

MSF Belgium and Operational Centre Brussels

FINANCIAL STATEMENTS 2021

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ACTIVITIES AND ORGANISATION

For the year ended December, 31st 2021

These financial statements are a means of transparency and accountability, illustrating the financial situation of both MSF Belgium¹ and the Operational Centre Brussels (OCB).

MISSION AND FUNDING POLICIES

Médecins Sans Frontières (MSF) is an international, independent, medical humanitarian organisation. MSF delivers emergency aid to people affected by armed conflict, epidemics, natural disasters and exclusion from healthcare.

MSF offers humanitarian assistance to people based on need and irrespective of race, religion, gender or political affiliation. We work to save lives, alleviate suffering and restore dignity. Our actions are guided by medical ethics and the principles of neutrality and impartiality. To be able to access and assist people in need, our operational policies must be scrupulously independent of governments, as well as religious and economic powers. We conduct our own assessments, manage our projects directly and monitor the impact of our assistance.

As a general principle, MSF does not accept funds from governments or other parties who are directly involved in the conflicts to which MSF is responding. Similarly, as a reaction to the EU's response to the migration crisis that affected Eastern Europe in 2016, MSF decided to no longer accept public funds from the European Union and its member states. Since then, MSF is almost exclusively funded by private individual donors.

In 2021, about 849 international health professionals, logistics specialists, finance and human resources staff of all nationalities left on field assignments to join more than 8150 locally hired staff working in medical and humanitarian projects coordinated by OCB. Our staff in the field were supported by approximately 432 full-time equivalents (FTEs) based in headquarters in Brussels or in regional offices closer to the field.

¹ In this report "MSF Belgium" refers to Médecins Sans Frontières ASBL (BCE n°0421.446.093, address: Rue de l'Arbre Bénit 46, 1050 Brussels), which is the legal entity carrying activities in Belgium.

ORGANISATIONAL STRUCTURE

Médecins Sans Frontières (MSF) is a non-profit, self-governed organisation. Founded in Paris, in 1971, MSF today is a worldwide movement of associations located all over the world.

MSF runs operations around the globe through 6 Operational Centres (OCs)². An International Office based in Geneva ensures the coordination between OCs and other institutional members.

The Operational Centre Brussels (OCB) is one of the largest OC in the MSF movement in terms of budget and runs humanitarian actions in more than 40 countries. The five other MSF Operational Centres have their headquarters in Amsterdam, Barcelona/Athens, Geneva, Paris and Abidjan.

OCB (in red on the illustration below) regroupes 9 associations spread on 4 continents. Those associations, also referred to as OCB partner sections, are: South Africa, Brazil, Denmark, Hong Kong, Italy, Luxemburg, Norway, Sweden and Belgium. Some of these partner sections also support the development of a younger branch office in Singapore, Taiwan, Beijing, Finland, Lebanon and Portugal.



² Operational Centers are also named Operational Directorates across the MSF movement.

ACCOUNTING STANDARDS & POLICIES

Preliminary note:

In previous years, we used to report in the financial report on the full “OCB Group”, i.e., the group of OCB partner sections and branch offices with no legal foundation. OCB partner sections total incomes and total expenses were combined in a set of figures and used for the calculation of the accountability ratios and for the review of the costs of sections at OCB group level. While these combined ratios for the OCB group gave some indications of trends at group level, they do not match anymore the underlying governance in place.

This financial report 2021 presents two different sets of financial statements:

- The MSF Belgium financial statements in Belgian GAAP, which are the statutory financial statements of the legal entity carrying activities around the world from Belgium. It is certified by auditors and published after the General Assembly on the website of the Belgian National Bank. It is also used to report on our financial position (balance sheet).
- The OC Brussels income and expenses statements in Swiss GAAP, in alignment with MSF movement combined accounts reporting rules. Those financial statements are the ones used internally and at the international MSF movement level, also for the reporting and monitoring of OCs accountability ratio's.

Reconciliation of MSF Belgium Results (Belgian GAAP) with the OC Brussels Results (Swiss GAAP)

The main differences between the OC Brussels and the MSF Belgium results are as follows:

- MSF Belgium includes all Brazil Delegate Office expenses and incomes, whereas OC Brussels only considers the net income grant from Brazil.
- Some differences between Swiss and Belgium GAAP: since 2021, the Ready-To-Ship stocks at MSF Supply are considered as an asset in MSF Belgium, while expensed under Swiss GAAP.
In the OC Brussels accounts, total income corresponds to the total amount of funds raised in Belgium, plus the grants received from OCB partner sections and non-partner sections
- MSF Belgium results incorporate as expenses the grants paid by MSF Belgium to finance the section MSF South Africa (3,4 million Euros in 2021) and to support Lebanon Branch Office activities (1,1 million Euros in 2021).
- All expenses invoiced to other MSF entities, including to other OC's, are not netted with the incomes inflating expenses and incomes in MSF Belgium figures. It concerned mainly staffs under MSF Belgium contracts working for other entities and shared activities with other OC's.

2020 figures OCB to MSF Belgium as reported to OC Brussels

This is the bridge from MSF Belgium to OC figures, and for memory the bridge to the OCB figures as presented in the financial report of 2020.

| (in K€) | 2020 Actuals MSF Belgium | Brazil in MSF Belgium accounts | Reinvoicing to other MSF entities & GAAP changes | 2020 Actuals OC | Take Full incomes & expenses all OCB sections | South Africa section financing | 2020 Actuals OCB |
|--|--------------------------------|---|---|-----------------------|---|--------------------------------------|------------------------|
| INCOMES Total | 409.577 | -23.997 | -30.302 | 355.277 | 120.993 | | 476.270 |
| Social Mission Expenses Total | 377.456 | -23.997 | -23.076 | 330.383 | 67.679 | -4.062 | 394.000 |
| Other Expenses Total | 16.637 | | -4.785 | 11.852 | 56.446 | | 68.297 |
| EXPENSES Total | 394.093 | -23.997 | -27.861 | 342.235 | 124.124 | -4.062 | 462.297 |
| NET RESULTS before exchange rate effect | +15.484 | | -2.442 | +13.043 | -3.131 | +4.062 | +13.973 |
| Net exchange gains/losses (+/-) | -3.581 | | +47 | -3.534 | -3 | | -3.537 |
| NET RESULTS | +11.903 | | -2.394 | +9.509 | -3.135 | +4.062 | +10.436 |

2021 figures OCB to MSF Belgium as reported to OC Brussels

| (in K€) | 2021 Actuals MSF Belgium | Brazil in MSF Belgium accounts | Reinvoicing to other MSF entities & reclasses | Belgium to Swiss GAAP | 2021 Actuals OC | 2020 Actuals OC | variance |
|--|--------------------------------|---|--|-----------------------------|-----------------------|-----------------------|----------|
| INCOMES Total | 431.867 | -18.405 | -25.319 | | 388.143 | 355.277 | +32.865 |
| Social Mission Expenses Total | 361.753 | -19.774 | -19.918 | 8.049 | 330.109 | 330.383 | -274 |
| Other Expenses Total | 17.165 | | -5.401 | | 11.764 | 11.852 | -88 |
| EXPENSES Total | 378.918 | -19.774 | -25.319 | 8.049 | 341.873 | 342.235 | -362 |
| NET RESULTS before exchange rate effect | +52.949 | +1.370 | | -8.049 | +46.270 | +13.043 | +33.227 |
| Net exchange gains/losses (+/-) | +9.001 | +232 | | | +9.233 | -3.534 | +12.767 |
| NET RESULTS | +61.950 | +1.601 | | -8.049 | +55.503 | +9.509 | +45.994 |

GOVERNANCE AND TRANSPARENCY

MSF is accountable for the trust of its donors. Our statutory accounts are reviewed by the audit firm DGST and our contribution to the international combined accounts is audited by Ernst and Young. MSF Belgium also adheres to the code of ethics of Fundraising (AERF)³.

³ AERF is the abbreviation of Association pour une Ethique dans les Récoltes de Fonds

OCB FINANCE DIRECTOR'S REPORT

By Maya Yamaguchi – OCB Finance Director

Thanks to amazing support and trust from its donors and supporters, OCB (Operational Centre Brussels) increased its total income with 9% compared to 2020, reaching 388 million Euros in 2021, in a way that was not anticipated at all in the midst of the turmoil caused by the global COVID-19 pandemic.

Many MSF sections raised much more funds than expected and budgeted for 2021. OCB also received exceptional levels of legacies in 2021, particularly in Belgium with 32,2 million Euros compared to 18 million Euros in 2020. This level of income gave OCB the capacity to maintain ongoing humanitarian activities, as well to respond to new emergencies in Mozambique, Ethiopia or Haiti, and at the same time to continue to support countries still facing the COVID-19 pandemic.

In 2021, OCB total expenses remained stable compared to 2020, at 341,9 million Euros.

The combination of significantly higher income than anticipated, favourable exchange gains and our constant thrive to deploy qualitative and needs based operations result in a surplus of 55,5 million € that will be transferred to our reserves for later funding of MSF activities.

| (in K€) | 2021 Actuals OC | 2020 Actuals OC | variance | % |
|--|-----------------------|-----------------------|----------------|------------|
| INCOMES Total | 388.143 | 355.277 | +32.865 | 9% |
| Social Mission Expenses Total | 330.109 | 330.383 | -274 | 0% |
| Other Expenses Total | 11.764 | 11.852 | -88 | -1% |
| EXPENSES Total | 341.873 | 342.235 | -362 | 0% |
| NET RESULTS before exchange rate effect | +46.270 | +13.043 | +33.227 | |
| Net exchange gains/losses (+ / -) | +9.233 | -3.534 | +12.767 | |
| NET RESULTS | +55.503 | +9.509 | +45.994 | |

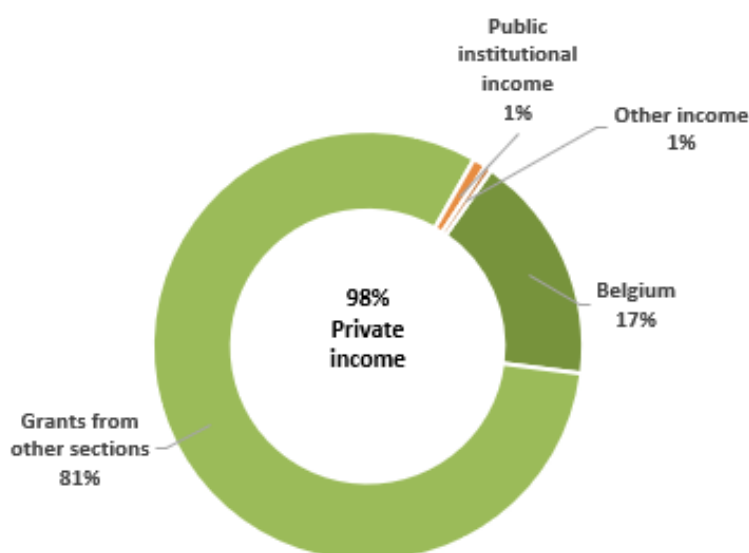
STATEMENT OF FINANCIAL ACTIVITY: INCOME

| (in K€) | 2021 Actuals OC | 2020 Actuals OC | var | var % |
|------------------------------|--------------------|--------------------|----------------|-----------|
| Private income | 381.876 | 350.903 | +30.973 | 9% |
| Public institutional income | 3.858 | 2.878 | +979 | 34% |
| Grant from MSF International | 438 | 124 | +314 | 252% |
| Other income | 1.970 | 1.372 | +599 | 44% |
| INCOMES Total | 388.143 | 355.277 | +32.865 | 9% |

Private Income

98% of our income in 2021 is coming from private donors and legacies, which is key to guarantee our independence.

As a reaction to the EU's response to the migration crisis that affected Eastern Europe in 2016, MSF decided to no longer accept public funds from the European Union and its member states



Private income consists of donations or legacies from individuals and donations from private organisations (companies, trusts and foundations, and other non-profit organisations). In 2021, the private income coming both from donors inside and outside of Belgium amounted in total to 381,9 million Euros compared to 350,9 million Euros in 2020.

In 2021, 81% of the income of the OC Brussels was granted by other sections in the MSF movement:

- Grants from OCB partner sections (Italy, Hong Kong, Taiwan, Brazil, Sweden, Norway, Denmark, Luxemburg, South Africa and Finland) amounted to 198,6 million Euros;
- 116,1 million Euros were received from other MSF sections, mainly US, UK (United Kingdom), Japan, Germany, Switzerland and Ireland.

64 million Euros were raised in Belgium, which is 14 million Euros more than in 2020. 31,7 million Euros are coming from donors and private organisations and 32,2 million Euros from legacies⁴, representing 50% of the private income raised in Belgium. In addition to this, a

⁴ This is including the grant from MSF Fondation Belgique to MSF Belgium ASBL in 2021.

deferred income from 2020 COVID-19 fund for 3,2 million Euros was also used in 2021 to fund COVID-19 operations.

in K€

| OCB section | Private | | other sections | Private | |
|--------------|----------------|-------------|----------------|----------------|-------------|
| | Income 2021 | share % | | Income 2021 | share % |
| Belgium | 64.003 | 24% | USA | 70.962 | 61% |
| Italy | 41.634 | 16% | UK | 18.064 | 16% |
| Brazil | 30.941 | 12% | Germany | 18.040 | 16% |
| Sweden | 31.868 | 12% | Japan | 3.188 | 3% |
| Norway | 29.285 | 11% | Switzerland | 2.333 | 2% |
| Hong Kong | 27.043 | 10% | Ireland | 1.740 | 1% |
| Denmark | 25.142 | 10% | Others | 1.825 | 2% |
| Luxembourg | 4.800 | 2% | TOTAL | 116.152 | 100% |
| Taiwan | 4.354 | 2% | | | |
| South Africa | 1.812 | 1% | | | |
| Finland | 1.722 | 1% | | | |
| TOTAL | 262.602 | 100% | | | |

Public institutional income

Public institutional income represents grants (i.e., contributions based on contracts for specific projects), subsidies and donations received from or pledged directly by public institutions, such as governments or agencies. In 2021, 3,9 million Euros were granted to fund OCB humanitarian activities, from the Canadian government and from Unitaid.

STATEMENT OF FINANCIAL ACTIVITY: EXPENDITURE

In 2021, OCB spent 341,9 million Euros, of which 286,1 million Euros in humanitarian missions directly managed by OCB.

OCB was active in more than 44 countries with more than 145 projects supporting healthcare toward populations in need, affected by emergencies (natural disaster or epidemics, still including COVID-19), living in armed conflict zones or suffering of healthcare exclusion and discrimination. We continued our activities in contexts where significant investments were made over the recent years: Democratic Republic of Congo, Central African Republic, Afghanistan, Haiti, South Sudan, Sierra Leone, Lebanon, Mozambique, Yemen, Nigeria, Syria, Guinea, among many others.

| (in K€) | 2021 Actuals OC | 2020 Actuals OC | variance | % |
|--|-----------------------|-----------------------|---------------|------------|
| Programme Expenses | 286.144 | 287.500 | -1.356 | 0% |
| (*) MSF Academy - Field related activities | 2.403 | 2.262 | +141 | 6% |
| (*) MSF Academy - HQ program Support | 517 | 330 | +187 | 57% |
| Program Support Abroad | 3.123 | 2.122 | +1.002 | 47% |
| HQ program support | 30.203 | 29.979 | +224 | 1% |
| Awareness - Raising | 2.288 | 2.307 | -18 | -1% |
| (*) Grants to other MSF sections | 3.864 | 4.690 | -826 | -18% |
| (*) Grant to Lebanon | 1.010 | 828 | +182 | 22% |
| (*) Contribution IO social mission | 556 | 366 | +190 | 52% |
| Social Mission Expenses Total | 330.109 | 330.383 | -274 | 0% |
| Fundraising | 6.077 | 6.497 | -420 | -6% |
| Management, G&A | 5.317 | 4.806 | +511 | 11% |
| (*) Contribution IO non social mission | 371 | 549 | -179 | -33% |
| Other Expenses Total | 11.764 | 11.852 | -88 | -1% |
| EXPENSES Total | 341.873 | 342.235 | -362 | 0% |

(*) excluded from Social mission ratio

Programme expenses in 2021

Despite COVID-19 travel restrictions and confinement measures, OCB was able to maintain its essential healthcare services in projects and health facilities around the globe, from treatment for HIV and tuberculosis patients to sexual & reproductive, surgical, paediatric, and mental health services, including measles vaccination campaigns, malaria prevention, and responses to other infectious disease outbreaks such as cholera, Lassa, Ebola or COVID-19 among others.

Programme expenses represent expenses incurred directly in the field or managed by the headquarters on behalf of the field, as well as grants/donations awarded/given to other organisations. In 2021, programme expenses managed by OCB reached 289,2 million Euros, including 2,4 million Euros for our MSF Academy activities.

Countries where OCB spent more than 5 million Euros in 2021

representing 87% of OCB missions expenses

| <i>Figures in K€</i> | | | |
|------------------------------|----------------|----------------|------------------|
| Mission | 2021 | 2020 | Variation |
| Democratic Republic of Congo | 33.379 | 32.945 | 434 |
| Central African Republic | 23.359 | 22.444 | 915 |
| Afghanistan | 17.234 | 10.043 | 7.191 |
| Haiti | 15.064 | 8.663 | 6.401 |
| South Sudan | 14.373 | 19.381 | - 5.008 |
| Sierra Leone | 13.048 | 10.961 | 2.087 |
| Lebanon | 12.948 | 18.754 | - 5.806 |
| Mozambique | 11.527 | 5.467 | 6.059 |
| Yemen | 10.996 | 8.908 | 2.087 |
| Nigeria | 10.507 | 7.864 | 2.643 |
| Syria | 10.176 | 10.601 | - 425 |
| Guinea | 9.188 | 9.862 | - 674 |
| Iraq | 8.851 | 9.704 | - 853 |
| Venezuela | 8.336 | 6.206 | 2.129 |
| South Africa | 8.299 | 10.576 | - 2.278 |
| Mali | 7.657 | 6.119 | 1.538 |
| Burundi | 6.981 | 9.454 | - 2.473 |
| India | 6.481 | 7.259 | - 777 |
| Ethiopia | 6.270 | 28 | 6.242 |
| Palestine | 5.934 | 5.336 | 598 |
| Bangladesh | 5.582 | 6.615 | - 1.033 |
| Greece | 5.035 | 7.621 | - 2.586 |
| Subtotal | 251.222 | 234.811 | 16.411 |
| <i>in % of total</i> | 87% | | |

In 2021, OCB spent 37 million Euros in emergency interventions: COVID-19 pandemic interventions and support in more than 25 countries (14 million Euros), in Mozambique (6,3 million Euros, in Cabo Delgado area), in Ethiopia (6,3 million Euros, facing consequences of the conflicts in Tigray), in Haiti (3,7 million Euros, after to the earthquake), in Gaza after the bombing (0,8 million Euros), in Afghanistan (0,8 million Euros, in Kabul for the cholera intervention), in Guinea and Sierra Leone for Ebola and Marburg virus outbreak (0,8 million Euros).

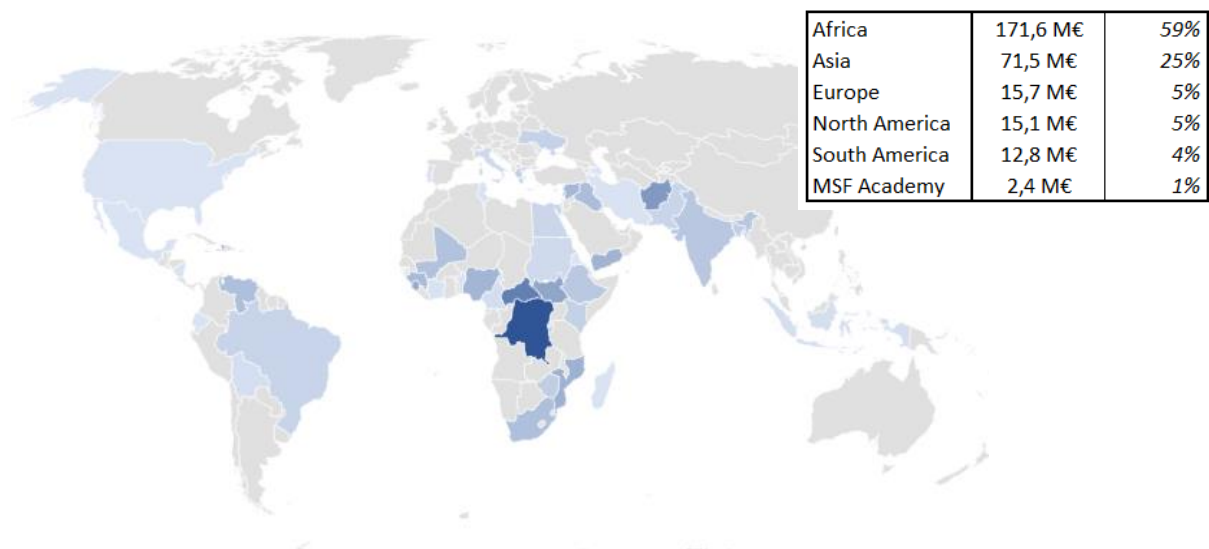
Next to the emergencies in 2021, OCB also opened new projects in 2021 respectively in South Sudan (Eastern Greater Pibor Administrative Area), in Mali (Tombouctou), Sudan (Blue Nile State), Yemen (Shabwa), Italy (Palermo).

We completed further stages of the construction of the Kunduz trauma centre in Afghanistan and completed the construction of the Kenema paediatric & maternity hospital in Sierra Leone. We also started the rehabilitation of health facilities in Bangui, continued the work in Bangassou (Central African Republic) and finalized the construction of the bio-security lab in Zhytomyr (Ukraine).

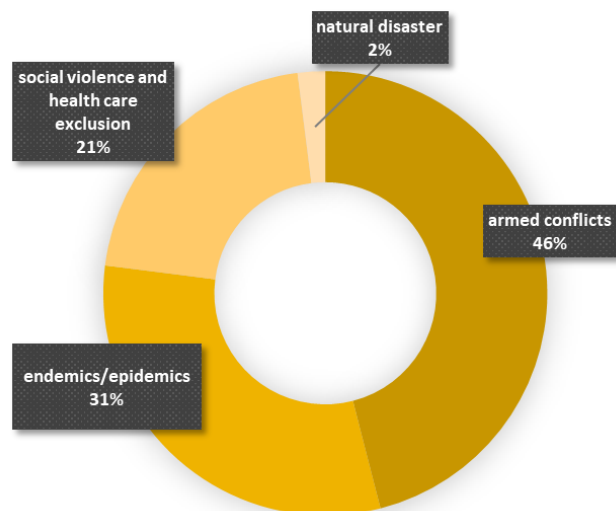
OCB stopped the following missions and projects during 2021: COVID-19 emergencies projects were stopped where MSF intervention became less needed, the project of El Alto in Bolivia successfully handed over to local authorities middle of 2021, the activities of Timergara

project handed over to the Ministry of Health in Pakistan, the projects in Rustenburg in South Africa, the Mutare provincial hospital (Zimbabwe), in Doro and Pibor (South Soudan) and in Embu (Kenya) after many years of activities.

As we can see below, 59 % of our programme expenses are related to missions in African countries, 25% in Asia, 5% in Europe, 5% in North America (mainly Haiti) and 4% in South America.



Beneficiaries of our operations in 2021



In 2021, activities supporting populations and refugees victims of armed conflicts in many countries represented 46% of our programme expenses: Central African Republic (Bangassou), Afghanistan (Kunduz/Khost), Syria, South Sudan (Maban/Yei), Sudan (Ad Damazin), Mozambique (Cabo Delgado), Iraq (Mosul), Yemen (Mohka hospital), Democratic Republic of Congo (North Kivu), Ethiopia (Tigray), Palestine (Gaza), Haiti (Martissant), Nigeria (Maiduguri), as well as Cameroon and Mali (Tombouktou).

31% of our programme expenses was allocated to support populations suffering from endemics and epidemics: continuity of launched health support activities in 2020 for the

COVID-19 pandemic, but also treatment and vaccination programmes directed to populations living with HIV, tuberculosis, malaria, cholera, diphtheria, Lassa fever, Ebola. Countries concerned in 2021 are among others: Democratic Republic of Congo, Guinea, South Africa, Mali, Zimbabwe, India, Central African Republic, Mozambique, Ukraine, Burundi, Venezuela, Nigeria.

21% of our programme expenses went to operations toward populations affected by social violence and health care exclusion, in countries such as Sierra Leone (Kenema hospital), Greece (Lesvos or Athens for victims of torture), Lebanon (Bar Elias hospital, projects for migrants in Beirut and Shatila/Burj), Venezuela (Anzoategui), Haiti (Port-Piment), Burundi (Arche in Bujumbura), Pakistan, South Sudan (Pibor), Egypt (mental health in Maadi), Bangladesh (Jamtoli for Rohingyas refugees), Brazil (Roraima), Italy, Belgium (migrants) and Serbia (Clinic in Belgrade).

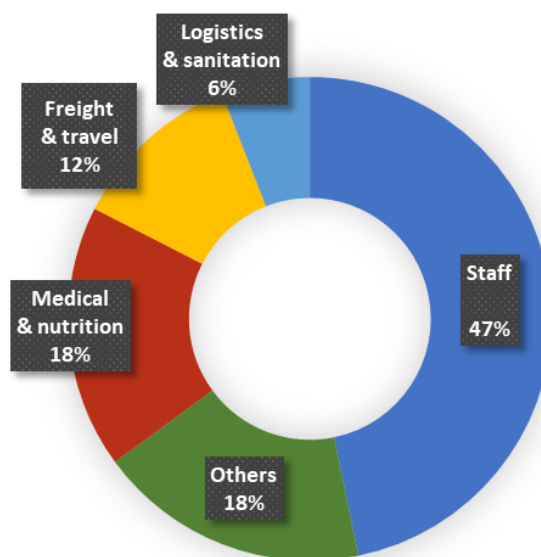
Finally, 2% of our 2021 programme expenses have been dedicated to populations affected by natural disasters namely the earthquake in Haiti.

Programme expenses by nature in 2021

47% of our cost in the field are Staff costs related, internationally or locally hired staff. Our activities could not happen without this dedicated and committed workforce all around the world.

Beyond the generosity of our donors in Belgium and in all the countries from which OCB is receiving funds, OCB could also rely on the commitment of 849 international staff who were assigned to our operations in the field in 2021, together with our 8.150 locally hired staff⁵ in all our missions around the world.

18% of our programme expenses are related to medical and nutrition expenses, 12% to freight and travel, 6% to logistics and sanitation, and 18% to other costs such as facilities, communication, professional services etc.



Programme support expenses

Headquarters programme support and programme support abroad relates to expenses incurred in headquarter in Brussels and regional offices and hubs around the world to enable MSF humanitarian operations in the field. It comprises all persons and units in charge of project design, monitoring and evaluation, recruitment of international staff, medical referents and logistics support and activities designed to improve the quality and the effectiveness of MSF

⁵ Figures in full time equivalents (FTEs)

humanitarian operations and emergencies. Action in the field could not be realized without the precious work of colleagues performed in headquarter or regional offices and hubs. In 2021, OCB spent 30,7 million Euros in Brussels headquarters and 3,1 million Euros abroad. The latter increased by 1,2 million Euros compared to 2020, with the regionalization of part of our support closer to our operations, namely in Southern Africa and Central Africa.

MSF Academy expenses

MSF Academy idea and concept originated at OCB in 2017, with main purpose to increase the quality of care in MSF hospitals through a practice-based training for nurses, focusing on countries where MSF runs hospital projects.

The initiatives relate to Nursing (mainly), Anaesthesia scholarship, Outpatient Care, Fellowship in Medical Humanitarian Action, Post-Graduate diploma in Infectious diseases and the new initiative Antimicrobial (AMR) Learning.

MSF Academy costs include the core team that manages the overall Program and initiatives, reported as Program Support, representing 0,5 million Euros in 2021. The costs in the countries where we have the training activities organized and developing the content of the courses represented 2,4 million Euros in 2021. MSF Academy is financed by private funds, received by donors or foundations, channelled to OCB through the MSF TIC fund⁶.

Awareness-raising

Awareness-raising activities comprise expenses incurred by MSF in communication and in an educational manner, to further its social mission. They represent the situations where MSF acts as a witness and speaks out about the plight of the populations it serves through the mobilisation of the international community and by issuing information publicly to stir up indignation, put pressure on responsible actors and stimulate action. In 2021, OC Brussels spent 2,3 million Euros for these specific activities, which is stable compared to 2020.

Fundraising

Fundraising expenses represent the costs incurred for raising funds, both private and public institutional. In 2021, OC Brussels fundraising expenses reached 6,1 million Euros, compared to 6,5 million Euros in 2020. This investment allowed OCB to raise 64 million Euros in Belgium.

Management and general administration

Management and general administration consist primarily of expenses associated with executive management, finance, legal, human resources management, internal

⁶ MSF Transformational Investment Capacity (TIC) is investing funds, intellectual capital and human resources to improve MSF ability by implementing efficiency gains initiatives and projects to optimize the use of our funds and people towards our social mission in the future : medical R&D projects for quality of care for our patients; staff learning and skills development initiatives; operations improvements and technology; etc.

communication, and the associative life of the MSF organisation. OC Brussels spent 5,3 million Euros in 2021, compared to 4,8 million Euros in 2020.

Operational ratios: Social mission and Program ratios

As from 2021, to monitor its cost structure, OCB decided to report the ratio's based on the Operational Center Brussels expenses and not anymore on the combined expenses of all OCB sections, see Preliminary note explanations - section "Accounting Standards & Policies".

We therefore report the Social mission and Program ratios to monitor and maximize the allocation of financial resources towards missions and beneficiaries.

- The "Social Mission ratio" is an operational ratio comparing the expenditures made as part of the social mission to all expenses.
The social mission ratio reaches 96,6% for 2021. For 2020, when calculated for the same scope of expenses, it also reaches 96,6%.

Social mission ratio
96,6%



other expenses
3,4%

| | 2021 Actuals OC | 2020 Actuals OC |
|---------------------------------------|-----------------------|-----------------------|
| Social mission expenses for ratio | 321.759 | 321.907 |
| non Social mission expenses for ratio | 11.394 | 11.303 |
| Total costs expenses for ratio | 333.152 | 333.210 |
| Social mission ratio | 96,6% | 96,6% |

- The "Program ratio" is an operational ratio used in the MSF movement for all Operational centers since a few years. It compares the programme expenditures to the total OC expenses, excluding all contributions to other MSF entities or to the International Office, as well as MSF Academy expenses.
In 2021, the Program ratio of OCB reaches 85,9%, compared to 86,3% in 2020.

Program ratio
85,9%



other expenses
14,1%

| | 2021 Actuals OC | 2020 Actuals OC |
|--------------------------------|-----------------------|-----------------------|
| Programme expenses for ratio | 286.144 | 287.500 |
| other OC expenses for ratio | 47.008 | 45.710 |
| Total costs expenses for ratio | 333.152 | 333.210 |
| Program ratio | 85,9% | 86,3% |

RESULT FOR THE YEAR AND RESERVES POLICY

OC Brussels ended 2021 with a surplus of +55,5 million Euros, whereas MSF Belgium's surplus for 2021 (shown in the reserves table below) reached +61,9 million Euros. Refer to page 6 for a detained explanation on the differences between both set of financials.

The overall level of reserves increases and remains solid at 241 million Euros, of which 181 million Euros accumulated surpluses. The purpose of these reserves is to:

- Guarantee immediate availability of a significant amount of cash for emergency interventions
- Cover our operating expenses in the event of a downturn in income and / or unforeseen increases in costs. Based on 2021 expenses, this amount of reserves would allow to cover 8,3 months of OCB operational activities.

Our reserve policy compels us to low-risk investments. OCB therefore has no speculative investment but only safe short-term deposits with multiple financial institutions.

| in K€ | 2015 Actuals | 2016 Actuals | 2017 Actuals | 2018 Actuals | 2019 Actuals | 2020 Actuals | 2021 Actuals |
|---------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| I. Equity Capital | 60.000 | 60.000 | 60.000 | 60.000 | 60.000 | 60.000 | 60.000 |
| II. Accumulated Surplus | 174.025 | 208.858 | 148.756 | 141.273 | 107.214 | 119.117 | 181.067 |
| Accumulated Surplus / Deficit | 151.211 | 174.025 | 208.858 | 148.756 | 141.273 | 107.214 | 119.117 |
| Surplus / Deficit of the year | 22.814 | 34.833 | -60.102 | -7.483 | -34.059 | 11.903 | 61.950 |
| Total MSFB accounting reserves | 234.025 | 268.858 | 208.756 | 201.273 | 167.214 | 179.117 | 241.067 |

STATEMENT OF FINANCIAL POSITION

The financials shown in this section of the report presents the financial position of MSF Belgium and reported in accordance with Belgian GAAP. These statutory accounts were audited by DGST and are filed at the National Bank of Belgium.

ASSETS

Figures in K€

| ASSETS | Actuals 2021 | Actuals 2020 | variance |
|----------------------------------|-----------------|-----------------|----------------|
| I. FIXED ASSETS | 23.995 | 42.092 | -18.097 |
| Intangible | 488 | 211 | 277 |
| Tangible | 22.212 | 24.265 | -2.053 |
| Leasing | 0 | 0 | 0 |
| Financial | 1.295 | 17.616 | -16.321 |
| II. LONG TERM RECEIVABLES | 16.467 | 0 | 16.467 |
| Long term receivables | 16.467 | 0 | 16.467 |
| III. CURRENT ASSETS | 278.039 | 199.924 | 78.115 |
| Stocks | 9.562 | 511 | 9.051 |
| Debtors under 1 year | 120.712 | 98.709 | 22.003 |
| Short term investments | 11.696 | 11.340 | 356 |
| Liquid Assets | 132.767 | 86.637 | 46.130 |
| Other | 3.302 | 2.727 | 575 |
| TOTAL ASSETS | 318.501 | 242.016 | 76.485 |

Fixed assets

MSF Belgium has determined specific valuation rules for its assets, because of the specificity of its activities.

Assets used in the field for programme purposes, such as medical and communication equipment, are expensed upon shipment to the field, or upon purchase if purchased locally. This valuation method is due to the instability of the contexts in which MSF operates, the fact that all the goods imported by MSF are legally donated to our countries of operations as part of custom clearance procedures, and the difficulty to determine, in a reliable way, their useful life and residual value.

Investments are considered as assets (intangible or tangible), on the condition that they are held to be used for more than one year. MSF Belgium fixed assets are mainly made of tangible

assets: the head office in Brussels (18 million Euros), all IT & office equipment (0,4 million Euros) and hospital infrastructures built in the field (Sierra Leone 2,7 million Euros).

Intangible assets are composed of investments in external expertise and consultancy, mainly in developing digital and information platforms or data management tools for operations, ICT, medical, logistics, communication, human resources or finance information purposes.

Financial assets were mainly in 2020 the financial participation in MSF Supply, the entity which supplies most of the medical and logistic material to the field. It has been transformed into a long-term loan, under long term receivables. What remains on financial assets in 2021 are mainly related to long-term guarantees for our operations in the field.

Long term receivables

Since January 1st 2021, our logistic and supply center MSF Supply has changed of legal status to become a non-profit organization (from SCRL to ASBL). This implied that MSF Belgium converted in 2021 its participation into Other long-term receivables for an amount of 16,5 million Euros.

Current assets

Debtors are mainly related to other MSF sections. The non-recovery risk is non-existent. They include income to be cashed in within the next year from other MSF sections and increased with 11 million Euros compared to 2020. Legacies to be received increased with 8 million Euros, and cash on bank accounts increased with 48 million Euros. So, in total, the receivables from other MSF sections increased by 22 million Euros at the end of 2021.

On December 31st, 2021, MSF Belgium had 278 million Euros current assets, showing an increase of 46,1 million Euros in liquidity compared to 2020, in addition of an increase of 22 million Euros in debtors under 1 year. It is essential for MSF Belgium to keep an important level of available cash for emergencies and liquidity needs for our activities in the field to cope with the seasonality of income coming from our donors.

MSF considers short-term deposits, cash at headquarters and cash in the field as cash and cash equivalents. Amounts are valued at fair value with any resulting gains or losses recognized in the Statement of Financial Activities.

Stocks

As of 2021, the ready-to-ship stocks at MSF Supply are recognized as stocks on the balance sheet following a request of our auditors (compared to previous years, where 100% of stocks were considered as expenses). On December 31st, 2021, these stocks amount to 9,3 million Euros.

Our stocks in the field (medicines, logistic material, medical and miscellaneous consumables, etc.) are not accounted for in our assets, as they are fully expensed when purchased. This

valuation principle is based on the same rationale as fixed assets (instability of the contexts in which MSF operates and donation certificates issued as part of the custom clearance procedures). The only exception are items stored in our Kenyan logistics, valued under assets for 0,2 million Euros, at the acquisition value of each element and re-evaluated based on the market value. There are no more stocks for books recognized as assets on the balance sheet.

LIABILITIES

Figures in K€

| LIABILITIES | Actuals 2021 | Actuals 2020 | variance |
|--------------------------------|-----------------|-----------------|---------------|
| I. EQUITY CAPITAL | 60.000 | 60.000 | 0 |
| II. ACCUMULATED SURPLUS | 181.067 | 119.117 | 61.950 |
| Accumulated Surplus/Deficit | 119.117 | 119.117 | 0 |
| Result (surplus) | 61.950 | | |
| III. SUBSIDIES | 0 | 0 | 0 |
| IV. PROVISIONS | 30.596 | 21.092 | 9.504 |
| V. CREDITORS | 46.838 | 41.807 | 5.031 |
| Over 1 year | 3.033 | 3.500 | -467 |
| Under 1 year | 42.421 | 37.041 | 5.380 |
| Other | 1.384 | 1.266 | 118 |
| TOTAL LIABILITIES | 318.501 | 242.016 | 76.485 |

Accumulated surplus

Including the surplus 2021 of 61,9 million Euros, the accumulated surplus of MSF Belgium amounts to 181,1 million Euros.

Therefore, the total equity of MSF Belgium amounts to 241,1 million Euros.

Provisions

Provisions are valued at best estimate when MSF has a legal or constructive obligation as the result of a past event, and if it is probable that an outflow of assets will be required to settle the provision. Changes in provisions are recognised in the Statement of financial activities.

Provisions are accounted for future costs and risks resulting from the closing of projects in the field as well as for litigation or tax related issues. On December 31st, 2021, these provisions amount to 30,6 million Euros.

Creditors

The Creditors balance (46,8 million Euros) is composed of debts to other MSF sections and MSF Supply, as well as current commercial debts and debts to the Belgian social security for the year. The creditors debts over 1 year are linked to the balance to be paid from the mortgage loan taken in 2014 for the acquisition of the building of headquarters of MSF Belgium. The short-term debts count for 42,4 million Euros and are mainly commercial debts for running cost, Belgian social security and towards other MSF sections and MSF Supply. The increase compared to 2020 is related to higher debts towards other MSF sections.

AUDITOR'S REPORT



DGST - Réviseurs d'entreprises

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STATUTORY AUDITOR'S REPORT TO THE GENERAL MEETING OF MEMBERS OF THE ORGANISATION MEDECINS SANS FRONTIERES FOR THE YEAR ENDED 31 DECEMBER 2021

RUE DE L'ARBRE BÉNIT, 46 - 1050 BRUXELLES
NM : 0421.446.093

In the context of the statutory audit of the annual accounts of the organisation Médecins Sans Frontières (the Organisation), we hereby present our statutory auditor's report. It includes our opinion on the audit of the annual accounts as well as our report on the other legal and regulatory requirements. These reports form part of an integrated whole and are indivisible.

We have been appointed as statutory auditor by the general meeting of members of 4th of June 2021, following the proposal by the board of directors. Our statutory auditor's mandate will expire on the date of the general meeting of members which will deliberate on the annual accounts closed on 31 December 2023. We have performed the statutory audit of the annual accounts of the organisation for 10 consecutive years. The current representative of the firm performs the statutory audit of the annual accounts of the association since June 14, 2014.

Report on the audit of the annual accounts

Unqualified opinion

We have audited the annual accounts of the Organisation, which comprise the balance sheet as at 31 December 2021, the profit and loss account for the year then ended and the notes to the annual accounts, characterised by a balance sheet total of 318.501.383,76 EUR and a profit and loss account showing a positive result for the year of 61.949.944,16 EUR.

In our opinion, the annual accounts give a true and fair view of the Organisation's net equity and financial position as at 31 December 2021, as well as of its results for the year then ended, in accordance with the financial reporting framework applicable in Belgium.

Basis for unqualified opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Belgium. Our responsibilities under those standards are further described in the 'Statutory auditor's responsibilities for the audit of the annual accounts' section in this report. We have complied with all the ethical requirements that are relevant to the audit of annual accounts in Belgium, including those concerning independence.

We have obtained from the board of directors and the officials of the Organisation the explanations and information necessary for performing our audit.

Cabinet de Réviseurs d'entreprises

Membre de GGI- Geneva Group International, a global alliance of independent professional firms.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Observation - Change in valuation rules

Without qualifying the opinion expressed above, we draw attention to the change in valuation rules that occurred during the financial year. In accordance with article 3:8 of the "Arrêté Royal" of 29 April 2019 implementing the Companies and Associations Code, the justification and the impact of this change on the Association's assets and liabilities, financial position and results are disclosed in annex C-asbl 6.18 of the annual accounts.

Responsibilities of the board of directors for the annual accounts

The board of directors is responsible for the preparation of annual accounts that give a true and fair view in accordance with the financial reporting framework applicable in Belgium, and for such internal control as the board of directors determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

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

Statutory auditor's responsibilities for the audit of the annual accounts

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

When carrying out our audit, we comply with the legal, regulatory and normative framework which applies to the audit of annual accounts in Belgium. The extent of legal control does not include assurance as to the future viability of the Association, nor as to the effectiveness or efficiency with which the board of directors has conducted or will conduct the affairs of the Association.



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

- Identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organisation's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors;
- Conclude on the appropriateness of the board of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organisation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our statutory auditor's report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our statutory auditor's report. However, future events or conditions may cause the Organisation to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the annual accounts and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

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



Report on other legal and regulatory requirements

Responsibilities of the board of directors

The board of directors is responsible for the compliance with the legal and regulatory requirements regarding bookkeeping, with the Organisation's by-laws and with the requirements of the Company and Non-for-profit organisations Code.

Responsibilities of the statutory auditor

In the context of our mandate and in accordance with the Belgian standard which is complementary to the International Standards on Auditing (ISAs) as applicable in Belgium, it is our responsibility to verify, in all material aspects, compliance with certain provisions of the Company and non-profit organisations Code and with the by-laws, as well as to report on these elements.

Aspects related to the management report

Following our specific examination of the directors' report, we are of the opinion that it is consistent with the annual accounts for the same financial year and has been prepared in accordance with article 3:48 of the Companies and Associations Code.

In the context of our audit of the annual accounts, we are also responsible for considering, in particular based on the knowledge we have obtained during the audit, whether the management report contains any material misstatement, i.e. any information which is inadequately disclosed or otherwise misleading. Based on the procedures we have performed, there are no material misstatements we have to report to you.

Statement related to independence

Our audit firm did not provide services which are incompatible with the statutory audit of annual accounts, and we remained independent of the Organisation throughout the course of our mandate.

The fees related to additional services which are compatible with the statutory audit of annual accounts as referred to in article 3:65 of the Company and non-profit organisations Code were duly itemised and valued in the notes to the annual accounts.



Other statements

Without prejudice to certain formal aspects of minor importance and in the context of the emphasis of matter paragraph above, the accounting records are maintained in accordance with the legal and regulatory requirements applicable in Belgium.

Our mission did not include the systematic control of the eligibility of expenditures under applicable contractual rules on subsidies that were obtained by your association.

Your association did not provide to the Worker's Council, but in accordance with it, the economic and financial information as defined in the "Arrêté Royal" of 27 November 1973.

There are no transactions undertaken or decisions taken in breach of the by-laws or of the Company and Non-for-profit organisation Code.

Brussels, the 24 May 2022.

SRL « DGST & Partners - Réviseurs d'entreprises »,
Statutory auditor
Represented by

Fabio CRISI
Auditor

ACKNOWLEDGMENTS

MSF Belgium and all OCB Group sections acknowledges the support of its supporters around the world as well as its donors and its dedicated employees and volunteers.

None of what OCB has achieved so far would have been possible without your support and generosity.

Be sure we do everything we can to deserve your trust.

Thank you.