyst and agent for change, incl. a strong poverty focus, local ownership, capacity-building and innovative financing streams.

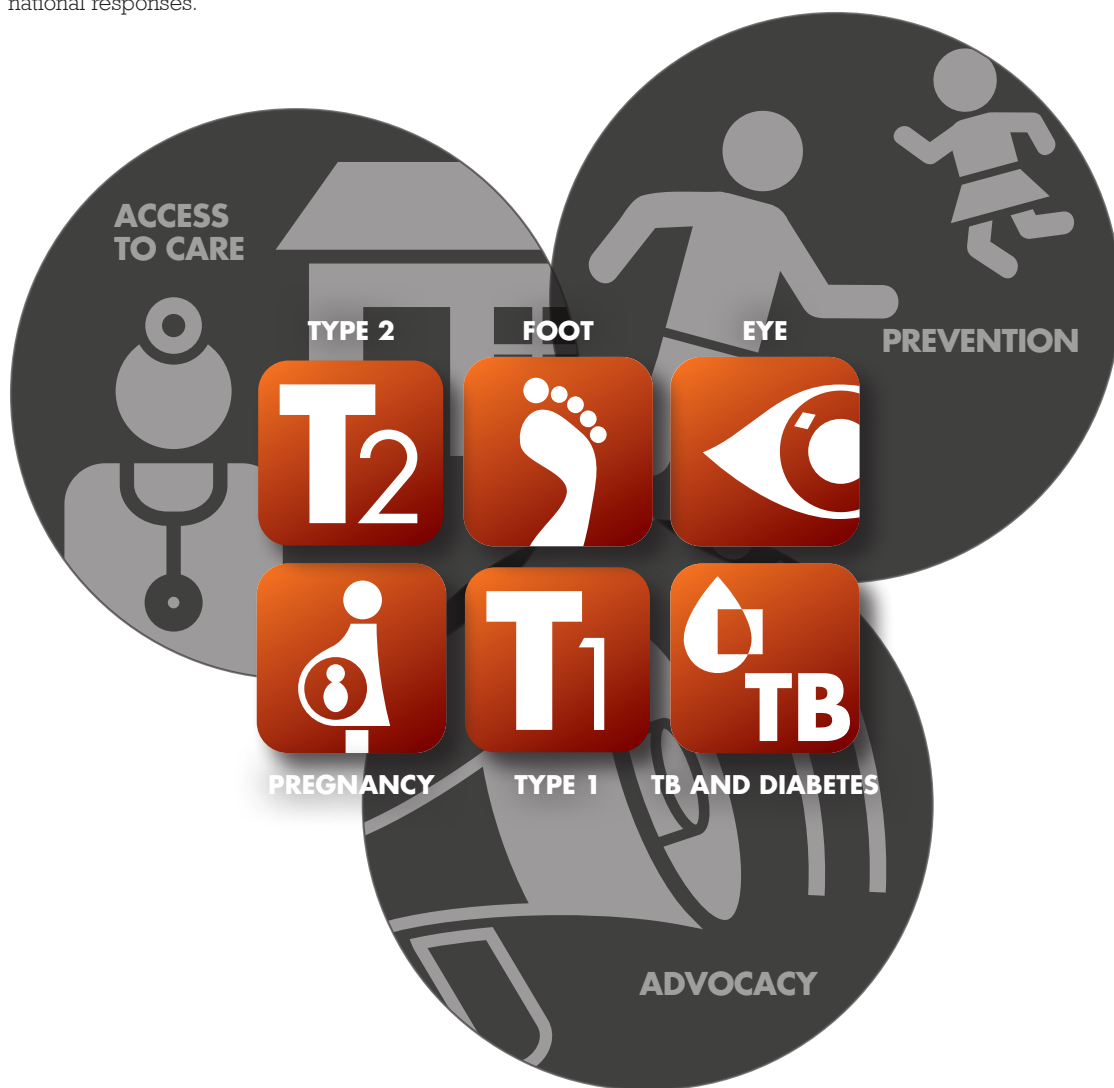
FINANCIAL HIGHLIGHTS

Building blocks

Partnerships are focused on improving access to prevention, treatment and care.

In many countries, the financial and technical support provided by the Foundation has spanned over five years or longer, often starting with small grass roots initiatives which, over time, may develop into more broad-based country programmes or larger-scale national responses.

Proposals are based on value-creating partnerships with global, regional or local implementing agents. They are, essentially, founded on patient-centred solutions with the potential of making a real difference in the individual citizen's / family's life - and in a broader societal perspective.



**INTERVENTIONS
AND FOCUS AREAS**



Announcing new strategic partnership: Dr. Naresh Aggarwal, International President, LCI, Dr Anil Kapur, Chairman of WDF and Leif Fenger Jensen, Managing Director, WDF

Strategic partnerships and technical capacity

In 2017, the Foundation continued to strengthen its distribution and technical capacity, including cultivation of strategic partnerships and platforms.

International Conference on Diabetes and Refugees, 10-12 April 2017, Jordan

For refugees and those who host them, securing safety, food, shelter and acute medical care comes first. Yet as millions of displaced people move into camps or cramped urban settings, often with limited access to healthy food and exercise, increasing numbers of them are facing a new threat - diabetes.

In a conference organised by the United Nations Relief and Works Agency for Palestine Refugees (UNRWA), and the World Diabetes Foundation (WDF), experts in healthcare services delivery for refugees from different sectors gathered at the Dead Sea in Jordan. The meeting explored current practices and experiences, research, and the way forward to better diabetes care for refugees worldwide.

Jordan is currently host to more than 2 million refugees, many of them Palestinian and Syrian. Two of them - a mother of a child with type 1 diabetes, and a man who has lived with diabetes since 2007 - shared their stories with conference delegates.

On the final day of the conference delegates endorsed the 'Dead Sea Declaration and Call to Action on

Refugees and Diabetes' - an urgent call for action to address the problem.

The Declaration expresses grave concern about the growing crisis of diabetes and commits delegates to addressing the prevention and care of diabetes in refugee populations through a series of actions.

It also calls upon other partners and stakeholders to include diabetes care in all humanitarian responses; establish supporting mechanisms for diabetes and other non communicable diseases (NCDs); and strengthen health systems to provide care for common NCDs at the primary care level.

Partnering with Lions Club International

In July 2017, Lions Clubs International (LCI) - the world's largest volunteer organization - announced that it will mobilize its 47,000 service clubs in 200 countries around a new signature cause - the global diabetes epidemic.

The organization, founded 100 years ago, unveiled diabetes as a new focus for its 1.4 million members during their centennial convention in Chicago.

On World Diabetes Day 2017, the World Diabetes Foundation was thrilled to sign Memorandum of Understanding uniting WDF and LCI to advocate for prevention and treatment of diabetes.

MANAGEMENT REVIEW 2017

FINANCIAL HIGHLIGHTS

WDF Partner Forum, 23-24 August 2017, Abuja, Nigeria

Nigerian government, civil society and healthcare experts came together to address a growing threat to the country's economy and the health and well-being of its citizens: diabetes and other non-communicable diseases (NCDs).

More than 100 delegates gathered in Abuja for Diabetes and NCDs in Nigeria – Perspectives, Challenges and the Way Forward. The meeting was organised by Nigeria's Federal Ministry of Health (FMOH), Strategies for Improving Diabetes Care in Nigeria (SIDCAIN) and the World Diabetes Foundation (WDF).

Today about 415 million people have diabetes, and more than 14 million of them live in sub-Saharan Africa. By 2040 these figures will more than double. There were more than 1.56 million cases of diabetes in Nigeria in 2015, according to the International Diabetes Federation.

Quality Assurance

The individual projects are formalised by signing a contract with the local partner, outlining clear milestones, indicators and criteria for success.

Ongoing projects are monitored closely in accordance with the Foundation's monitoring system which includes half-yearly reports, auditors' reports and field visits in the recipient country.

In general, the projects develop satisfactorily. However, delays often occur; partly in connection with the signing of contracts and start-up; partly in the actual project implementation phase. As instalments are made conditional on the achievement of agreed milestones, delays have no significant financial risk impact on the Foundation.

Zero tolerance policy

Throughout the year, the Foundation institutionalised experience from PwC audits conducted across a number of selected partnership countries.

This initiative serves the dual purpose of building financial and project management capacity within partner organisations and of ensuring a high level of accountability and transparency in the administration of WDF-supported grants.

In countries where PwC audits are not feasible - or where it is not financially appropriate, considering the associated risk and size of project funding, to retain the services of an international audit firm - projects are audited by local audit firms.

The Foundation systematically reviews and follows up on audit reports, i.e. where internal controls have been found to be inadequate or poor, and where WDF has embargoed release of further project funds until appropriate action plans have been implemented by the recipient organisation.

During the year, the Board has in a few instances resolved to close a project prematurely due to non-compliance with reporting requirements, or because the applicant institution was unable to meet the terms and conditions of the approved grant.

Outlook for 2018

The Foundation's income is expected to be at the level of 2017, or slightly higher. From 2018 - 2024, the max annual cap under the remaining deed of gift amounts to DKK 90 million.

STATEMENT BY THE MANAGEMENT ON THE ANNUAL REPORT

The Board and Management have today reviewed and adopted the Financial Statements of the World Diabetes Foundation for the financial year 1 January - 31 December 2017. The Financial Statements have been prepared in accordance with the accounting policies described on pages 12-13. We consider the accounting policies applied appropriate and the

estimates made reasonable. Furthermore, we consider the presentation of the overall Financial Statements to be true and fair. Therefore, in our opinion the Financial Statements give a true and fair view of the financial position, assets, liabilities and the result of the operations of the Foundation.

Bagsværd 7 March 2018

Management



Leif Fenger Jensen

Board of Directors



Anil Kapur
Chairman



Mike Rullis
Vice Chairman



Kaushik Ramaiya



Ida Nicolaisen



Abdallah Daar



Frederik Kier



INDEPENDENT AUDITOR'S REPORT

Independent Auditor's report

To the Board of Directors of the World Diabetes Foundation and the Danish Civil Affairs Agency, the authority for non-commercial foundations.

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the World Diabetes Foundation at 31 December 2017 and of the results of the Foundation operations for the financial year 1 January - 31 December 2017 in accordance with the Danish Act on Foundations and Certain Associations, the Statutes of the World Diabetes Foundation and the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B with the necessary adjustments as well as the accounting policies described on pages 12-13.

We have audited the Financial Statements of the World Diabetes Foundation for the financial year 1 January - 31 December 2017, which comprise income statement, balance sheet, notes and summary of significant accounting policies ("the Financial Statements").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Foundation in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Financial Statements or with our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Moreover, we considered whether Management's Review includes the disclosures required by the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act and the Statutes of the World Diabetes Foundation. We did not identify any material misstatement in Management's Review.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of Financial Statements that give a true and fair view in accordance with the Danish Act on Foundations and Certain Associations, the Statutes of the World Diabetes Foundation and the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B with the necessary adjustments, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, Management is responsible for assessing the Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the Financial Statements unless Management either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the

circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control.

- Evaluate the appropriateness of accounting policies used by Management and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Foundation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Bagsværd 7 March 2018

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab
CVR No 3377 1231



Torben Jensen
State Authorised Public Accountant
MNE18651



Uffe Fink Jensen
State Authorised Public Accountant
MNE27760

ACCOUNTING POLICIES

Accounting policies

The financial statements of the World Diabetes Foundation have been prepared in accordance with the Danish Foundation Act and the accounting policies described below.

Translation policies

Assets and liabilities in foreign currencies are translated into Danish kroner at the exchange rates at the balance sheet date, and exchange adjustments are recognised in the profit and loss account. USD bank and currency deposits are used to hedge against accrued distributions in USD. To the extent that the USD deposits are used to hedge against specific liabilities, exchange rate adjustments are recognised for both accrued distributions and for USD deposits in the profit and loss account as financial income and costs.

Tax

According to the Deed of Foundation, the Foundation is required to distribute the entire profit for the year, and therefore no tax is expected for the Foundation. Consequently, no provision has been made for deferred tax on temporary differences in respect of holdings of bonds, as these are eliminated by provisions for future distribution and subsequently offset by a 104 % tax value of the deduction in respect of amounts granted by the Foundation.

Recognition of income

Income is calculated on the basis of the following donation programmes.

Deed of gift 30 April 2008

For the financial years 2011 - 2017 the donation from Novo Nordisk A/S is calculated as 0.125 % of the annual net insulin revenue, not exceeding the lesser of the following two amounts: MDKK 80.0 or 15 % of the taxable income of Novo Nordisk A/S in the given financial year.

Deed of Gift 30 July 2014

For the financial years 2015, 2016 and 2017 the donation from Novo Nordisk A/S is calculated as 0.01% of the annual net insulin revenue in the given financial year. However, the annual donation shall not exceed MDKK 8.0.

In accordance with the two Deeds of Gift, the total donation shall not exceed the lesser of the following

two amounts: MDKK 88.0 or 15% of the taxable income of Novo Nordisk A/S in the given financial year.

For the financial years 2018 - 2024 the donation from Novo Nordisk A/S is calculated as 0.1% of the annual net insulin revenue in the given financial year. However, the total donation shall not exceed the lesser of the following two amounts: MDKK 90.0 or 15% of the taxable income of Novo Nordisk A/S in the given financial year.

Donations under Deeds of Gift of 30 April 2008 and 30 July 2014 from Novo Nordisk A/S are received every month based on the monthly accounts of the Novo Nordisk Group. Income is recognised when the amounts, which the Foundation has been promised, can be calculated.

Distributions from World Diabetes Foundation

When the World Diabetes Foundation undertakes to support a project by signing a project contract, or in other ways commits itself to making distributions, the amount is recognised in the profit and loss account as a grant included in the profit distribution of the Foundation. No discounting is made of future payments of grants, and it is assumed that the recipients will fulfil all requirements, to be reflected in the form of milestones, for payment of the grants.

Administrative expenses

Total administrative expenses of the Foundation may not exceed 10% of the Foundation's total income. The Foundation's total income is measured as the sum of all donations including primarily Novo Nordisk A/S and financial income. Administrative expenses include salaries and pensions as well as other administrative expenses in the Foundation's secretariat, remuneration to the Board of Directors, fees to the auditors and to NNIT, Novo Nordisk A/S and affiliates for various ad hoc services and service level agreements.

Project expenses

Project costs include costs incurred in connection with the monitoring and facilitation of the project portfolio of the Foundation, including salary costs, information material and communication about diabetes in developing countries as well as costs directly related to project coordination with local partners, including health authorities, civil society organisations, academia, media, non state actors, etc.

ACCOUNTING POLICIES



Salary expenses

Salary expenses are split proportionally between administrative expenses and project expenses based on time registration on either administration tasks or project tasks.

Receivable with Novo Nordisk A/S

Receivable with Novo Nordisk A/S comprise primarily donations for the last month which the World Diabetes Foundation has been promised, but which have not yet been received.

Accrued distributions

Accrued distributions comprise grants that have not yet been paid, as the milestones have not yet been achieved or as the projects will not be initiated until later, which means that the promise relates to future periods.

Securities

Bonds are valued at the price at the balance sheet date. The bond price is calculated on the basis of the most recently offered selling price. Bonds that are close to maturity are recognised at a price of 100. All bonds were sold during the financial year.

Other liabilities

Other liabilities primarily comprise employee related costs regarding bonus and holiday pay.

INCOME STATEMENT

| World Diabetes Foundation | NOTE | 2017 | 2016 |
|---|-------------|---------------|---------------|
| | | DKK '000 | DKK '000 |
| Donations from Novo Nordisk A/S and others | 1 | 86,167 | 85,881 |
| Administration expenses | 2, 3 | -5,913 | -5,633 |
| Project expenses | 2, 4 | -11,773 | -11,017 |
| Profit/(loss) before financial income and expenses | | 68,481 | 69,231 |
| Financial income | 5 | 860 | 871 |
| Financial expenses | 5 | 0 | -95 |
| Profit/(loss) for the year | | 69,341 | 70,007 |
| Proposed distribution: | | | |
| Distributions from the World Diabetes Foundation | 9 | 73,606 | 78,448 |
| At disposal for future distributions | | -4,265 | -8,441 |
| | | 69,341 | 70,007 |

BALANCE SHEET AT 31ST DECEMBER

ASSETS

| World Diabetes Foundation | NOTE | 2017 | 2016 |
|----------------------------------|-------------|----------------|----------------|
| | | DKK '000 | DKK '000 |
| Blocked account | | 260 | 260 |
| Tied-up assets | | 260 | 260 |
| Receivable Novo Nordisk A/S | | 3,772 | 5,838 |
| Interest receivable | | 152 | 186 |
| Other receivable | | 41 | 0 |
| Total receivable | | 3,965 | 6,024 |
| Holding of bonds | 6 | 0 | 24,390 |
| Bank and currency deposits | 7 | 185,914 | 183,024 |
| Disposable assets | | 189,879 | 213,438 |
| Total assets | | 190,139 | 213,698 |

BALANCE SHEET AT 31ST DECEMBER

LIABILITIES AND EQUITY

| World Diabetes Foundation | NOTE | 2017 | 2016 |
|-------------------------------------|-------------|----------------|----------------|
| | | DKK '000 | DKK '000 |
| Tied-up capital | | 260 | 260 |
| Disposable capital | | 18,756 | 23,020 |
| Total equity | 8 | 19,016 | 23,280 |
| Trade payables | | 186 | 342 |
| Accrued distributions | 9 | 168,247 | 187,723 |
| Other liabilities | | 2,690 | 2,353 |
| Total short-term liabilities | | 171,123 | 190,418 |
| Total equity and liabilities | | 190,139 | 213,698 |

NOTES

| NOTE 1 Donations received | 2017 | 2016 |
|---|---------------|---------------|
| | DKK '000 | DKK '000 |
| Donation from Novo Nordisk A/S concerning current year, donation letter 2008-17 0,125% | 78,898 | 78,822 |
| Donation from Novo Nordisk A/S concerning current year, donation letter 0,01% | 6,312 | 6,306 |
| Donation from others | 957 | 753 |
| Total donations | 86,167 | 85,881 |

NOTES

| NOTE 2 Employee costs | 2017 | 2016 |
|---|---------------|---------------|
| | DKK '000 | DKK '000 |
| Wages and salaries | 9,922 | 8,857 |
| Pensions | 897 | 851 |
| Other employee costs | 251 | 461 |
| Total employee costs | 11,070 | 10,169 |
| Average number of employees | 14 | 14 |
| | | |
| NOTE 3 Administration expenses | 2017 | 2016 |
| | DKK '000 | DKK '000 |
| Salary costs | 3,558 | 3,047 |
| Remuneration to the Board of Directors | 446 | 447 |
| Rent | 229 | 199 |
| IT & telephone | 68 | 57 |
| Service level agreement with Novo Nordisk A/S and NNIT A/S | 288 | 264 |
| Audit and other accounting services | 185 | 138 |
| Travel expenses | 20 | 25 |
| Stakeholder communications & image building | 8 | 41 |
| Annual review and other publications | 45 | 102 |
| Other expenses - Board of Directors | 321 | 459 |
| Translation services | 293 | 279 |
| Other administration expenses | 452 | 575 |
| Total administration expenses | 5,913 | 5,633 |
| Of the total income of the Foundation, administration expenses amounted to | 6.79% | 6.49% |

NOTES

| NOTE 4 Project expenses | 2017 | 2016 |
|--|---------------|---------------|
| | DKK '000 | DKK '000 |
| Salary costs | 7,512 | 7,122 |
| Travel expenses | 1,863 | 2,009 |
| Rent | 444 | 399 |
| Annual review and other publications | 65 | 176 |
| IT & telephone | 186 | 177 |
| Service level agreement with Novo Nordisk A/S and NNIT A/S | 619 | 46 |
| Stakeholder communications & image-building | 222 | 118 |
| Other expenses - Board of Directors | 204 | 523 |
| Auditing of local projects | 243 | 186 |
| Translation services | 144 | 51 |
| Other project expenses | 271 | 210 |
| Total project expenses | 11,773 | 11,017 |

| NOTE 5 Financial income and expenses | 2017 | 2016 |
|---|-------------|-------------|
| | DKK '000 | DKK '000 |
| Interest income on bank deposits | 1,003 | 284 |
| Interest income on holding of bonds | 7 | 49 |
| Other capital gain/loss | -150 | 538 |
| Total financial income | 860 | 871 |
| Unrealised capital loss on bonds | 0 | -95 |
| Total financial expenses | 0 | -95 |
| Net financial items | 860 | 776 |

NOTES

| NOTE 6 Holding of bonds | 2017 | | 2016 | |
|------------------------------------|--------------|-------------------|--------------|-------------------|
| Disposable assets | Price | Nom. value | Price | Nom. value |
| | | DKK '000 | | DKK '000 |
| RD Var.12F6F17TT | 0.000 | 0 | 0 | 100.000 |
| | | | | 24,390 |
| Total holding of bonds | | | 0 | 24,390 |
| Disposable holding of bonds | | | 0 | 24,390 |

| NOTE 7 Bank and currency deposits | 2017 | 2016 |
|--|----------------|----------------|
| | DKK '000 | DKK '000 |
| Bank and currency deposits | 183,547 | 175,826 |
| Unrealised gain/loss | 2,367 | 7,198 |
| Total Bank and currency deposits | 185,914 | 183,024 |

| NOTE 8 Equity | 2017 | 2016 |
|----------------------|---------------|---------------|
| | DKK '000 | DKK '000 |
| Tied-up capital | 260 | 260 |
| Disposable capital | 18,756 | 23,020 |
| Total equity | 19,016 | 23,280 |

NOTES

| NOTE 9 Accrued distributions | 2017 | 2016 |
|---|----------------|----------------|
| | DKK '000 | DKK '000 |
| Accrued distributions at the beginning of the year | 187,723 | 176,909 |
| Current year distributions | 73,606 | 78,448 |
| Current year payments | -77,760 | -71,538 |
| Unrealised gain/loss | -15,322 | 3,904 |
| Accrued distributions at the end of the year | 168,247 | 187,723 |

Distributions are scheduled to be payable in the period 2017-2022 as follows:

| | | |
|------------------------------|----------------|----------------|
| 2017 | | 103,610 |
| 2018 | 95,806 | 56,117 |
| 2019 | 46,197 | 25,905 |
| 2020 | 21,276 | 1,609 |
| 2021 | 4,526 | 482 |
| 2022 | 442 | |
| Accrued distributions | 168,247 | 187,723 |

NOTE 10 Contingent liabilities

The Foundation has entered into sub-lease and facility management agreements with respectively six and twelve months' notice, equivalent to contingent liabilities of DKK 409k (DKK 467k). Moreover, the Foundation has entered into IT/hosting agreements of 3, 6 and 12 months' notice with a contingent liability of 249k (276k). The Foundation has additional Service Level Agreement expenses with twelve months' notice with a contingent liability of DKK 176k (DKK 278k).

CODE OF CONDUCT

Our aim is to alleviate human suffering related to diabetes and its complications among those least able to withstand the burden of the disease

1. We will recognise people with diabetes and related diseases as dignified humans in all our activities and communications
2. We will display respect for the culture and values of the communities and countries within which we work
3. We will facilitate implementation of the UN Sustainable Development Goals by striving to reduce vulnerability of people served through our grants – addressing basic health needs, promoting equity (in particular gender equity), and fostering sustainable solutions
4. We will give support regardless of race, gender or creed of the recipients in the developing world based upon assessment of needs and capabilities to meet these needs
5. We will promote local ownership of sustainable initiatives in co-operation with governments, private institutions and civil society
6. We will help build and strengthen local capacity to ensure that the recipients, including girls and women, are empowered, as key players in the development process
7. We will seek to support and create synergy between both top-down and bottom-up approaches that apply participation and partnership as both a means and a goal
8. We will be accountable to both those we seek to assist and those from whom we accept resources
9. We will adopt and require our partners to adopt a zero tolerance policy to corruption and bribery
10. We will be open and transparent, and report on the impact of our work, and the factors limiting or enhancing that impact



The World Diabetes Foundation is dedicated to supporting the prevention and treatment of diabetes in the developing world

The World Diabetes Foundation creates partnerships and acts as a catalyst to help others do more

The World Diabetes Foundation strives to educate and advocate globally in an effort to create awareness, care and relief to those impacted by the disease



WORLD **DIABETES** FOUNDATION