

RULES OF PROCEDURE
OF
THE BOARD OF DIRECTORS
WORLD DIABETES FOUNDATION
(Verdensdiabetesfonden)
(CVR-nr. 26 56 17 79)

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1.0 COMPOSITION OF THE BOARD, APPOINTMENTS ETC.

1.1 **Composition of the Board**

The Foundation is governed by a Board of Directors consisting of 5-8 members appointed in accordance with the statutes. Board appointees must be natural persons. To be eligible to serve on the Board, appointees are required to discharge duties in or hold a position with a recognised organisation or institution dedicated to promoting health, the prevention and combating of disease etc. or they must have made a particular contribution within the field of promotion of health or prevention of diseases or the like.

New members of the Foundation Board are appointed in accordance with the statutes by the existing members of the Board in compliance with applicable legislation. Before the appointment of a new member of the Board a proposal of candidates is presented to the Board of Directors for decision.

Members of the Board of Directors are appointed for a period of 3 years. The appointment takes place by the end of the calendar year and takes effect as of the following January 1st. At the end of an appointment period, a resigning member may be re-elected. In case a member appointed in accordance with the statutes wishes to resign or actually resigns from the Board for any reason during the course of his/her 3-year period, an extraordinary appointment of a new member is made. Such an extraordinary appointment is made for the remaining period of the mentioned 3-year period (also with the possibility of re-appointment).

Members of the Board appointed by Novo Nordisk shall always constitute a minority of the Board members.

1.2 **Chairman and Vice Chairman of the Board**

The Board of Directors elects a Chairman among its members. The Board of Directors also elects a Vice Chairman, who acts on behalf of the Chairman in case of the Chairman's absence.

In so far as possible the Chairman should not be an employee of Novo Nordisk A/S.

The Vice Chairman is appointed among the Board members appointed by Novo Nordisk A/S.

The Chairman heads the work of the Board. The Vice Chairman acts as a liaison between the Board of Directors of the Foundation and the management. The Chairman and Vice Chairman act as the external spokespersons on behalf of the Board of Directors.

1.3 Resignation of members of the Board

A member of the Board of Directors can retire in case this is unanimously approved by the other members, or in case the legal requirements for resignation are met.

1.4 Authority to bind the Foundation

In accordance with the statutes, the Foundation is legally bound towards third parties by the joint signatures of the Chairman and a Member of the Board or by the joint signatures of a Board Member and the Manager.

The Board of Directors may entitle others to sign by procuration.

1.5 Director's remuneration

An annual remuneration is paid to each member of the Board in accordance with the statutes.

Members of the Board appointed by Novo Nordisk A/S do not receive remuneration.

2.0 BOARD MEETINGS

2.1 Language

All negotiations shall be in the English language.

All communications to the Board of Directors shall be in English.

Before any Board resolution, all documents that, according to applicable legislation, need to be prepared in the Danish language shall be presented to the Board members in an English translation.

2.2 Meeting intervals and agendas

The Board of Directors holds a meeting whenever the Chairman considers it necessary or on request of the general manager. Meetings are also held when requested by at least 3 members of the Board.

The Board of Directors aims to meet approximately 4 and at least 3 times a year. Every year the Chairman of the Board shall call for a meeting before the end of April, at which the Chairman gives an account of the activities of the Foundation in the past year and of the financial situation of the Foundation and presents the audited annual accounts for approval by the Board of Directors.

Normally, a draft agenda convening the meeting shall be sent to the Board members by mail 3 weeks in advance. In so far as possible, the final agenda and enclosures regarding the various items on the agenda shall be sent 7 working days in advance of the Board meeting at the latest.

Board resolutions may be made by phone or by vote in writing. In such cases a draft resolution upon which the Chairman shall seek to obtain a written or verbal vote from all Board members and arrange for the resolution to be entered into the Minute Book.

2.3 Other participants at Board meetings

Members of the management of the Foundation are entitled to be present and to speak at Board meetings, unless Danish Law on disqualification or the rules on disqualification herein apply.

The General Manager of the Foundation sees to it that the Secretariat, takes the minutes of the meetings, keeps the Minute Book, and carries out any tasks that rest with the Secretariat in accordance with the Rules of Procedure or are laid upon the General Manager and the Secretariat by the Board or the Chairman.

2.4 Agenda

At every Board meeting the agenda shall as a minimum contain the following items:

1. Approval of the minutes of the last Board Meeting.
2. Approval of any auditor's records presented.
3. The General Manager's presentation of the activities of the Foundation in the past period, major transactions, expectations for the remaining part of the accounting year and any particular risks.
4. Other Board Resolutions.
5. Any other business.

Furthermore, a Board meeting shall be held every year at which the budget for the following accounting year is discussed, cf. Article 4.1. Finally, the accounts for the past accounting year shall be presented for approval at a meeting which takes place every year by the end of April.

2.5 Quorum etc.

The Chairman conducts the negotiations of the Board.

In collaboration with the management of the Foundation, the Vice Chairman sees to it that decisions made by the Board are carried out.

A quorum exists when more than half the Board members are present. The Board's decisions are made by a majority of the members present.

Any amendments to the Statutes require unanimity by all Board Members. Amendments to these Statutes must be finally approved by the Danish Foundation Authority.

The Board members shall inform the management of any and all information necessary for carrying out the tasks as member of the Board.

2.6 Disqualification

Any agreement made between a Board member or the General Manager and the Foundation as well as any agreement between the Foundation and a legal entity in which a Board member or the General Manager has a direct or indirect interest is subject to approval by the Board.

A Board member or the General Manager must not be present during the negotiation of matters in which the Foundation or the person himself are counterparts, or matters in which the person according to the assessment of the other Board members has a direct or indirect interests.

2.7 Minutes

The negotiations and decisions made at the Board meetings are entered into the minutes. The minutes are presented for approval and signature at the following Board meeting, cf. Art. 2.4. The minutes are kept in a Minute Book.

All Board members are under an obligation to sign the minutes. A Board member or a general manager who does not agree in a resolution is entitled to have his/her opinion entered into the minutes.

The minutes of a Board meeting shall, if possible, be sent to the Board members no later than 10 working days after the meeting.

2.7 Professional secrecy

The Board's negotiations are confidential, and the members of the Board and the management are bound to observe professional secrecy with regard to knowledge they obtain in their capacity as Board members, unless the Board has resolved that particular information is meant for publication, or such information according to law will be immediately published.

The same obligation applies to any other person, who participates in the Board meetings. Infringement of the professional secrecy shall entail criminal liability and liability for damages in accordance with the Danish Law.

Unless the Board has resolved otherwise, the Board members are responsible for seeing to it that material received does not come into the hands of any third party.

Upon resignation of a member of the Board, the member shall return all material kept by the member and which he/she has received in his/her capacity of Board member.

In case of the death of a Board member the material shall be returned by his/her estate.

3.0 MANAGEMENT OF THE FOUNDATION

3.1 The Board of Directors

The Board holds the responsibility for the management of matters of the Foundation.

The Board shall see to it that the Foundation is properly organized.

The Board shall make sure that the Foundation is managed in a satisfactory manner and in compliance with the applicable law and regulations.

The Board shall see to it that the accounts and administration of capital are controlled in a satisfactory manner in accordance with the circumstances of the Foundation.

3.2 Management

The Board of Directors employs a General Manager to manage the daily operations of the Foundation.

The general manager attends to the daily management of the Foundation according to the guidelines laid down by the Board of Directors.

The Chairman and the Vice Chairman are authorized to stipulate the conditions of employment of the general manager.

The general manager can employ a number of employees.

The general manager shall inform the Board of Directors about such employments.

3.3 The Board's supervision of the daily management of the Foundation

The Board's supervision is primarily carried out via the reports received from the management, including accounting material, as well as through discussions with the management at Board meetings.

The Chairman and the Vice Chairman are under an obligation to supervise the management on behalf of the Board of Directors.

4.0 BUDGET AND ACCOUNTING

4.1 Budget

At a Board meeting before the end of each calendar year the management presents the budget for the following year for approval. The budget shall make a statement of the planned operational development, the liquidity and the development of the balance.

4.2 Annual accounts

At a Board meeting held by the end of April the management presents a draft of the annual accounts for approval.

The Board of Directors shall see to it that the annual accounts give a correct picture of the assets and liabilities as well as of the financial situation and result.

The annual accounts are signed by the Board of Directors and the management. In case a Board member or a general manager has any objections to the annual accounts, the member is entitled to have the objection entered at the countersignature of the accounts.

5.0 AUDIT AND ACCOUNTS

5.1 Audit

In accordance with the statutes the accounts of the Foundation shall be audited by a auditor, chartered according to Danish Law, appointed by the Board.

The accountant shall audit the annual accounts in compliance with good accounting practices and also make a critical overview of the accounts of the Foundation.

The Board of Directors and the management are under an obligation to pass on to the auditor all documents and information, which the auditor considers important for the assessment of the financial situation of the Foundation.

6.0 MINUTES AND AUDITOR'S RECORDS

6.1 Minutes

The minutes of all Board meetings are assembled in chronological order and with consecutive numbering in the Minute Book.

6.2 Auditor's records

The Chairman shall see to it that copies of all additions to the auditor's records are immediately sent to all Board members for discussion and decision at a later Board meeting.

7.0 CHANGES IN THE PROCEDURES

Changes to these procedures shall be made if a majority of the Board members are in favour of such changes.