



# MEDICINES FOR THE PEOPLE

**2020**

FINANCIAL AND  
PERFORMANCE  
REPORT

**DNDi**

Drugs for Neglected Diseases *initiative*



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# 2020

| in numbers



## R&D AND ACCESS

**40**

Number of R&D projects in the pipeline  
Including 20 New Chemical Entities (NCEs)

**67%**

of R&D expenditure dedicated to Neglected Tropical Diseases (NTDs)

**>4 million**

Compounds screened since DNDi's inception and 2.3 million since 2012



## FOCUSED SPEND

**EUR 59.3 million**

Annual expenditure in 2020

**89%**

of expenditures allocated to social mission

**78%**

of expenditures allocated to R&D



## LEVERAGING EXTERNAL RESOURCES

**1,258**

Full-Time Equivalents (FTEs) across DNDi and contracted partners

**4.6:1**

Ratio of FTEs, Partner vs DNDi



## LMICs ENGAGEMENT

**51%**

of DNDi partner institutions and other third parties are in Low and Middle Income Countries (LMICs)

**66%**

of all R&D partner FTEs are in Africa



## FINANCIAL SUPPORT

**EUR 676 million**

income received since 2003

**EUR 72.6 million**

Additional in-kind support and collaborative funding since 2003



## GENDER DIVERSITY

**44%**

of DNDi's 239 staff are based in LMICs

**37**

Nationalities represented in DNDi staff

**47%**

Women in DNDi leadership

# 2020 KEY FINANCIAL INDICATORS

In 2020, DNDi demonstrated great 'value for money' with a high social mission ratio and low overheads, while advancing its portfolio and responding to the pandemic.

DNDi's social mission ratio (R&D and access, capacity strengthening and advocacy) was 88.6% in 2020, in line with the recent years' average of 87%.

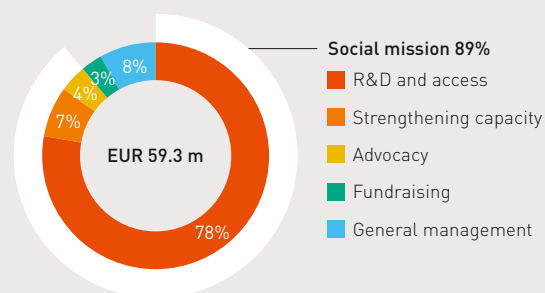
Due to the current pandemic, DNDi had to adjust its approach to sustain its activities to adapt to new constraints (virtual and remote operations, additional protection provisions for staff and patients, adjustment to IT infrastructure, etc.), and to include in its portfolio of activities COVID-19 clinical research for low-resource settings.

## Challenges and opportunities: Travel

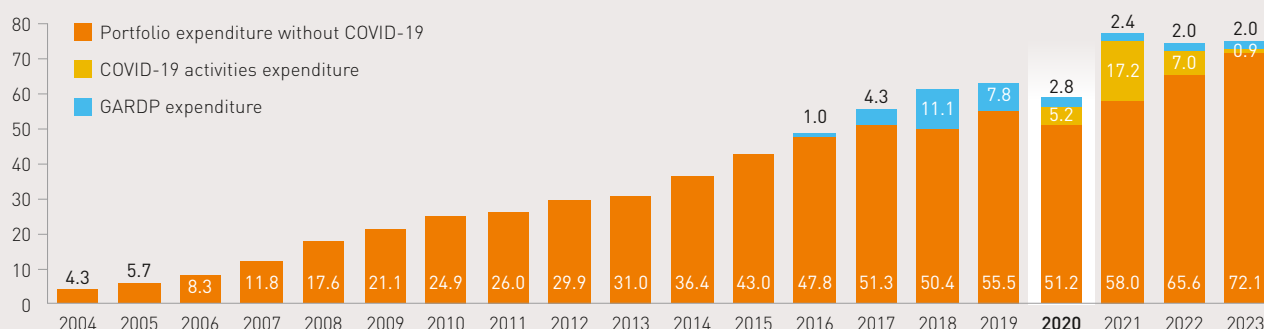
2020 was also an exceptional year of savings in travel costs due to the COVID-19 pandemic. Remote and virtual operations significantly decreased DNDi's travel costs (EUR 0.6 million in 2020 vs EUR 2.4 million in 2019). This was both a welcome development and a challenge. This led to a reduction of DNDi's carbon footprint, in line with DNDi's ambition to reduce our environmental impact by

a minimum of 30% by 2030 and linked to an acceleration of DNDi's digitalization agenda.

### 2020 expenses



### Activities 2004-2020 and forecast 2021-2023 (EUR million)



## Expenditures

- Since its inception in 2003, DNDi's total expenditure amounted to EUR 548 million by end of 2020.
- 2020 expenditure reached EUR 59.3 million, down 6.4% (2019: 63.1 million), due to:
  - A drop in Global Antibiotic Research and Development Partnership (GARDP) expenditures from EUR 7.8 million in 2019 to EUR 2.8 million.
  - A 1.6% increase in DNDi's expenditure (excluding GARDP) from EUR 55.5 million in 2019 to EUR 56.4 million.
- The EUR 710,000 operating gain for the year was allocated to reserves (EUR 635,000) and to the financial result (EUR 75,000).

## Understanding the numbers

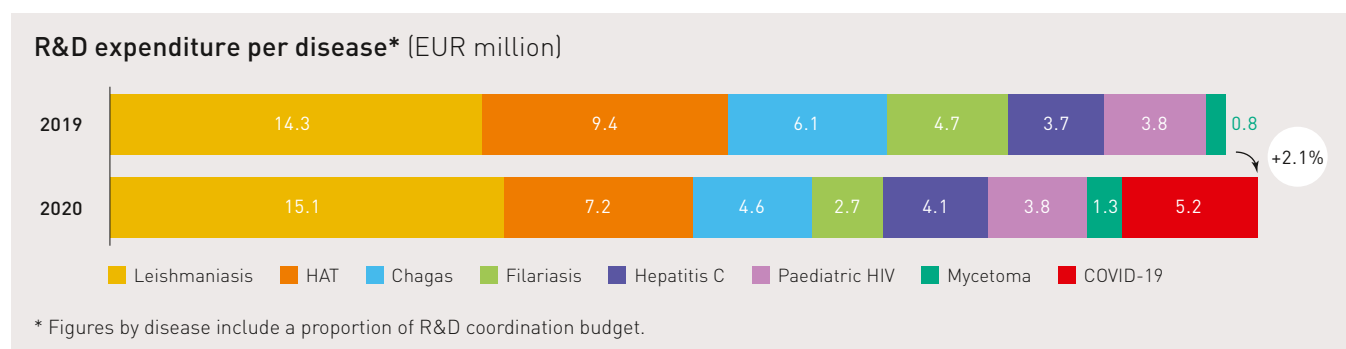
- Overall expenditures fell due to reduced GARDP-related expenditure and to the impact of COVID-19 on the traditional portfolio which disrupted clinical trials in Africa and Phase I clinical trials.
- DNDi continued to advance the R&D pipeline while using its experience and networks to contribute to the COVID-19 response.
- The focus R&D and access expenses remain stable with 77.8% (77.6 % in 2019) of the total expenses.
- Lower expenditure on the existing portfolio was compensated by COVID-19 activity expenditure (EUR 5.2 million in 2020).



# EXPENDITURE BY DISEASE

DNDi has delivered eight new treatments for five neglected diseases. It addresses R&D gaps for NTDs and viral diseases affecting low-resource settings. In 2020, DNDi advanced its regular portfolio while engaging new COVID-19-related activities.

In 2020, R&D and access activities grew by 2.1% to EUR 44.4 million of total spend (2019: EUR 43.5 million), excluding GARDP expenditure. The portfolio focuses on eight diseases (seven in 2019).



In addition to the above, 3.7% of R&D expenditures (EUR 1.7 million) were related to the ongoing collaboration with the GARDP initially incubated by DNDi to address antimicrobial resistance and now an independent institution. These GARDP-related costs were fully reimbursed by GARDP.

## CORE DISEASES AND KEY CLINICAL DEVELOPMENTS IN 2020

### Leishmaniasis

EUR 15.1 m (vs 2019: +EUR 0.8 m)

20,000-30,000 deaths annually

- Seven NCEs: one in pre-clinical stage, five in Phase I and one in proof of concept (POC) (+EUR 1.5 million).
- Advancing or completing six studies and clinical trials on 3 continents to deliver better combination treatments for leishmaniasis (-EUR 0.7 million).

### Sleeping sickness

EUR 7.2 m (vs 2019: -EUR 2.1 m)

8.5 million people at risk

- Advancing or completing six clinical trials: Acoziborole for *gambiense* and Fexinidazole for *gambiense* and *rhodesiense* (-EUR 3.8 million).
- Access activities focused on pharmacovigilance, HAT diagnosis and community awareness (+EUR 1.7 million).

### Chagas disease

EUR 4.6 m (vs 2019: -EUR 1.5 m)

70 million people at risk

- Transition with preparation of one Phase III clinical trial with NuestroBen in Argentina (-EUR 0.6 million).
- Decrease on discovery, biomarker, and access activities (-EUR 0.9 million).

### Filaria (River blindness)

EUR 2.7 m (vs 2019: -EUR 2 m)

198 million people at risk

- Preparation of two Phase Ib clinical trial sites in Africa (-EUR 1.3 million).
- Screening activities terminated in 2020 (-EUR 0.7 million).

### Mycetoma

EUR 1.3 m (vs 2019: +EUR 0.5 m)

Global burden unknown

- Treatment completed in 84 patients in the fosravuconazole POC study in Sudan.

### Paediatric HIV

EUR 3.8 m (No change)

1.8 million children living with HIV

- Deployment of access activities with sub-Saharan African partners (+EUR 0.7 million).
- Initiation of bioequivalence study with 5FC: Cryptococcal meningitis (+EUR 0.4 million).
- Completing regulatory work to review US FDA dossier for paediatric HIV drug quadrimune (-EUR 1.1 million).

### Hepatitis C

EUR 4.1 m (vs 2019: +EUR 0.4 m)

71 million people living with hepatitis C

- Application for Hepatitis C drug ravidasvir submitted to the Malaysian National Pharmaceutical Regulatory Agency (+EUR 0.8 million).
- Advancing or completing two clinical trials (-EUR 0.4 million).

### COVID-19

EUR 5.2 m

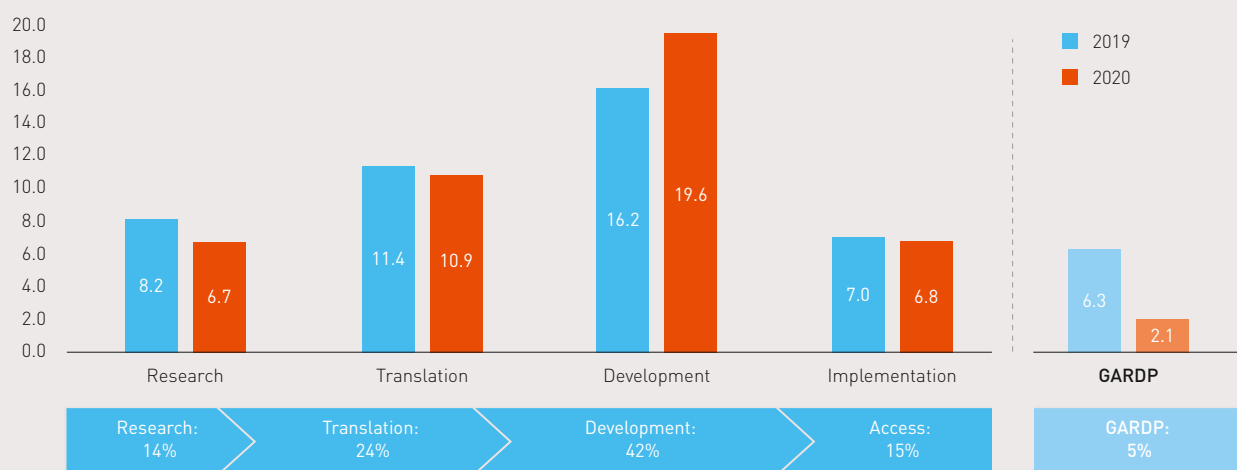
- Initiation of the ANTICOV Consortium clinical trials in Africa in 13-15 countries (EUR 4.2 million).
- Selection of potential therapeutic candidates, (EUR 0.3 million).
- Set up the Covid-19 Clinical Research Coalition mobilizing for accelerated clinical research in low-resource settings and advocacy activities for accountability from governments, industry, and the research community activities (EUR 0.7 million).

# EXPENDITURE BY STAGE

Thanks to DNDi's presence in the regions, stringent precautionary measures and nimble adjustments to its operations, R&D activities generally progressed steadily in 2020 despite the pandemic.

Delays or disruptions were limited to Phase I clinical activities due to partners refocusing on COVID-19 activities, temporary drug supply challenges for some clinical trials, and increased regulatory delays. Meanwhile, DNDi leveraged its viral disease expertise and clinical networks to contribute to the pandemic response.

R&D expenditure per development stage\* (EUR million)



\* Figures by stage include a proportion of R&D coordination budget.



## Research

- DNDi experienced a decrease in research activity expenditure (-EUR 1.5 million).
- The reduction was related to screening delays due to the pandemic which also affected lead optimization consortium activities.
- Meanwhile, DNDi engaged in COVID-19-related activities to identify drug candidates, thus partly compensating the slowdown in activities.



## Translation

- Spending on translation projects totalled EUR 10.9 million in 2020 (-EUR 0.5 million) to develop a portfolio of promising drug candidates with 14 projects currently in the translational pipeline, including 12 involving NCEs.
- The slight decrease in expenditure was due to delays in Phase I studies of leishmaniasis NCEs, related to COVID-19 constraints.



## Development

- In 2020, while challenged by the COVID-19 pandemic, 12 clinical trials (10 ongoing and 2 new) progressed in parts of Africa, Latin America, and Asia (+EUR 3.4 million).

- Expenditure increased due to the launch of the ANTICOV clinical trial in Africa as part of new COVID-19 activities.



## Access and Implementation

- Spend on implementation and access activities decreased (-EUR 0.2 million).
- The pandemic led to the postponement of some activities, and regulatory delays.
- Meanwhile, DNDi COVID-19 activities started as early as March 2020 with the establishment of the COVID-19 Clinical Research Coalition ([covid19crc.org](https://covid19crc.org)).



## Challenges and opportunities: R&D teams

- Where core activities of a project were limited by external circumstances, staff were re-allocated to other projects, e.g., when Phase I studies stalled due to COVID-19. This re-allocation of human resources allowed DNDi to both minimize staff costs in the pandemic period and tackle the additional workload generated by DNDi's COVID-19 projects.

## GARDP

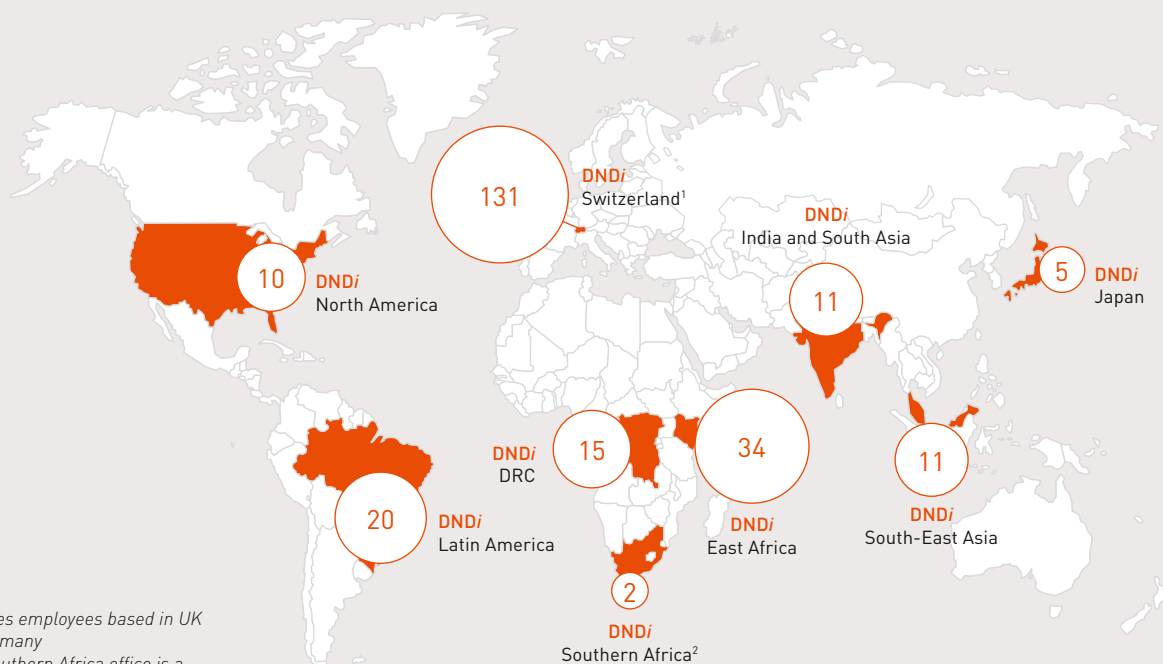
- Expenditures are presented in the GARDP report and include detailed costs related to the development of GARDP programmes.

# GLOBAL PRESENCE AND DIVERSITY

DNDi's diverse workforce of 239 employees operates across nine locations on four continents and includes 37 nationalities as well as overall gender parity.

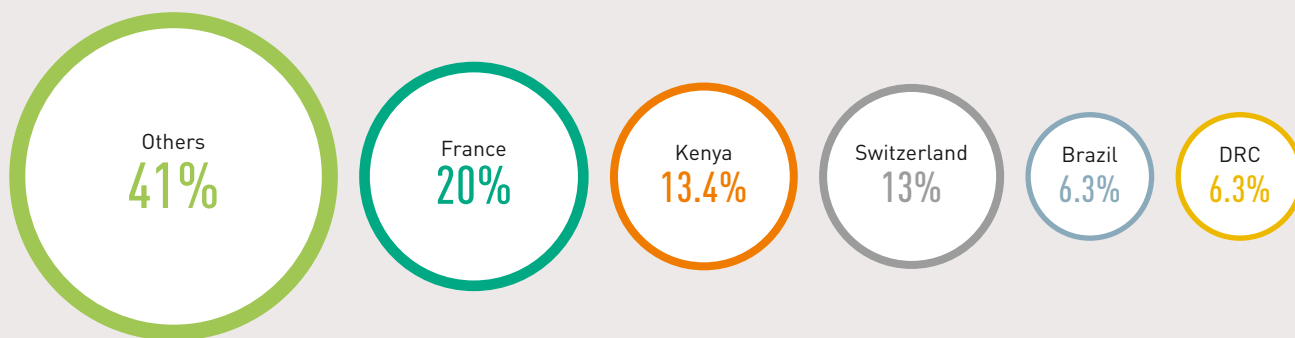
As a global organization with offices and partners spread across the world, fostering talent from a variety of areas of expertise and settings, DNDi recognizes that a diverse workforce and an inclusive culture are critical to the success of its mission and programmes.

DNDi footprint and respective employee count, 2020



## DNDi team by nationality

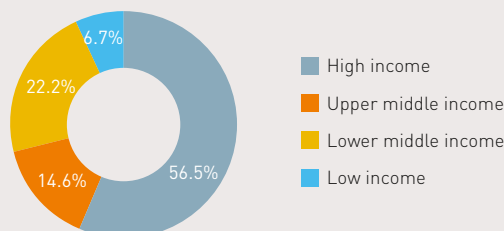
DNDi's workforce includes 37 different nationalities, with five countries accounting for 59%.





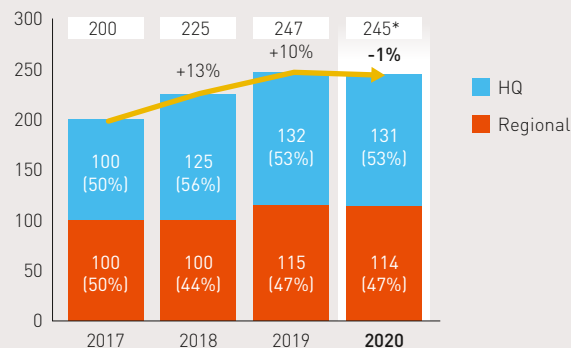
### DNDi team by country income

The breakdown of the DNDi team by country income shows 43.5% (2019: 42%) of its employees are based in LMICs.



### DNDi workforce 2017-2020

The number of positions stabilized in 2020 with 45% of them based outside Europe.



\* Including headcount (239) and open positions.

## AMONG TOP PERFORMERS FOR PROGRESS ON GENDER

### DNDi GENDER MISSION STATEMENT

Gender equality is a human right. We take all reasonable steps to ensure that individuals are treated equitably and that decisions on recruitment, selection, training, conditions of work, promotion, career management, termination, and every other aspect of employment are based solely on objective and job-related criteria. We are equally committed to developing a proactive agenda for gender-responsive research and development.

### Strategic plan 2023-2028 objectives and the People Strategy

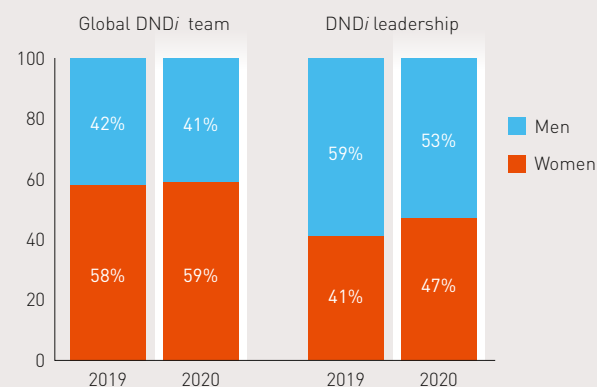
In the People Strategy, DNDi continues to invest in five areas of focus:

- native language discrimination
- structural racism
- gender equity
- disability, and
- recognizing that intersectionality identifies the advantages and disadvantages felt by people due to a combination of factors.

DNDi's diversity statistics will continue to be collected and reported. Two key objectives are placed at the forefront: maintaining equilibrium through regular interaction with employees and a common set of policies, guidelines, mechanisms for enforcement, and working towards a shift of power to regional leaders and positions.

**As an encouraging nod to these efforts, DNDi has been recognized as a high-scoring organization this year in the 2021 Global Health 50/50 report.**

### Steady progress in leadership parity



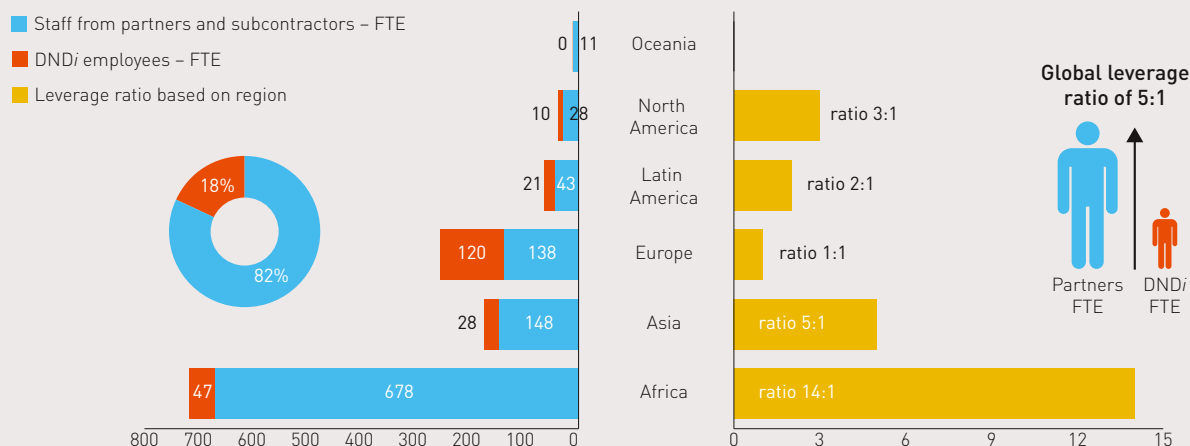
The fourth [Global Health 50/50 report](#), *Gender Equality: Flying blind in a time of crisis*, reviews the gender-related policies and practices of 201 global organizations (operational in more than three countries) that aim to promote health and/or influence global health policy. DNDi is among the top 32 organizations.

## LEVERAGING PARTNERSHIPS FOR A NIMBLE ORGANIZATION: BUILDING CAPACITY AND LEVERAGING RESOURCES

Collaboration is an essential part of DNDi's model: we cannot carry out our work without the engagement of public and private partners. Acting as a 'conductor of a virtual orchestra', we leverage and give value to our partners' specific assets, capacities, and expertise.

Working hand in hand with LMICs researchers (723 FTEs in 2020), and with academia and industry worldwide, DNDi leverages collaborations with public and private research partners as well as science contractors worldwide. This nimble model helps limit DNDi's headcount and enhance its ability to respond to changing needs. **For each FTE on the payroll, DNDi mobilizes more than four FTEs in partner organizations.** This distributed business model was a major asset in a year severely impacted by COVID-19.

Estimated distribution of FTEs between DNDi (225 FTEs) and its partners (1,033 FTEs) in 2020.



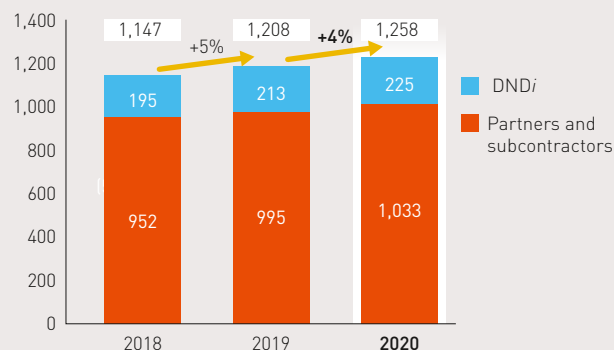
### Leveraging FTE resources across a wide range of partners

The chart above measures the number of FTEs in partner organizations working on DNDi activities, compared to DNDi FTEs. The measure is FTE rather than employee positions to properly reflect part-time and full-time capacity deployed.

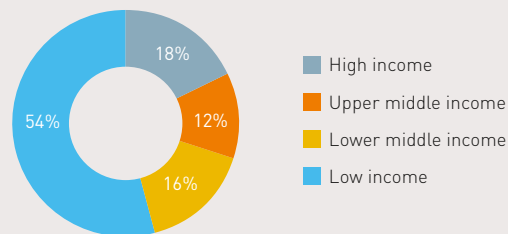
- In 2020, this 'FTE leverage ratio' was 4.6:1 (2019: 4.7:1) and was consistently over 4:1 in recent years.
- A total of 1,258 FTEs were engaged in DNDi activities in the virtual organization at large (225 FTEs at DNDi and 1,033 partners' FTEs dedicated to DNDi projects). This reflected a 4% growth from 2019.
- While there is a slight negative trend in workforce planning (shown in the decrease of the overall employee positions\* from 247 in December 2019 to 239 positions in December 2020), by the end of 2020 DNDi counted additional 12 FTEs or +EUR 0.6 million additional employee expenditure. This is due to the full year impact of salary cost of employees hired in mid to late 2019 and during the course of 2020.

\* Includes headcount and recruitment pipeline.

Evolution of DNDi and Partner FTEs



DNDi third parties' FTEs by country income



# CONTRACTED THIRD PARTIES

DNDi has forged a diverse range of alliances and research collaborations with partner institutions and with various subcontractors.

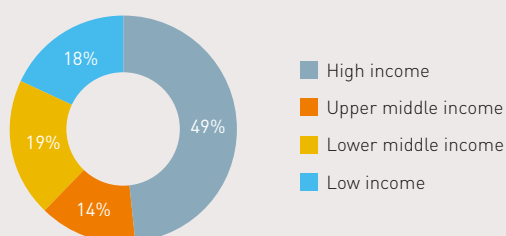
At every phase of the R&D process – from drug discovery and pre-clinical research to clinical trials and access initiatives – DNDi manages the process, creating multiple alliances, strengthening cross-sector networks, and working in close partnership with a broad range of actors.

- 189 partners and service providers were contracted in 2020 (2019: 197). Almost 30% of the contracted parties were new in 2020.

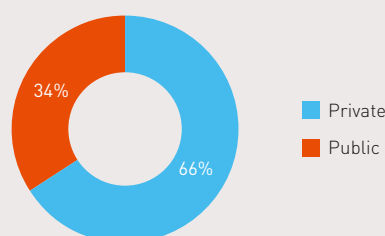
	2019	2020
Number of third parties	197	189
Number of new third parties	43	55

## R&D third parties

R&D third party by location: 51% of the third parties come from LMICs



R&D third party Private vs Public



All formally contracted partners and vendors constitute the 'third parties' profiled here\*.

\* Refers to partners and providers of R&D activities valued at over EUR 5,000 with which DNDi had business relations.

The value that DNDi derives from its network of partners is much larger than the financial disbursements made by DNDi. Many partners contributed their own resources, expertise, and influence, as they

aligned forces to deliver DNDi's vision. Only a subset of these activities is quantified and reported as in-kind contributions (see page 12).

# LEVERAGING PARTNERS' RESOURCES

Collaborative funding and in-kind contributions expand DNDi's capacity beyond what it disburses directly. This additional support is valued at 12% (EUR 72.6 million) of the total effort for the period 2003-2020.

DNDi's own expenditures do not reflect the full breadth of its activities. To present a comprehensive picture, in-kind contributions and collaborative funding from other contributing partners and institutions need to be considered.

- **Collaborative funding**, mostly from public or philanthropic institutions, funds third parties directly to support the delivery of DNDi's agenda. These funds were valued at EUR 0.2 million in 2020 compared to EUR 0.6 million in 2019. Details are available on page 28.
- **In-kind contributions**, generally from industry or public sector research partners, provide support to DNDi in the form of goods or services rather than funding. These were valued at EUR 4.8 million in 2020 vs EUR 5.6 million in 2019 (-14%). In 2019

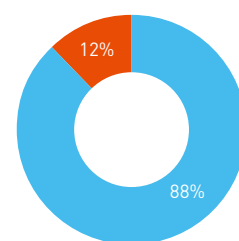
a project developed in partnership with DNDi generated most of the in-kind contributions (EUR 3.3 million out of a total of EUR 5.6 million) through the conduct of a Phase 1 programme. The 2020 contribution for the same project has naturally decreased (EUR 2.2 million) and is now focused on supportive activities in regulatory, medical affairs, and pharmaceutical development. Details are available on page 28.

- Contributors of collaborative funding and in-kind contributions are called here 'contributing partners'. Their support expands the leverage and the reach of the public and private support directly awarded to DNDi. Over the years, they contributed an additional EUR 72.6 million towards DNDi expenditures which total EUR 548 million since 2003.

## Scope of contributing partners' support in 2019 and 2020

	2019	2020
Number of contributing partners	23	23
<b>Collaborative funding</b>		
Number of collaborative funders	5	3
Value of collaborative funding	EUR 0.6 million	EUR 0.2 million
<b>In-kind contributions</b>		
Number of pharmaceutical partners contributing in-kind	8	7
Number other partners contributing in kind	10	13
Value of total in-kind contributions	EUR 5.6 million	EUR 4.8 million
Value of pharmaceutical partners contributing in kind in %	75%	49%

Total value of DNDi activities:  
EUR 620.6 million



■ DNDi expenses 2003-2020

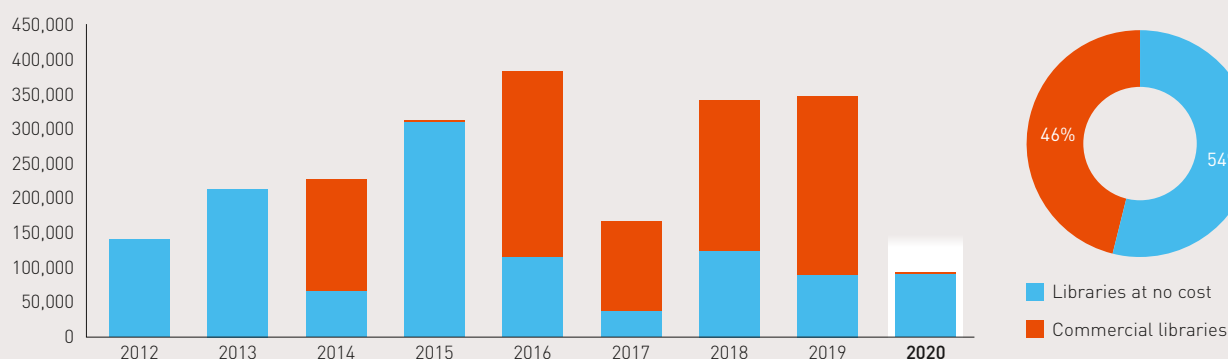
■ In-kind and collaborative funding

## ACCESS TO COMPOUND LIBRARIES

In addition to the in-kind support and collaborative funding quantified above, DNDi has secured access to sizable compound libraries.

- DNDi has accessed close to 4 million compounds since its inception. Of these, 2.3 million compounds have been screened since 2012, including 92,360 compounds in 2020.
- In 2020, the bulk of the compounds (96%) were screened free of charge through partnerships (including the NTD Drug Discovery Booster) while 4% were selectively purchased from various chemical suppliers.
- The numbers of compounds processed from commercial sources in 2020 decreased due to the delays experienced by a partner to operate its HTS platform during the COVID-19 lockdowns.
- At the early discovery and screening stage, DNDi received substantial in-kind contributions in 2020 through its partnerships with Astellas, Daiichi Sankyo, Eisai, Fundación Medina, Institut Pasteur Korea, Medicines for Malaria Venture, Mitsubishi Tanabe, Shionogi, the Swiss Tropical and Public Health Institute, Takeda Pharmaceutical Company Limited, and the University of Geneva.

Number of compounds screened (2012-2020) annually and as a percentage over the period



# CONTRIBUTIONS

In 2020, DNDi secured EUR 56 million in funding from public and private institutions and individuals, despite of a volatile donor environment, bringing the cumulative total to EUR 676 million since its inception in 2003.

The COVID pandemic affected DNDi's relationship with its funding partners in several ways.

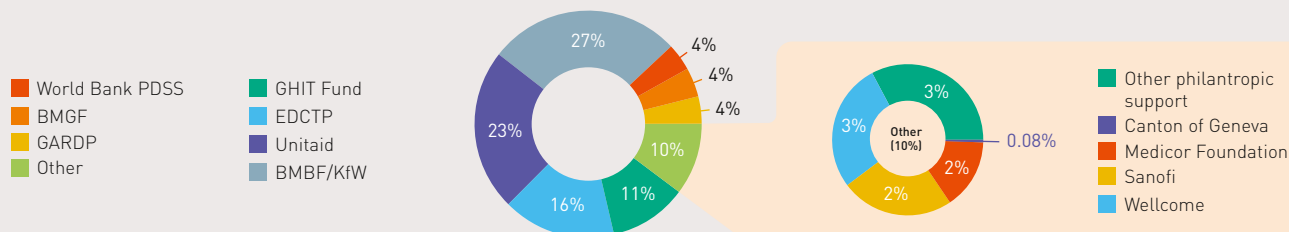
DNDi was called to engage in COVID-19 response activities but was mindful to protect funding secured for NTDs and other viral diseases, therefore focused on securing new and dedicated COVID-19 R&D support while sustaining investments in its historical portfolio.

The singular focus of the official development assistance donor community on COVID-19 allowed DNDi to secure support for its pandemic response activities but hindered the conclusion of funding renewals while limiting commitments from new potential partners.

In 2020, the government of Switzerland (SDC) was the only public institution to announce a multi-year unrestricted funding support for DNDi. Thus, the funding perspective for the coming years is less clear than anticipated, which could lead to implementation delays if donor decisions are further postponed.

2020 funding successes and the wide range of supporters are evidence of DNDi's attractive value proposition to global donors seeking to leverage innovation for enhanced access to health, especially in low-resource settings.

## Source of new funding secured in 2020 (EUR 56 million)



Public funding represents (60%) of the **EUR 676 million raised** by DNDi since 2003.

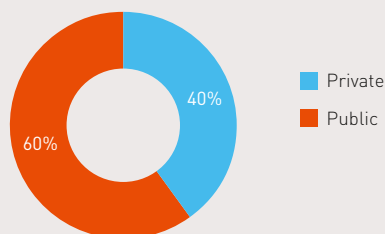
Most of the private funding (34.9% out of 40% private funding) is delivered by three major partners: a founding partner, Médecins Sans Frontières (13.6% since 2003; 10% in 2020) and two major science philanthropic organizations, the Bill & Melinda Gates Foundation

(18.6% since 2003 and 8.6% in 2020) and Wellcome (2.7% since 2003 and 10.3% in 2020).

DNDi greatly values the catalytic role of its other philanthropic supporters, especially those providing core support, and will seek to expand the range of major gifts secured from foundations and individuals.

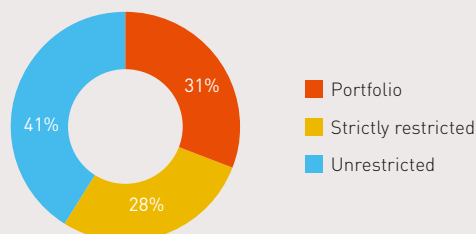
## Share of public/private funding (2003-2020)

on total funding of EUR 676 million



## Donor restrictions (2003-2020)

on total funding of EUR 676 million

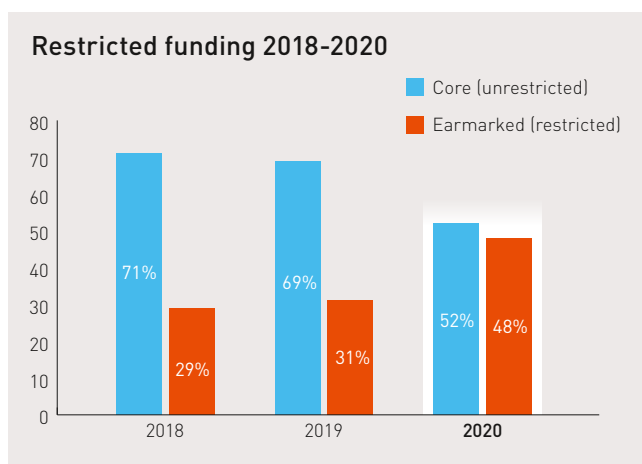




## With core support, DNDi can make science-based decisions regarding its portfolio, in line with its mission, and implement them quickly.

DNDi's funding policy calls for a diversification of donors, which was successfully delivered as evidenced above, but places as well a premium on core (unrestricted) funding as opposed to earmarked (restricted and portfolio funding).

The delays in core funding renewal from public donors led to a reduction in the share of unrestricted funding, which DNDi will seek to address in the coming years as this affects the pace and integrity of portfolio investments decisions, and the efficiency of the organization.



	Cumulative amount secured (EUR million)	% of 676 EUR million (Public and Private)
<b>From 2003, public institutional contributions (EUR 405.9 million)</b>		
United Kingdom, UK aid	150.2	22.2%
Germany, Federal Ministry of Education and Research (BMBF) through KfW	34.9	5.2%
EU, European & Developing Countries Clinical Trials Partnership (EDCTP)	34.3	5.1%
Netherlands, Ministry of Foreign Affairs (DGIS)	33	4.9%
Global Antibiotic R&D Partnership (GARDP)	29.4	4.4%
Unitaid	26.4	3.9%
France, French Development Agency (AFD)	24.3	3.6%
Japan, Global Health Innovative Technology Fund (GHIT)	24.1	3.6%
Switzerland, Swiss Agency for Development and Cooperation (SDC)	19.7	2.9%
Other public institutional contributions	17.6	2.6%
Spain, Spanish Agency for International Development (AECID)	12	1.8%
<b>From 2003, private income (EUR 270.1 million)</b>		
Bill & Melinda Gates Foundation	125.5	18.6%
Médecins Sans Frontières (MSF)	92.2	13.6%
Other private income	19.6	2.9%
Wellcome	17.9	2.7%
Takeda Pharmaceutical Company Limited, Global CSR Program	8.1	1.2%
Fundación Mundo Sano (PRV)	6.8	1.0%

# 2020 COMBINED FINANCIAL STATEMENTS

## BALANCE SHEET – As at 31 December 2020 with 2019 comparative figures

<i>(in EUR)</i>	Notes	2020	2019
<b>CURRENT ASSETS</b>			
<b>Cash and cash equivalents</b>			
Banks and cash		25,779,313	11,993,364
Time deposits		109,774	125,737
<b>Total cash and cash equivalents</b>		<b>25,889,087</b>	<b>12,119,101</b>
<b>Drug stocks</b>	3	<b>93,918</b>	<b>203,748</b>
<b>Current accounts and receivables</b>			
Receivables from donors	7a	9,649,851	10,356,779
Other receivables		3,883,412	3,341,481
Prepaid expenses		1,033,584	754,808
<b>Total current accounts and receivables</b>		<b>14,566,847</b>	<b>14,453,068</b>
<b>TOTAL CURRENT ASSETS</b>		<b>40,549,852</b>	<b>26,775,917</b>
<b>NON-CURRENT ASSETS</b>			
Tangible fixed assets, net	4	418,675	305,219
Bank guarantee deposits	12	542,506	523,327
<b>Total non-current assets</b>		<b>961,181</b>	<b>828,545</b>
<b>TOTAL</b>		<b>41,511,033</b>	<b>27,604,462</b>
<b>CURRENT LIABILITIES</b>			
Payables		4,614,647	3,632,487
Accrued expenses		2,560,945	3,551,756
Deferred income	7a	20,703,479	7,506,671
Provisions	5	740,644	657,317
<b>Total current liabilities</b>		<b>28,619,715</b>	<b>15,348,231</b>
<b>CAPITAL OF THE ORGANIZATION</b>			
Paid-in capital		32,510	32,510
Unrestricted operating funds		12,858,808	12,223,721
<b>Total capital of the organization</b>		<b>12,891,318</b>	<b>12,256,231</b>
<b>TOTAL</b>		<b>41,511,033</b>	<b>27,604,462</b>

## STATEMENT OF OPERATIONS – As at 31 December 2020 with 2019 comparative figures

<i>(in EUR)</i>	Notes	2020	2019
<b>INCOME</b>			
<b>Public institutional funding</b>			
Governments and public international organizations, unrestricted		17,179,781	21,445,723
Governments and public international organizations, restricted		20,926,615	21,187,241
<b>Total public institutional funding</b>		<b>38,106,396</b>	<b>42,632,964</b>
<b>Private resources</b>			
Private foundations, corporate and individual, unrestricted		1,082,700	630,386
Private foundations, corporate and individual, restricted		14,662,053	14,107,429
<b>Total private resources</b>		<b>15,744,753</b>	<b>14,737,814</b>
<b>Resources from founders</b>			
Médecins Sans Frontières, unrestricted		4,000,000	4,000,000
Médecins Sans Frontières, restricted		2,000,850	1,945,158
<b>Total resources from founding partners</b>		<b>6,000,850</b>	<b>5,945,158</b>
<b>Other income</b>			
Sundry income and reimbursements		89,142	567,836
<b>Other income, net</b>		<b>89,142</b>	<b>567,836</b>
<b>Total INCOME</b>	7	<b>59,941,141</b>	<b>63,883,773</b>
<b>SOCIAL MISSION EXPENDITURE</b>			
<b>R&amp;D and access expenditure</b>			
R&D coordination and supervision		5,880,575	5,276,327
Strategy, monitoring and evaluation (M&E), and exploratory		550,944	514,702
Lead optimization and portfolio building		5,198,924	6,147,234
Human African trypanosomiasis (HAT) projects		6,098,011	8,234,546
Leishmaniasis projects		10,144,425	9,533,511
Chagas disease projects		1,286,753	2,300,944
Filariasis disease projects		2,289,426	4,130,693
Mycetoma projects		1,103,255	719,674
Paediatric HIV projects		3,170,201	3,369,019
Hepatitis C projects		3,421,650	3,258,183
Global Antibiotic Research and Development Partnership (GARDP)		1,723,811	5,657,701
COVID-19 projects		5,235,678	-
<b>Total R&amp;D and access expenditure</b>	8	<b>46,103,653</b>	<b>49,142,534</b>
<b>Strengthening capacities</b>	9	<b>4,118,766</b>	<b>3,423,922</b>
<b>Advocacy</b>	10	<b>2,262,108</b>	<b>3,070,261</b>
<b>Total SOCIAL MISSION EXPENDITURE</b>		<b>52,484,527</b>	<b>55,636,717</b>
<b>NON-SOCIAL MISSION EXPENDITURE</b>			
Fundraising	10	2,040,795	2,389,449
General management	10	4,706,108	5,245,759
<b>Total NON-SOCIAL MISSION EXPENDITURE</b>		<b>6,746,903</b>	<b>7,635,208</b>
<b>TOTAL EXPENDITURE</b>		<b>59,231,430</b>	<b>63,271,925</b>
Operating surplus		709,711	611,848
<b>OTHER INCOME (EXPENSES)</b>			
Financial income, net		7,373	65,337
Exchange loss, net		(81,997)	(101,504)
<b>Total OTHER EXPENSES</b>		<b>(74,624)</b>	<b>(36,167)</b>
Net surplus for the year prior to allocations		635,087	575,681
Allocation to unrestricted operating funds		(635,087)	(575,681)

**FUNDS FLOW STATEMENT – As at 31 December 2020 with 2019 comparative figures**

<i>(in EUR)</i>	<b>2020</b>	<b>2019</b>
<b>Funds flow from operations</b>		
Net surplus for the year, unrestricted	635,087	575,681
Depreciation of fixed assets	205,225	354,311
Increase (decrease) in provisions	83,327	(14,689)
Decrease in stocks	109,830	29,425
(Increase) in advances	(16,756)	(3,249)
(Increase) decrease in receivables from donors	706,928	(5,771,702)
(Increase) in founding partner and other receivables	(525,175)	(1,608,313)
(Increase) decrease in prepaid expenses	(278,776)	273,764
Increase (decrease) in payables	982,160	(910,810)
Increase (decrease) in accrued expenses	(990,811)	1,308,248
Increase (decrease) in deferred income	13,196,808	(4,075,536)
<b>Funds flow from operations</b>	<b>14,107,848</b>	<b>(9,842,870)</b>
<b>Funds flow from investing activities</b>		
(Increase) of investments in tangible fixed assets	(318,682)	(246,742)
(Increase) in bank guarantee deposits	(19,180)	(50,599)
<b>Funds flow from investing activities</b>	<b>(337,862)</b>	<b>(297,341)</b>
<b>Funds flow from financing activities</b>		
Cash increase (decrease)	13,769,986	(10,140,212)
Cash and cash equivalents – beginning of year	12,119,101	22,259,313
<b>Cash and cash equivalents – end of year</b>	<b>25,889,087</b>	<b>12,119,101</b>

**STATEMENT OF CHANGES IN CAPITAL – As at 31 December 2020 with 2019 comparative figures**

<b>2020 (in EUR)</b>	<b>Opening balance</b>	<b>Allocation</b>	<b>Internal fund transfers</b>	<b>Closing balance</b>
<b>Paid-in capital</b>	32,510	-	-	32,510
<b>Surplus for the year</b>	-	635,087	(635,087)	-
<b>Unrestricted operating funds</b>	12,223,721	-	635,087	12,858,808
<b>Capital of the organization</b>	12,256,231	635,087	-	12,891,318
<b>2019 (in EUR)</b>	<b>Opening balance</b>	<b>Allocation</b>	<b>Internal fund transfers</b>	<b>Closing balance</b>
<b>Paid-in capital</b>	32,510	-	-	32,510
<b>Surplus for the year</b>	-	575,681	(575,681)	-
<b>Unrestricted operating funds</b>	11,648,040	-	575,681	12,223,721
<b>Capital of the organization</b>	11,680,550	575,681	-	12,256,231

# NOTES TO THE FINANCIAL STATEMENTS

## 1. GENERAL INFORMATION

### a) Legal aspects

Drugs for Neglected Diseases *initiative* (DNDi) is a Swiss foundation registered in Geneva under statutes dated 17 July 2003 as a not-for-profit legal entity headquartered in Geneva. DNDi is monitored by the Swiss Federal Supervisory Board for Foundations and was granted 'Other International Organization' status in 2011. DNDi complies with Swiss law and with Swiss GAAP FER.

The mission of DNDi is to develop new treatments for people living with neglected diseases. Acting in the public interest, DNDi bridges existing R&D gaps in essential drugs for these diseases by initiating and coordinating drug R&D projects in collaboration with the international research community, the public sector, the pharmaceutical industry, and other relevant partners.

DNDi is governed by a Board of Directors which appoints the Executive Director to conduct all of DNDi's activities, supported by the Executive Team. The Board established subcommittees (the Executive Committee, the Audit Committee, and the Nominations, Remunerations, and Safeguarding Committee) and it reviews the recommendations of the independent Scientific Advisory Committee.

The Audit Committee members are: Frédéric Vallat (Treasurer), Olivier Dunant, Barbara Kessler, and Marie-Paule Kieny. The membership of the Board of Directors and DNDi Leadership can be found on the DNDi website (<https://dndi.org/our-people>).

### b) Income tax

Under provisions of the promulgated Swiss Host State Act, DNDi signed an agreement with the Swiss Federal Council that granted DNDi certain privileges effective as of 1 January 2011 for an

indeterminate period. The principal advantages for DNDi as a Swiss foundation with 'Other International Organization' status include:

- Exoneration from all direct and indirect federal, cantonal, and communal taxes.
- Exoneration from VAT on all goods and services acquired for the sole use of the foundation within Switzerland.
- Unrestricted access to work permits for non-Swiss and non-EU nationals.

### c) Regional offices

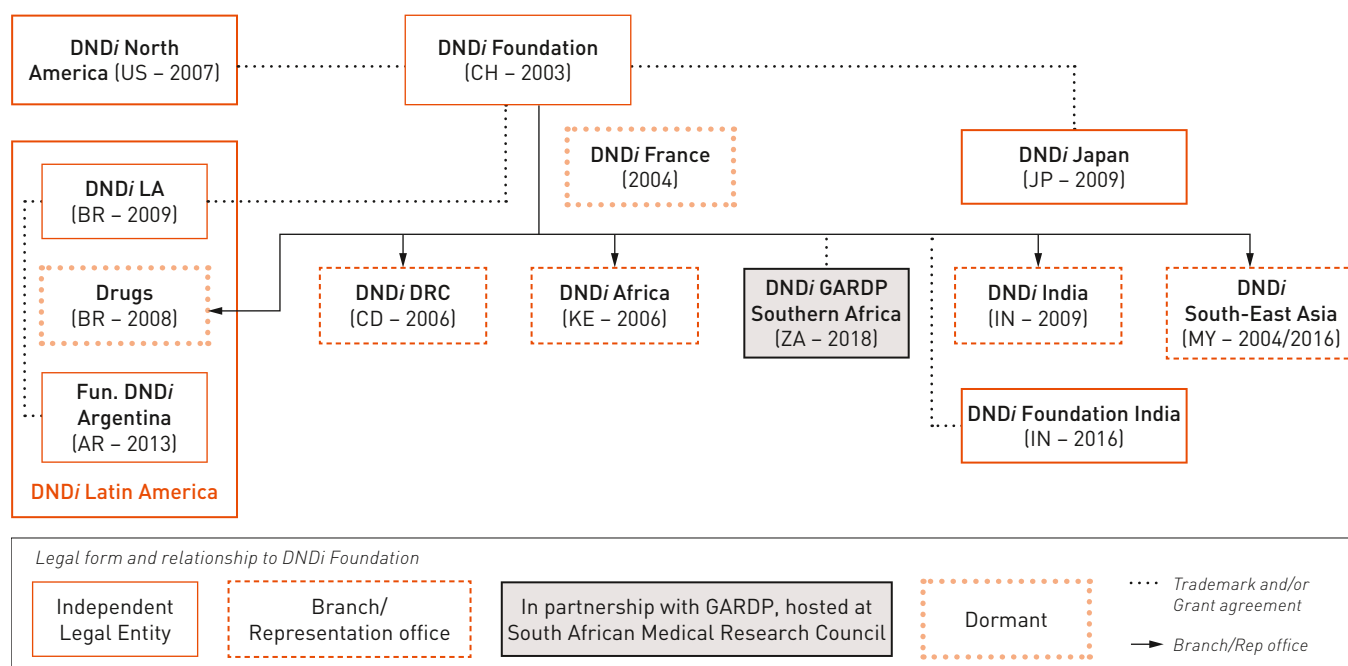
DNDi has a global presence with offices in several countries. Establishment of DNDi regional offices outside Switzerland requires the authorization of the Board of Directors. Such regional offices are set up according to DNDi's vision, its mission, and its model as a not-for-profit organization. DNDi complies with all local laws and regulations wherever it operates.

The accounts of all the independent legal entities are consolidated in the Combined Financial Statements:

- North America (New York, USA, 2007)
- Latin America (Rio de Janeiro, Brazil, 2009 and Buenos Aires, Argentina, 2013)
- South Asia (New Delhi, India, 2016)
- Japan (Tokyo, 2009)

DNDi also issues Standalone Financial Statements which are prepared in compliance with the Swiss Code of Obligations (Articles 957 to 963 b).

### DNDi Legal framework\*



\* All dates refer to the establishment of branches or legal entities.

## COVID-19 IMPACT

On 30 January 2020, the World Health Organization (WHO) announced Coronavirus as a global health emergency. Furthermore, on 11 March 2020, it announced that COVID-19 was a global pandemic causing disruptions to businesses and economic activity. While the outbreak has impacted DNDi operations in 2020, as evidenced by a reduction in its R&D expenditure, due to difficulties in starting clinical trials in Africa, this has been compensated by new COVID-19-related funding.

Although the situation is fluid and rapidly evolving, management considers this outbreak to be a non-adjusting event after the end of the reporting period and reasserts the lack of impact on the going concern assessment.

## 2. SIGNIFICANT ACCOUNTING POLICIES

### a) Accounting basis

The financial statements of the Foundation have been prepared in accordance with the provisions of the Swiss Code of Obligations and in accordance with the Swiss GAAP, in particular Swiss GAAP FER 21 relating to accounting for charitable non-profit organizations. Swiss GAAP FER are Swiss accounting standards geared to entities that operate primarily in Switzerland. The recommendations have been established for entities seeking to present their financial statements to reflect a true and fair view of the financial situation, including:

- a) Balance sheet
- b) Statement of operations (activity-based method)
- c) Funds flow statement
- d) Statement of changes in capital
- e) Notes

The principal accounting policies are set forth below.

### b) Scope of the financial statements

The scope of the financial statements of DNDi includes all the offices presented above in point 1.c (Regional offices), which DNDi controls.

These financial statements present all activities of the Foundation and the controlled offices.

### c) Social mission expenditure

Social mission expenditure represents expenses according to the purposes defined in Article 5 of the DNDi statutes. They are defined in the present general notes above in point 1.a (Legal aspects). DNDi's social mission expenditure comprises: R&D and access, strengthening capacities, advocacy.

### d) Functional currency

The Board of DNDi has determined that the assets, liabilities, and operations should be measured using EUR as the functional currency. The environment in which the entity primarily generates and expends cash determines this decision. All amounts presented in the financial statements are stated in EUR, except when specified otherwise.

### e) Foreign currency translation

Transactions in currencies other than EUR are converted at the monthly average of the daily closing exchange rates of the previous month. Year-end balances in other currencies are converted at the last prevailing exchange rates available in the system for the year. Resulting exchange differences are recognized in the statement of operations.

The principal exchange rates used at year end to re-evaluate the balance sheet items in EUR are:

Currency	2020	2019
USD/EUR	0.8451	0.9051
CHF/EUR	0.9278	0.9113
GBP/EUR	1.1163	1.1660
100 INR/EUR	1.1421	1.2662
100 KES/EUR	0.7731	0.8841
100 JPY/EUR	0.8092	0.8311
100 BRL/EUR	16.604	21.762

### f) Income

Public and private institutional donations based on annual or multi-year agreements are recorded on an accrual basis over the life of the agreement, as and when the milestones set out in the agreement are achieved. A reconciliation between donations committed to DNDi and income recognized in the statement of operations is shown under point 7.b below.

### g) Expenditures incurred for projects and activities:

The Board approves the annual action plan and budget, and all revised budgets.

Partner expenditures are recorded:

- According to a financial report presenting expenditures incurred during the year on an accrual basis.
- If the financial reports are unavailable by the deadline of 1 March of the following year, the amount is calculated based on an estimate provided by the partner or on the prorated approved budget when the former is not available. The unpaid portion remaining at year end is included under current liabilities.

Vendor expenditures incurred on behalf of a project or for any activity of DNDi are recorded on an accrual basis.

### h) Credit, market liquidity risks, and cash flow management

DNDi's liquid assets are maintained in cash, low-risk short-term deposits, or capital-guaranteed investments. At the balance sheet dates, there are no significant concentrations of credit risk. Any form of speculation is prohibited.

The main financial risk for DNDi is the volatility of foreign exchange rates that can affect the value of its holdings in various currencies (USD, EUR, GBP, JPY, and CHF). DNDi is exposed to currency risk on donations received, project expenditures, and general and



administrative expenses that are denominated in a currency other than EUR. These transactions are mainly denominated in CHF, USD, GBP, BRL, KES, INR, and JPY.

DNDi has put in place a hedging strategy to cover its CHF needs. Forward contracts are utilized as hedging instruments with a horizon that can extend to 12 months. The remaining needs are ensured by buying or selling foreign currencies at spot rates when necessary.

#### i) Tangible fixed assets

Tangible fixed assets are stated at cost in EUR, less accumulated depreciation. The threshold for capitalization of an asset is EUR 5,000 in all DNDi offices. Depreciation is charged to the statement of operations on a straight-line basis over the estimated useful lives of the tangible fixed asset items.

The rates of depreciation used are based on the following estimated useful lives:

IT equipment	
Laboratory equipment	
Site/Field equipment	33%
Motor vehicle equipment (cars and motorbikes)	
Office fittings and equipment	20%

#### j) Provisions

A provision is recognized on the balance sheet when the organization has a legal or constructive obligation resulting from a past event, and it is probable that a payment will be required to settle the obligation.

Provisions are measured at the management's best estimates of the expenditure required to settle that obligation at the balance sheet date.

#### k) Organizational capital

The founding capital (paid-in capital) of EUR 32,510 (CHF 50,000) referenced in the statutes was received from the founding members of DNDi, including the Indian Council of Medical Research, the Institut Pasteur, the Kenya Medical Research Institute, and the International Office of Médecins Sans Frontières. The capital is fully paid in.

#### l) Restricted and unrestricted reserves

Restricted and unrestricted reserves represent the excess of income over expenditure since the inception of DNDi. Restricted reserves are available to DNDi for future specific projects. Unrestricted reserves will be utilized for DNDi core projects as incurred.

#### m) In-kind contributions

Gifts in kind are not recorded but disclosed in the notes to the financial statements and valued at fair market values according to the following principles: in-kind goods transferred to a DNDi project or services rendered to DNDi must be free, excluding the involvement of a monetary transfer. They must be:

- Clearly identifiable and part of DNDi's projects and activities, as defined by DNDi's action plans and budgets.
- Recognizable as a visible contribution to DNDi's projects and activities, and in line with DNDi's mission and objectives.

For goods or services paid at prices below market prices, the difference between real payment and current market price is not considered as a gift in kind.

Fair market value is defined as the price DNDi would have paid to utilize the goods or service. However, DNDi is careful not to overestimate such valuations in compliance with Swiss GAAP FER basic principles such as materiality or prudence.

Gifts in kind estimated at EUR 5,000 and above are taken into account. Exceptions can be made by DNDi when it serves the purpose of providing consistency and completeness of a project's accounts.

### 3. DRUG STOCKS

<i>(in EUR)</i>	2020	2019
Leishmaniasis	66,495	109,980
Hepatitis C	27,423	93,768
<b>Total</b>	<b>93,918</b>	<b>203,748</b>

## 4. TANGIBLE FIXED ASSETS, NET

<i>(in EUR)</i>	Computer equipment	Office fittings & installations	Office equipment	R&D equipment*	Total
<b>Net carrying amounts 1.1.2020</b>	59,986	48,200	-	197,033	<b>305,218</b>
<b>Gross values of cost</b>					
Beginning of the period 1.1.2020	1,013,318	442,122	-	297,134	<b>1,752,573</b>
Additions	50,178	22,411	-	246,093	<b>318,682</b>
End of the period 31.12.2020	1,063,496	464,533	-	543,227	<b>2,071,255</b>
<b>Accumulated amortization</b>					
Beginning of the period 1.1.2020	(953,332)	(393,922)	-	(100,101)	<b>(1,447,355)</b>
Charge of the year	(36,201)	(19,513)	-	(149,512)	<b>(205,225)</b>
End of the period 31.12.2020	(989,532)	(413,435)	-	(249,613)	<b>(1,652,580)</b>
<b>Net carrying amounts 31.12.2020</b>	<b>73,963</b>	<b>51,098</b>	<b>-</b>	<b>293,614</b>	<b>418,675</b>
<b>Net carrying amounts 1.1.2019</b>	135,103	90,812	78,759	108,113	<b>412,787</b>
<b>Gross values of cost</b>					
Beginning of the period 1.1.2019	967,033	417,841	353,745	120,957	<b>1,859,576</b>
Additions	46,285	24,281	-	176,176	<b>246,742</b>
End of the period 31.12.2019	1,013,318	442,122	353,745	297,134	<b>2,106,318</b>
<b>Accumulated amortization</b>					
Beginning of the period 1.1.2019	(831,930)	(327,029)	(274,985)	(12,845)	<b>(1,446,789)</b>
Charge of the year	(121,402)	(66,893)	(78,760)	(87,256)	<b>(354,311)</b>
End of the period 31.12.2019	(953,332)	(393,922)	(353,745)	(100,101)	<b>(1,801,100)</b>
<b>Net carrying amounts 31.12.2019</b>	<b>59,986</b>	<b>48,200</b>	<b>-</b>	<b>197,033</b>	<b>305,218</b>

\* R&D equipment for clinical trial sites located in Africa.

## 5. PROVISIONS

<i>(in EUR)</i>	Provision for HR expenses (holidays not taken and other HR expenses)	Provision for pension plan for the DRC team	Provision for BIAC bankruptcy risk*	Total
Carrying period as per 1 January 2020	468,425	45,930	142,961	657,317
Creation	516,365	36,006	-	552,371
Utilization	-	(36,201)	(9,714)	(45,915)
Reversal	(423,128)	-	-	(423,128)
<b>Carrying period as per 31 December 2020</b>	<b>561,662</b>	<b>45,735</b>	<b>133,247</b>	<b>740,644</b>
Carrying period as per 1 January 2019	495,609	37,255	139,142	672,006
Creation	468,416	32,291	3,984	504,691
Utilization	(71,987)	(23,616)	(164)	(95,767)
Reversal	(423,613)	-	-	(423,613)
<b>Carrying period as per 31 December 2019</b>	<b>468,425</b>	<b>45,930</b>	<b>142,962</b>	<b>657,317</b>

\* In March 2016, DNDi's financial services provider in the DRC, BIAC – Banque internationale pour l'Afrique au Congo, was announced at risk of bankruptcy. To help manage this risk, DNDi provisioned the blocked assets progressively from 2016 to 2018. The provision is utilized for the monthly bank charges as the bank continues to operate, but the funds are still blocked and withdrawals are not allowed.

## 6. CONSOLIDATED ACCOUNTS

These consolidated financial statements include the activities of the Swiss Foundation, its branches, and subsidiaries. The table below summarizes the details by legal entity:

<i>(in ,000 EUR)</i>	Income raised by legal entity* (A)	Income transferred by DNDi Geneva (B)	Total income 2020 (A) + (B)	Income raised by legal entity (%)	Total expenditure 2020*	Expenditure by legal entity (%)
DNDi Geneva and branches	59,075	(3,828)	55,247	98.5	55,069	93.0
DNDi Japan and DNDi India Foundation	1	587	588	-	596	1.0
DNDi North America	692	1,631	2,323	1.2	1,709	2.9
DNDi Latin America	174	1,610	1,784	0.3	1,858	3.1
<b>Total consolidated accounts</b>	<b>59,941</b>	<b>-</b>	<b>59,941</b>	<b>100.0</b>	<b>59,231</b>	<b>100.0</b>

\* Total operational income and expenditure excluding financial income and expenses, such as bank interest and exchange gains and losses.

## 7. INCOME

### a) Receivables from donors vs deferred income

The total deferred income increased significantly by EUR 13,196,808 in 2020 compared to 2019, totalling EUR 20,703,479. This is due to the receipt of cash advances from new donor grants in the second half of the year (mainly BMGF, EDCTP, GHIT, KfW). The receivables from donors remained stable in 2020 compared to 2019.

### b) Cumulative donations committed to DNDi and/or received by 2020

Donors	Currency	Total commitment in original currency	Total commitment in EUR	As per statement of operations 2020 in EUR	To be used after 2020 in EUR
United Kingdom, UK aid	GBP	126,439,502	150,182,963	14,925,934	4,760,614
Bill & Melinda Gates Foundation <sup>(1)</sup>	USD	152,849,202	125,465,263	5,108,933	22,701,188
Médecins Sans Frontières (MSF)	EUR	92,179,717	92,179,717	6,000,851	12,052,267
Germany, Federal Ministry of Education and Research (BMBF) through KfW <sup>(2)</sup>	EUR	34,936,235	34,936,235	4,961,868	12,172,986
EU, European & Developing Countries Clinical Trials Partnership (EDCTP) <sup>(3)</sup>	EUR	34,282,428	34,282,428	2,918,235	22,721,360
Netherlands, Ministry of Foreign Affairs (DGIS)	EUR	32,975,000	32,975,000	2,400,000	-
Unitaid <sup>(4)</sup>	USD	30,683,568	26,368,149	2,021,664	10,880,879
France, French Government (MEAE / AFD)	EUR	24,255,006	24,255,006	1,879,538	5,425,636
Japan, Global Health Innovative Technology Fund (GHIT) <sup>(5)</sup>	JPY/USD	2,999,518,784	24,140,572	2,464,164	5,245,152
Switzerland, Swiss Agency for Development and Cooperation (SDC)	CHF	22,835,520	19,720,933	2,331,276	-
Wellcome <sup>(6)</sup>	EUR/USD/ GBP	16,937,369	17,905,150	4,237,838	6,140,978
Spain, Spanish Agency for International Development (AECID)	EUR	12,000,000	12,000,000	-	-
Takeda Pharmaceutical Company Limited, Global CSR Program	JPY	1,000,000,000	8,124,269	712,314	6,796,598
Fundación Mundo Sano (Priority Review Voucher)	USD	7,829,850	6,783,457	1,351,993	2,383,182
US Government NIH/NIAID/USAID <sup>(7)</sup>	USD	7,381,607	6,150,597	169,105	-
Philanthropic and other support <sup>(8)</sup>	EUR/GBP/ USD/CHF	6,241,442	6,179,337	943,009	468,271
Medicor Foundation <sup>(9)</sup>	EUR/USD	5,250,000	4,483,057	305,921	549,315
Switzerland, Republic and Canton of Geneva <sup>(10)</sup>	CHF	3,375,713	2,714,544	371,130	185,560
WHO-TDR	EUR/USD	2,675,000	2,624,159	-	-
Norway, Norwegian Agency for Development Cooperation (Norad)	NOK	22,000,000	2,469,551	-	-
DRC, Ministry of Health (through PDSS funded by the World Bank) <sup>(11)</sup>	USD	2,500,000	2,113,979	848,482	1,265,497
Associação Bem-Te-Vi Diversidade	BRL	7,700,000	2,057,439	173,851	-
Pharmaniaga	USD	2,266,151	2,044,502	832,472	230,865
Sanofi Global Health <sup>(12)</sup>	EUR	1,444,269	1,444,269	1,444,269	-
UBS Optimus Foundation	CHF	2,000,000	1,441,440	-	-
Starr International Foundation	USD	1,350,000	1,120,837	86,622	-
The Global Fund	EUR	532,809	532,809	-	-
Stavros Niarchos Foundation	USD	500,000	426,315	-	-
Bristol-Myers Squibb Company	USD	500,000	424,976	424,976	-
Brazil Government MoH and Finep	BRL	1,384,212	409,611	-	-
BBVA Foundation	EUR	400,000	400,000	-	-
Canada, International Development Research Centre (IDRC)	EUR	112,613	112,613	28,599	14,835
Else Kröner-Fresenius-Stiftung	EUR	100,000	100,000	100,000	-
Global Antibiotic R&D Partnership (GARDP) <sup>(13)</sup>	EUR/GBP/ USD/ZAR	35,949,240	29,412,908	2,808,956	2,413,321
<b>Total donations</b>			<b>675,982,085</b>	<b>59,851,999</b>	<b>116,408,502</b>

## Notes:

- (1) The Bill & Melinda Gates Foundation granted USD 5,828,755 (EUR 5,108,933) for acoziborole and onchocerciasis. In addition, there were restricted grants signed in 2020 totalling USD 2.7 million to be spent by December 2023.
- (2) BMBF through KfW granted: (a) a multi-year portfolio grant (EUR 10 million 2016-2021) of which EUR 1.5 million was spent in 2020; and (b) a supplemental grant for COVID-19 (EUR 15 million 2020-2022) of which EUR 3,461,868 was spent in 2020.
- (3) EDCTP/EU gave seven restricted grants: (a) EUR 1,410,692 for VL projects in Africa from a EUR 5.6 million three-year grant (New VL Combination Treatment starting in December 2017); (b) a restricted grant of EUR 610,002 for the HAT *rhodesiense* project in Africa from a EUR 3.8 million five-year grant starting in September 2018; (c) a restricted grant of EUR 130,703 for filariasis onchocerciasis from a EUR 2.8 million (EU-H2020) grant starting in September 2019; (d) a restricted grant of EUR 319,095 for cryptococcal meningitis from a EUR 3.5 million starting in July 2020; (e) a restricted grant of EUR 195,736 for HAT access from a EUR 2.2 million grant starting in February 2020; (f) a restricted grant of EUR 52,007 for paediatrics acoziborole from a EUR 3 million starting in October 2020; and (g) a restricted grant of EUR 200,000 to support ANTICOV preparation May-October 2020.
- (4) Unitaid grants include: (a) a restricted grant for ANTICOV implementation of USD 1,823,582 (EUR 1,544,537) from a USD 14.7 million grant (September 2020-October 2022); (b) a restricted grant as partner of ISGlobal of USD 374,000 (EUR 339,670) for ANTICOV preparation May-August 2020; and (c) a restricted grant as a partner of FIND of USD 154,985 (EUR 137,457) for HCV terminated in October 2020.
- (5) The GHIT Fund Japan granted eight restricted grants: (a, b) JPY 210,389,824 (EUR 1,710,010) for the project CpG-D35 for cutaneous leishmaniasis (CL); (c) JPY 10,148,941 (EUR 83,881) for the NTD Drug Discovery Booster terminated in 2020; (d, e, f, g) JPY 36,355,418 (EUR 297,162) for screening and discovery in NTDs; and (h) JPY 41,073,439 (EUR 343,110) for mycetoma.
- (6) Wellcome gave two grants: (a) EUR 4,076,903 from a portfolio grant of EUR 11.3 million for Leishmaniasis New Chemical Entity portfolio (December 2018-January 2022); (b) GBP 145,021 (EUR 160,935) from a restricted grant for COVID-19 discovery (GBP 1.5 million for the period September 2020-December 2021).
- (7) The US Government contributed USD 184,816 (EUR 169,105) as financial support for COVID-19 impact in 2020.
- (8) Figures given here include: (a) grants from ARPE Foundation CHF 10,000 (EUR 9,355); (b) Brian Mercer Trust GBP 50,000 (EUR 57,980); (c) Oxford University (IDDO) GBP 43,508 (EUR 48,646); (d) The Task Force for Global Health USD 47,630 (EUR 43,269); (e) various donations from individual donors, private foundations, and corporations, mostly from North America (EUR 479,657 in unrestricted funding, and EUR 217,392 restricted to HAT); and (f) various donations received by DNDi in Geneva (EUR 86,710).
- (9) In 2020, Medicor granted USD 350,000 (EUR 305,921) from a USD 1 million three-year grant for leishmaniasis portfolio.
- (10) The Republic and Canton of Geneva grants include: (a) a restricted contribution for mycetoma of CHF 200,000 (EUR 182,087) from a grant of CHF 600,000 (January 2019-December 2021); (b) a restricted CHF 50,000 (EUR 47,074) grant for the COVID-19 Clinical Research Coalition; and (c) a financial support for COVID-19 impact.
- (11) Ministry of Health DRC (through PDSS funded by the World Bank) granted USD 1,002,548 (EUR 848,482) from a restricted grant of USD 2.5 (August 2020-December 2021) for Fexinidazole access.
- (12) Reimbursement of EUR 1,444,269 from Sanofi Global Health based on collaboration agreement dated 06 April 2009 to support DNDi's work on the Food and Drug Administration (FDA) file for the Priority Review Voucher (PRV).
- (13) GARDP/DNDi collaboration agreements amounted to EUR 2,808,956.

## c) GARDP collaboration

- Effective 1 January 2019, DNDi entered into a three-year collaboration agreement with GARDP. Under this agreement, DNDi and GARDP agreed to collaborate strategically to drive efficiencies by sharing specialized R&D expertise and capacity, policy advocacy expertise, and some infrastructure and support services. In-country implementation of GARDP's programmes is now supported by DNDi's regional network and a joint DNDi-GARDP office in Southern Africa.
- As at 31 December 2020, DNDi and GARDP have two common Board members, Marie-Paule Kieny and Frédéric Vallat and four common Audit Committee members, Marie-Paule Kieny,

Frédéric Vallat, Olivier Dunant, and Barbara Kessler. DNDi and GARDP are not related parties within the meaning of Swiss GAAP FER 15; neither DNDi nor GARDP is directly or indirectly owned or controlled by the other organization, or by any other natural or legal person. All members of the DNDi Board and Audit Committee are appointed by the DNDi Board; they do not receive any remuneration for their mandates neither from DNDi nor GARDP.

- Expenditure paid in 2020 by DNDi on behalf of GARDP was as follows:

	2020	2019
R&D expenditure paid by DNDi (Transition Costs in 2019)	-	5,067,000
Collaboration Agreement Expenses	2,808,956	2,489,461
Total expenses reimbursed by GARDP	2,808,956	7,556,461
GARDP expenses invoiced to DNDi	-	257,664
Total GARDP expenses in DNDi	2,808,956	7,814,125
<b>Total DNDi Expenditures</b>	<b>59,231,430</b>	<b>63,271,925</b>
<b>GARDP expenses as % of total Expenditures</b>	<b>4.7%</b>	<b>11.9%</b>

## d) 2020 funding per project (restricted and unrestricted)

Operational Income (Grand TOTAL = EUR 59,941,141<sup>(4)</sup>)

(in EUR)

		UKaid (Unrestricted)	Netherlands, DGIS (Restricted)	Germany, BMBF through KfW (Restricted)	Switzerland, SDC (Rest/Unrest) <sup>(1)</sup>	France, AFD (Restricted)	EU, EDCTP (Restricted)	Unitaid (Restricted)	Japan, GHIT (Restricted)
Donors <sup>(5)</sup>									
IMPLEMENTATION & DEVELOPMENT	New treatment for PKDL	398,153	57,231	-	-	-	-	-	-
	New VL treatments (Asia, Latin America, HIV/VL co-infection, combination in Africa)	709,139	220,640	166,106	145	-	1,299,063	-	-
	Fexinidazole (HAT)	361,047	62,780	12,546	-	331,411	715,629	-	-
	Acoziborole (HAT)	202,831	120,219	-	400,483	-	44,567	-	
	Mycetoma – fosravuconazole	499,819	57,725	-	163,703	-	-	-	293,261
	Hepatitis C – ravidasvir/sofosbuvir – policy and access	820,615	-	-	118,776	-	-	119,911	-
	Paediatric HIV – 2-in-1 LPV/r pellets – 4-in-1 (ABC/3TC/LPV/r) and access	-	-	-	252,114	1,109,467	-	-	-
	New benznidazole regimen for Chagas and access	79,298	15,740	-	-	-	-	-	-
TRANSLATION	Leishmaniasis candidates: DNDi-0690 + DNDi-6148 + DNDi-6174 + Novartis LXE408 + GSK compounds	93,513	55,826	282,125	45,487	-	-	-	-
	Macrofilaricide for filariasis (emodepside, TylAMac, oxfendazole, and CCG166)	151,843	-	104,600	-	-	114,096	-	-
	Fexinidazole (Chagas)	137,023	37,877	36,475	-	-	-	-	-
	Biomarkers (Chagas)	94,679	-	-	-	-	-	-	
	CpG-D35 (CL) and CL combination	808,189	76,711	28,471	-	-	-	-	1,522,291
RESEARCH	Lead optimization consortia (for VL and Chagas)	2,282,297	640,263	365,116	-	55,953	-	-	70,897
	Discovery and exploratory kinetoplastids	759,016	72,324	68,920	458	-	-	-	268,934
	Filaria (River blindness) screening	124,882	-	7,789	-	-	-	-	-
	R&D coordination and supervision	2,228,150	548,060	219,846	414,037	5,206	27,594	-	20,348
	Strategy, M&E, and exploratory	341,396	-	-	-	77,414	259,141	-	
	GARDP	-	-	-	-	-	-	-	-
	COVID-19 – ANTICOV – Coalition -Policy and discovery activities	-	-	3,085,879	43,017	-	170,000	1,768,946	-
	HAT, LEAP, redLEISH and Chagas platforms	53,266	35,819	29,909	-	71,473	7,885	-	-
	Other strengthening capacity activities	1,548,438	-	-	597,675	81,327	2,561	17,546	-
	Advocacy	1,332,574	132,900	-	101,105	51,606	41,198	-	-
	Fundraising	686,829	35,770	41,434	76,449	79,068	108,294	27,962	63,150
	General management	1,212,936	230,115	512,651	351,186	16,613	128,208	87,299	225,282
	Financial expenses	-	-	-	-	-	-	-	-
	Net surplus allocated to unrestricted funds	-	-	-	-	-	-	-	-
	Total income + other income	14,925,934	2,400,000	4,961,868	2,564,634	1,879,538	2,918,235	2,021,664	2,464,164

## Notes:

(1) Swiss Government SDC (EUR 2,331,276) and the Republic and Canton of Geneva (EUR 371,130).

(2) MSF International (EUR 4,000,000); MSF-TIC (EUR 1,945,246); and MSF Holland (EUR 55,605).

(3) Please see Note 8 in Table 7b for more details.

(4) Total expenditures as per the Statement of Operations amounted to EUR 59,231,430. The difference with the total of EUR 59,941,141 is due to the operating surplus.

(5) The donor full names are listed on page 35 (A word of thanks).



Bill & Melinda Gates Foundation (Restricted)	MSF (Restricted/ Unrestricted) <sup>(2)</sup>	Fundación Mundo Sano - PRV (Restricted)	Wellcome (Restricted)	Pharmaniaga (Restricted)	Takeda Global CSR Program (Restricted)	DRC PDSS/ World Bank (Restricted)	Foundations and other <sup>(3)</sup>	GARDP	Result on FX gain/loss (net)	TOTAL EXPENDITURE
-	58,280	-	-	-	-	-	2,370	-	-	516,034
-	16,369	-	146,816	-	67,567	-	238,249	-	-	2,864,096
(23,051)	1,636	-	-	-	203,923	802,510	507,987	-	-	2,976,419
2,349,176	3,674	-	-	-	-	-	-	642	-	3,121,592
-	87,353	-	-	-	-	-	1,394	-	-	1,103,255
-	1,644,915	-	-	665,176	-	-	52,257	-	-	3,421,650
-	1,424,711	-	-	-	-	-	121,078	-	-	2,907,371
-	-	302,351	-	-	43,900	-	92,894	-	-	534,183
-	43,319	-	3,716,408	-	-	-	-	-	-	4,236,678
1,628,416	13,852	-	-	-	-	-	38,050	-	-	2,050,858
-	5,183	168,722	-	-	-	-	18,374	-	-	403,653
-	-	254,237	-	-	-	-	-	-	-	348,916
-	69,363	-	-	-	22,594	-	-	-	-	2,527,618
-	418,685	-	-	-	-	-	146,741	13,602	-	3,993,553
-	17,970	-	-	-	-	-	16,436	1,312	-	1,205,370
99,252	36	-	-	-	-	-	6,608	-	-	238,568
255,024	355,574	196,494	141,493	78,373	198,614	-	850,283	341,481	-	5,880,575
-	69,161	-	-	-	42,071	-	24,591	-	-	813,774
-	-	-	-	-	-	-	-	1,723,811	-	1,723,811
-	-	-	145,499	-	-	-	22,337	-	-	5,235,678
-	11,209	56,686	-	-	18,295	-	89,624	-	-	374,166
89,615	571,603	91,030	-	-	-	10,928	254,720	479,156	-	3,744,600
1,309	229,320	55,644	7,248	-	38,774	-	170,905	99,527	-	2,262,109
84,634	262,846	226,830	46,920	7	9,694	-	290,906	-	-	2,040,795
624,556	482,091	-	33,453	88,916	66,882	35,043	461,452	149,424	-	4,706,109
-	-	-	-	-	-	-	-	-	74,624	74,624
-	213,701	-	-	-	-	-	496,010	-	[74,624]	635,087
5,108,933	6,000,851	1,351,993	4,237,838	832,472	712,314	848,482	3,903,267	2,808,956	-	59,941,141

## e) Collaborative funding and in-kind contributions

## 2020 collaborative funding

In collaboration with its R&D partners and vendors, DNDi secured funding from local donors to help offset R&D expenditures. These collaborative funds were directly given to our partners and vendors for DNDi R&D-related initiatives.

Project	Donor	Currency	2020 Amount (own currency)	2020 Amount (EUR)	2019 Amount (EUR)
Hepatitis C	Ministry of Health Malaysia: Clinical Research Malaysia	MYR	25,822	5,423	4,361
Hepatitis C	Ministry of Health Malaysia: Selayang Hospital	MYR	660,794	138,788	201,798
Lead Optimization Consortium Latin America	Brazilian Development Bank – BNDES	BRL	232,738	54,572	133,070
Lead Optimization Consortium Latin America	Ruta-N, city of Medellin, Colombia		-	-	22,288
Early Discovery for Chagas	Innosuisse		-	-	218,616
<b>Total collaborative funding</b>				<b>198,783</b>	<b>580,134</b>

## 2020 in-kind contributions

The value of in-kind contributions secured by DNDi in 2020 totalled EUR 4,788,370. For policy on in-kind contributions, see Section 2: Significant accounting policies, m) In-kind contributions.

(in EUR)	Staff scientific	Staff non- scientific	R&D services	Office, furniture admin & travel	2020 Amount	2019 Amount
Lead Optimization Consortia (Australia)	22,779	16,079	-	87,390	126,248	129,377
Lead Optimization Consortia (Latin America 'LOLA')	138,993	30,974	172,010	92,814	434,791	493,863
Lead Optimization (Chagas)	-	-	92,649	2,859	95,508	-
Azole E1224 (Chagas disease)	-	-	-	-	-	15,669
Hit-to-lead	26,403	17,996	5,602	3,660	53,662	-
DNDi communications and amount in column 2019	-	-	-	-	-	32,988
NTD -Drug Booster	110,002	1,077	349,174	230,705	690,958	625,947
Screening resources & reference screening centres	44,898	34,842	226,975	40,801	347,516	418,565
Toxicological study of Acoziborole (SCYX-7158)	-	-	851,236	-	851,236	98,069
TylAMac/ABBV-4083 Macrofilicide (Filaria: River blindness)	2,139,353	-	-	-	2,139,353	3,287,641
Visceral leishmaniasis	-	18,631	3,617	5,142	27,390	196,657
Paediatric HIV ('4-in-1' LPV/r-based fixed-dosed combination)	-	-	-	-	-	286,687
Mycetoma	-	21,709	-	-	21,709	-
<b>Total</b>	<b>2,482,428</b>	<b>141,307</b>	<b>1,701,264</b>	<b>463,371</b>	<b>4,788,370</b>	<b>5,585,463</b>

**Main in-kind contributors in 2020:** Abbvie – USA, National Center for Advancing Translational Sciences / NIH – USA, Institut Pasteur Korea – Korea, Medicines for Malaria Venture – Switzerland, CQMED – Brazil, Monash University – Australia, Instituto de Física de São Carlos – Brazil, Swiss TPH – Switzerland, Daiichi Sankyo – Japan, EUROFARMA – Brazil, Takeda Pharmaceutical Company Limited,

University of Geneva – Switzerland, Unicamp – Brazil, Eisai Co. – Japan, MSF Holland – The Netherlands, Fundación Medina – Spain, Instituto de ciencias Biomedicas / USP – Brazil, Mitsubishi Tanabe Pharma Corp. – Japan, Shionogi Co. Ltd – Japan, Astellas Pharma Inc – Japan.

## 8. EXPENDITURE

### R&D and access project-related expenditure

(in EUR)	2020	2019
<b>Implementation project</b>		
New VL treatments in Asia	72,633	143,040
Chagas disease – access	333,985	502,171
Paediatric HIV – 2-in-1 LPV/r Pellets / Super-boosting ritonavir for HIV/TB co-infection	1,150,108	1,629,764
Paediatric HIV – access	1,022,747	401,893
Hepatitis C – policy and access	204,988	270,665
Fexinidazole (HAT) for <i>T.b. gambiense</i> and access	2,406,529	3,217,249
<b>Total Implementation projects</b>	<b>5,190,989</b>	<b>6,164,781</b>
<b>Development projects (Phase IIB/III, registration)</b>		
Fexinidazole (HAT) for <i>T.b. rhodesiense</i> [ <i>T.b. gambiense</i> moved to implementation in 2019]	569,890	781,255
Acoziborole (HAT)	3,121,592	4,236,042
New VL treatments in Latin America	82,801	79,833
New VL treatments in Africa	2,708,662	3,098,091
HIV/VL co-infection	-	29,501
Post-kala-azar dermal leishmaniasis	516,034	598,996
CL Combination	387,295	-
Mycetoma	1,103,255	719,674
Hepatitis C – Ravidasvir/Sofosbuvir	3,216,662	2,987,518
Paediatric HIV – 4-in-1 (ABC/3TC/LPV/r)	734,516	1,337,362
New combination including new benznidazole regimen (Chagas)	200,199	404,293
<b>Total Development projects</b>	<b>12,640,905</b>	<b>14,272,565</b>
<b>Translation projects (pre-clinical, Phase I, Phase IIA/POC)</b>		
Leishmaniasis candidates: DNDi-0690 + DNDi-6148 + DNDi-6174 + Novartis LXE408 + GSK compounds	4,236,678	3,923,691
CL Combination (Moved to development in 2020)	-	438,962
CpG-D35 (CL)	2,140,323	1,221,397
Fexinidazole (Chagas)	403,653	690,035
Biomarkers (Chagas)	348,916	704,445
Oxfendazole macrofilaricide (filariasis)	346,064	524,077
TylAMac/ABBV-4083 macrofilaricide (filariasis)	918,320	1,076,596
Emodepside macrofilaricide and coordination (filariasis)	786,474	1,484,715
Cryptococcal meningitis – 5FC-(HIV)	262,830	-
<b>Total Translation projects</b>	<b>9,443,258</b>	<b>10,063,919</b>
<b>Research projects (screening, hit-to-lead, lead optimization)</b>		
Lead optimization consortia	3,993,553	4,797,968
Screening resources and reference screening centres	1,205,370	1,349,266
Screening filariasis	238,568	1,045,305
<b>Total Research projects</b>	<b>5,437,492</b>	<b>7,192,539</b>
<b>Project-related variable expenditures</b>		
COVID-19 – ANTICOV – Coalition – Policy and discovery activities	5,235,678	-
GARDP*	1,723,811	5,657,701
R&D coordination, supervision, strategy, M&E and exploratory	6,431,519	5,791,029
<b>Total project-related variable expenditures</b>	<b>13,391,008</b>	<b>11,448,730</b>
<b>Total R&amp;D and access expenditure</b>	<b>46,103,652</b>	<b>49,142,534</b>

\* Total 2020 GARDP expenditure included direct costs (EUR 1,723,811) and indirect costs (EUR 1,085,145) totalling EUR 2,808,956 as stated in the total income table (Note 7c funding per project) for GARDP. For comparison, in 2019 GARDP expenditure included direct costs for EUR 5,657,701 and indirect costs for EUR 2,156,424.

**Breakdown of R&D coordination expenditure per activities**

<i>(in EUR)</i>	<b>2020</b>	<b>2019</b>
Coordination	4,236,948	3,156,933
Scientific Advisory Committee	31,187	150,570
Business Development and Legal	1,413,826	1,393,206
Japan representation office <sup>(1)</sup>	-	545,327
Medical, Access	198,614	2,650
GARDP R&D <sup>(2)</sup>	-	27,641
<b>Total</b>	<b>5,880,575</b>	<b>5,276,327</b>

**Presentation of DNDi expenditure per nature of expenses**

	<b>2020</b>	<b>2019</b>
<b>Personnel</b>		
Personnel at headquarters	19,001,649	18,735,334
Personnel at regional offices	6,145,947	5,789,763
Consultant	3,910,372	3,083,371
Travel and accommodation	597,961	2,380,088
<b>Total personnel</b>	<b>29,655,930</b>	<b>29,988,556</b>
<b>Operational R&amp;D</b>		
Purchase and logistics	1,099,827	1,616,892
Equipment	924,309	584,569
Discovery and lead optimization (partners & service)	4,255,636	5,391,363
Pre-clinical (partners & service)	1,343,380	2,408,566
Quality assurance and training	630,627	272,951
Clinical and post-clinical (partners & service)	11,436,662	12,261,406
Product manufacturing and CMC (partners & service)	4,125,302	4,527,238
<b>Total operational R&amp;D</b>	<b>23,815,742</b>	<b>27,062,986</b>
<b>Other</b>		
Communication (tools, meetings, organization of documents)	441,363	1,157,891
Administration and IST (depreciation, furniture, service providers)	5,318,395	5,062,492
<b>Total other</b>	<b>5,759,759</b>	<b>6,220,383</b>
<b>Grand total</b>	<b>59,231,430</b>	<b>63,271,925</b>

(1) The Japan representation office expenditure has been moved to Strengthening Capacities expenditure.

(2) GARDP R&D expenditure included in GARDP projects expenditure.

## 9. STRENGTHENING CAPACITIES EXPENDITURE

DNDi expenditure on strengthening existing capacities in developing countries is for:

- Building networks around specific projects among researchers from developing and developed countries;
- Establishing working partnerships, including technology transfers, with public and private institutions and researchers from developing and developed countries;
- Investing in sustainable capacity and leadership in developing countries at all stages of research and development; and
- Supporting GARDP activities in the regions. These expenses are recharged to GARDP.

<i>(in EUR)</i>	2020	2019
Regional support offices: Brazil, India, Japan, Kenya, Malaysia, North America, South Africa, Republic Democratic of Congo, and International Development Coordination	3,744,600	2,747,940
Leishmaniasis East African Platform (LEAP) / redLEISH Network Latin America	155,793	222,292
Human African trypanosomiasis (HAT) Platform	131,818	274,502
Chagas clinical research platform	86,555	153,949
Filariasis platform	-	25,239
<b>Total</b>	<b>4,118,766</b>	<b>3,423,922</b>

## 10. ADVOCACY, FUNDRAISING, AND GENERAL AND ADMINISTRATION EXPENSES

	Advocacy		Fundraising		General & Administration	
	2020	2019	2020	2019	2020	2019
Human resources	1,832,825	2,222,986	1,775,064	2,029,578	3,706,968	3,438,467
Office charges	86,108	98,195	73,661	66,832	275,797	502,881
Travel expenses	40,464	168,417	9,246	102,425	26,032	174,531
Administration	35,928	53,746	84,957	82,494	418,318	534,111
IT & Telecommunication	91,498	112,812	65,861	65,456	245,413	403,282
Communication	171,943	393,975	29,220	26,903	24,663	151,229
Depreciation	3,343	20,130	2,786	15,761	8,914	44,272
Exceptional expenses	-	-	-	-	4	-3,014
<b>Total</b>	<b>2,262,109</b>	<b>3,070,261</b>	<b>2,040,795</b>	<b>2,389,449</b>	<b>4,706,109</b>	<b>5,245,759</b>

## 11. REMUNERATION GIVEN TO BOARD MEMBERS AND DIRECTORS

All members of the Board are appointed on a voluntary basis. Board members did not receive any remuneration for their mandate in 2020, nor did they in 2019. In 2020, the top five salaries (including

salaries, all benefits, and all social charges) at DNDi totalled CHF 1,552,386 (EUR 1,447,957). In 2019, the top five salaries totalled CHF 1,498,484 (EUR 1,343,433).

## 12. BANK GUARANTEE DEPOSITS AND CREDIT LINES

**a) Bank guarantee deposits:** Rental bank guarantees are presented as non-current assets in the balance sheet.

**b) Credit line:** In 2017, the Board of Directors approved DNDi to enter into a credit facility agreement with a bank in Geneva for CHF 2 million.

DNDi can utilize this facility a maximum of twice per year. If the facility is used more than once per year, the Audit Committee must give its approval, ensuring internal control. This facility has not been used since its creation.

## 13. FINANCIAL INSTRUMENTS AND HEDGING ACTIVITIES

DNDi works in a multi-currency environment, with income and expenses in various currencies, and is therefore exposed to the risk of foreign currency fluctuations. This risk is covered by natural hedging for income received in the same currency as expenses incurred. However, DNDi needs to buy CHF using the unutilized balance of other currencies (JPY, EUR). DNDi hedges its foreign exchange needs using forward contracts, but also spot and limited orders. Forward contracts are utilized as hedging instruments with a horizon that can extend to 12 months.

At 31 December 2020, the theoretical unrealized loss on these instruments CHF 39,967 (2019: CHF 122,479) was due to the depreciation of CHF in relation to the counterparty currencies hedged. DNDi uses hedging for the purpose of reducing potential loss and not maximizing the potential gains induced arbitrarily by the exchange markets. With its hedging strategy, DNDi is not only looking at limiting the budgetary variations due to exchange market volatility, but also ensuring the receipt of CHF monies in time for its current operations.

Hedging instruments as at 31 December					Valuation as at 31 December 2020		Loss
Expiry date (2021)	Currency sold	Sold	Strike rate	CHF to receive	Spot rate	Amount in CHF	CHF
20 January	EUR	800,000	1.075	860,320	1.078	862,255	(1,935)
19 February	EUR	800,000	1.075	860,160	1.078	862,255	(2,095)
19 March	EUR	800,000	1.075	859,920	1.078	862,255	(2,335)
20 April	EUR	800,000	1.075	859,680	1.078	862,255	(2,575)
20 April	100 JPY	35,348,180	0.849	300,000	0.872	308,296	(8,296)
20 May	EUR	800,000	1.074	859,520	1.078	862,255	(2,735)
20 May	100 JPY	35,369,017	0.848	300,000	0.872	308,478	(8,478)
21 June	EUR	800,000	1.074	859,360	1.078	862,255	(2,895)
21 June	100 JPY	35,385,704	0.848	300,000	0.872	308,624	(8,624)
<b>Total</b>				<b>6,058,960</b>		<b>6,098,927</b>	<b>(39,967)</b>

#### 14. CHF EQUIVALENT OF KEY FIGURES

The Foundation maintains its accounting records in EUR. The key figures below have been converted into CHF for information purposes only, using a closing rate of CHF 1 = EUR 0.9278 (2019: CHF 1 = EUR 0.9113).

	2020	2019
Total assets	44,741,359	30,291,301
Capital of the organization	13,894,501	13,449,172
Total income	64,605,671	70,101,802
Total social mission expenditure	56,568,794	61,052,032
Total non-social mission expenditure	7,271,938	8,378,370

#### 15. AUDIT FEES

Audit services include statutory audits, project audits, and donor audits. To date, Deloitte, the Foundation's Statutory Auditor, does not provide DNDi with other services such as tax or legal services. Following competitive bidding in 2019, Deloitte SA has been reappointed as statutory auditor with the lead audit partner changing regularly. The decrease in audit-related expenditure is mainly due to the internal review work supported by external auditors that was put on hold in 2020 as a result of COVID-19 and travel restrictions.

(in EUR)	2020	2019
Total audit services	174,473	249,219

#### 16. SUBSEQUENT EVENTS

The Foundation has no subsequent events to report after the reporting date – 31 December 2020.



# REPORT OF THE STATUTORY AUDITOR



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## Report of the Auditor

To the Board of the Foundation of  
**Drugs for Neglected Diseases initiative (DNDi)**, Geneva

## Report of the Auditor on the Combined Financial Statements

As statutory auditor, we have audited the accompanying combined financial statements of Drugs for Neglected Diseases initiative (DNDi), which comprise the combined balance sheet as at 31 December 2020, the combined statement of operations, the combined funds flow statement, the combined statement of changes in capital and notes to the combined financial statements, presented on pages 16 to 32, for the year then ended.

### *Board of the Foundation's Responsibility*

The Board of the Foundation is responsible for the preparation of these combined financial statements in accordance with Swiss GAAP FER, the requirements of Swiss law and the charter of the foundation. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of combined financial statements that are free from material misstatement, whether due to fraud or error. The Board of the Foundation is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on these combined financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the combined financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the combined financial statements 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 entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the combined financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

# REPORT OF THE STATUTORY AUDITOR



Drugs for Neglected Diseases initiative (DNDi), Geneva  
Report of the statutory auditor  
For the year ended 31 December 2020  
Page 2

## *Opinion*

In our opinion, the combined financial statements for the year ended 31 December 2020 give a true and fair view of the financial position, the results of operations and the cash flows in accordance with Swiss GAAP FER and comply with Swiss law and the charter of the foundation.

## **Report on Other Legal Requirements**

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 83b Civil Code (CC) in connection with article 728 Code of Obligations (CO)) and that there are no circumstances incompatible with our independence.

In accordance with article 728a para. 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of combined financial statements according to the instructions of the Board of the Foundation.

We recommend that the combined financial statements submitted to you be approved.

## **Deloitte SA**

Fabien Bryois  
Licensed Audit Expert  
Auditor in Charge

Sophie Durand  
Licensed Audit Expert

Geneva, 14 June 2021  
FBR/SDU/mab

## Enclosures

- Financial statements (combined balance sheet, combined statement of operations, combined funds flow statement, combined changes in capital and notes)

# A WORD OF THANKS

DNDi has now delivered eight new treatments for five neglected diseases. Every contribution has helped to advance DNDi's mission and goals. A complete list of all our donors since 2003 is available on our website. Listed below are DNDi's major supporters during 2020.

## PUBLIC INSTITUTIONAL SUPPORT

- Brazil - Fundação de Amparo à Pesquisa do Estado de São Paulo (FAPESP)
- Brazil - Ministry of Health
- Canada - International Development Research Center (IDRC)
- DRC - Ministry of Health of the Democratic Republic of Congo (through the Projet de Développement du Système de Santé (PDSS) funded by the World Bank)
- European Union - European and Developing Countries Clinical Trials Partnership Association (EDCTP2 Programme)
- European Union - Horizon 2020 Research and Innovation programme
- Foundation for Innovative New Diagnostics (FIND) (supported by Unitaid)
- France - French Development Agency (AFD)
- Germany - Federal Ministry of Education and Research (BMBF) through KfW
- Japan - Global Health Innovative Technology Fund (GHIT Fund)
- Malaysia - Ministry of Health
- The Netherlands - Dutch Ministry of Foreign Affairs (DGIS)
- Portugal - Fundação para a Ciência e a Tecnologia (FCT)
- Switzerland - Innosuisse, Swiss Innovation Agency
- Switzerland - Republic and Canton of Geneva, International Solidarity Service
- Switzerland - Swiss Agency for Development and Cooperation (SDC)
- UK - UK aid
- Unitaid

## PRIVATE SUPPORT

- Anna-Maria and Stephen Kellen Foundation
- Associação Bem-Te-Vi Diversidade
- Bennett Shapiro and Fredericka Foster
- Bill & Melinda Gates Foundation
- Bristol-Myers Squibb Company
- Brian Mercer Trust
- The Broder Family Foundation
- Charina Endowment Fund
- Clifford N. Burnstein & Sabra C. Turnbull
- The ELMA Foundation
- Else Kröner-Fresenius-Stiftung
- Fondation ARPE
- Fundación la Caixa
- George H. Stout
- Harlan and Sally Weisman
- Jeff Nelson and Betsabe Aristud-Carrillo
- Kristin Ecklund
- Leo Model Foundation
- Margaret Golden, MD, MPH
- Médecins Sans Frontières / Doctors Without Borders
- Médecins Sans Frontières-Transformational Investment Capacity (MSF-TIC)
- Medicor Foundation, Liechtenstein
- Meena and Liaquat Ahamed
- PB and K Family Foundation
- Peter Mensch
- Pharmaniaga
- Ronald L. Thatcher
- Sanofi Global Health
- The Stainman Family Foundation
- Starr International Foundation
- Takeda Pharmaceutical Company Limited
- Wellcome
- Zegar Family Fund
- Anonymous individuals and organizations

## Best science for the most neglected

A not-for-profit research and development organization, the Drugs for Neglected Diseases *initiative* (DNDi) works to deliver new treatments for neglected patients, those living with Chagas disease, sleeping sickness (human African trypanosomiasis), leishmaniasis, filariasis infections, mycetoma, paediatric HIV, and hepatitis C. DNDi is also coordinating a clinical trial to find treatments for mild-to-moderate COVID-19 cases in Africa. Since its inception in 2003, DNDi has delivered eight new treatments to date, including new drug combinations for visceral leishmaniasis (kala-azar), two fixed-dose antimalarials, and DNDi's first successfully developed new chemical entity, fexinidazole, approved in 2018 for the treatment of both stages of sleeping sickness.

### We innovate to save lives

Discovering and developing urgently needed treatments for neglected patients and working to ensure they're affordable, available, and adapted to the communities who need them.

### We foster sustainable solutions

Working hand in hand with partners in low- and middle-income countries to power our progress and strengthen innovation ecosystems that put people's needs first.

### We advocate for change

Speaking out for policy change to enable more effective and equitable R&D and access to the fruits of science for all people, no matter their income or where they live.

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# DNDi

Drugs for Neglected Diseases *initiative*