GRANT AGREEMENT

Between:

Novo Nordisk Foundation

And:

Danish Diabetes Academy, Odense University Hospital

Novo Nordisk Fonden
Tuborg Havnevej 19
DK-2900 Hellerup
Denmark
CVR-nr. 10582989

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Grant number:
NNF17SA0031406

Odense University Hospital
CEO Niels Nørgaard Pedersen
Sdr. Boulevard 29
5000 Odense C
CVR-nr. 29190909

22 December 2017
Ref. mixk/mjlt
NNFDOC-1590459282-135

The Board of Directors of the Novo Nordisk Foundation has awarded up to:

DKK 156,000,000
(onehundredandfiftysix million Danish kroner)

to Odense University Hospital (hereinafter "the Grant Holder") for Danish Diabetes Academy (hereinafter "the Academy").

1. Background and purpose

1.1. The Novo Nordisk Foundation (hereinafter "the Foundation") is a Danish foundation with corporate interests. The Foundation has two objectives: 1) to provide a stable basis for the commercial and research activities of the companies in the Novo Group; and 2) to support scientific, humanitarian and social purposes.

1.1. The Foundation has awarded the Grant to support the Academy from 2018 to 2022.

1.2. The Academy has previously been funded with a grant from the Foundation from 2012 to 2017.

1.2. The overall goal of the Academy is to enhance the quality of Danish diabetes research education to ensure that it remains at the highest international level. The Academy is expected to serve as a nationwide initiative unifying academia, hospitals and industry in Denmark, with the major focus of educating the next generation of researchers within the field of diabetes by providing educational activities and talent development; networking and collaboration activities; and scholarships, fellowships and visiting professorships.

2. About the Grant in general

2.1. The Academy shall be carried out in accordance with the application submitted to the Foundation dated 12 September 2017, including the attached budget ("the Grant Application").

2.2. The grant number is: NNF17SA0031406

2.3. The grant period shall start on 1 January 2018 and run until 31 December 2022 ("the Grant Period").

3. Organisation and leadership

3.1. The Grant Holder

- The Grant Holder, Odense University Hospital, shall be the host institution of the Academy.

3.2. Academy leadership

- The Academy will be led by a Board of Directors who is responsible for the overall strategy of the Academy.

- The Board of Directors of the Academy shall consist of three members with representation from Danish universities, university hospitals and relevant diabetes research disciplines across Denmark.

- The Chairman of the Board of Directors shall be the Head of the Academy ("the Head of the Academy"), see below in clause 3.3.

- The Board of Directors of the Academy will be supported by:
    a. A committee for talent development.
    b. A committee for education.
    c. An international advisory board.
    d. A national advisory board.

3.3. The Head of the Academy

- The Head of Academy shall possess the following abilities:
    a. Be a person of considerable stature and scientific distinction, who has the respect and support of the entire community within the field of diabetology in Denmark.
    b. Be an outstanding visionary leader with managerial proficiency.
    c. Be able to define and lead the execution of a strategy.

- Professor Allan Flyvbjerg shall be the Head of the Academy and thus Chairman of the Board of Directors of the Academy.

- In the event Professor Allan Flyvbjerg will not be the Head of the Academy during the entire Grant Period, the Foundation reserves the right to appoint a replacing Head of the Academy based on a dialogue with the Board of Directors of the Academy and the Grant Holder.

3.4. Executive Management Team

- An Executive Management Team led by a Managing Director, appointed by the Academy Leadership, will develop, propose and implement activities of the Academy as described in the Grant Application as defined in clause 2.1. It will also provide administrative support for the Board of Directors, the committees and the advisory bodies.

- The Executive Management Team will be employed by the Grant Holder (cf. section 13) who will provide all necessary framework such as physical premises, IT support and HR resources.

4. Responsibility

4.1. The Grant Holder is financially and scientifically responsible for the Grant in accordance with the Application and the terms and conditions of this grant agreement (the "Agreement").

4.2. The Academy is subject to the Grant Holder's budget control processes and the Grant Holder must ensure that the reporting to the Foundation is consistent with the reporting to the Grant Holder's finance department.

4.3. The Grant Holder is responsible for appropriate and reasonable administration of the Grant in accordance with the terms and conditions for the Grant as set out in this Agreement including the Application.

4.4. The Grant Holder is responsible for ensuring that all reporting requirements from the Project to the Foundation are fulfilled.

4.5. The Grant Holder shall be responsible for ensuring that annual reports are submitted.

5. Use of funds

5.1. The Grant Holder shall use the Grant in accordance with the Grant Application.

5.2. Accordingly, the Grant will cover costs for:

- Salary and running costs for the Executive Management Team
- Educational and talent development activities
- Recruitment and grant activities (further specified in clause 5.3)
- Networking and collaboration activities
- Direct administrative costs and services provided by the Grant Holder

5.3. The Foundation does not provide support to cover overhead: expenses that are not directly related to or relevant to the Academy.

5.4. The Board of Directors of the Academy shall distribute funding for recruitment and grant activities in accordance with the Grant Application, and as specified in the table below:

Recruitment and grant activities	**Total amount (DKK)**
36 PhD scholarships 2/3 financed	39,600,000
10 PhD scholarships 1/3 financed	5,500,000
15 Postdoc fellowships 1/3 financed	9,000,000
10 Postdoc fellowships 2 year	12,000,000
18 Postdoc fellowships 3 years	32,400,000
Up to 20 Visiting Professorships of between 1-6 months duration	5,000,000
Total	**103,500,000**

5.5. The Foundation reserves the right to initiate an independent audit in order to determine whether the Grant has been used in accordance with the Grant Application. In this event, the Foundation covers any costs related to the audit.

6. Grant payment

6.1. The Foundation shall pay the annual instalments of the Grant by 1 May each year if the Foundation has received (by 31 March) and approved the following:

- a scientific report through the Foundation's researchfish® web-based reporting system covering the previous year;
- signed annual accounts covering the previous year;
- a signed budget for the current year and an updated pay-out plan;
- a signed payment request for the instalment for the current year; and
- a signed annual report covering information on the activities, the overall status and the results of the Academy for the previous year

6.2. The Foundation shall transfer the funds to a bank account supplied by and belonging to the Grant Holder in accordance with the payment schedule below.

6.3. Expected Grant instalments:

2018	DKK 27,638,000
2019	DKK 41,813,000
2020	DKK 43,613,000
2021	DKK 28,293,000
2022	DKK 14,643,000
Total	**DKK 156,000,000**

6.4. If the Grant Holder does not use all the funds paid for the Academy in a given year, the unused amount shall be withheld from the payment made in the next year. In this situation, the unused amount shall be accounted for in the budget for the following years.

6.5. The Foundation shall make the first Grant payment after the Foundation has received a signed payment request from the Grant Holder. If the Foundation does not receive a payment request by 31 December 2018, the Grant will be considered null and void.

7. Reporting

7.1. Every year by 31 March, the Grant Holder shall submit a report to the Foundation covering the annual accounts and the budget for the Academy. The deadline for the first submission is 31 March 2019.

7.2. Every year by 31 March, the Grant Holder shall submit a comprehensive scientific report through the Foundation's researchfish® web-based reporting system. The first report shall be submitted by 16 January 2019, and the first year's reporting shall cover the period from start of the Grant Period to 31 December 2018. The Foundation will send detailed information to the Grant Holder on how to use researchfish® in scientific reporting on the Grant.

7.3. The annual report shall include information on the activities in the current year and the overall status and results of the Academy including success criteria and organisation.

7.4. The accounts shall be structured in accordance with the structure of the budget in the Grant Application. The accounts shall also comply with current legislation and regulations and the usual recognized standards.

7.5. Every quarter, the Grant Holder shall submit a quarterly report (1-2 pages) describing the current activities and the progress of the Academy. The Foundation will send detailed information to the Grant Holder on the content.

7.6. The deadlines for submission shall be as follows:

Deadline	**Document or information**	**Signatures**
15 October	Provisional budget and pay-out plan	Head of Academy
16 January	Information for the scientific report submitted through researchfish®	Head of Academy
31 March	Annual accounts for the previous year	CEO of Grant Holder and Head of Academy
31 March	Budget for the current year and updated pay-out plan for the remaining Grant Period	CEO of Grant Holder and Head of Academy
31 March	Payment request	CEO of Grant Holder and Head of Academy
31 March	Annual report	Head of Academy and CEO of Grant Holder
10 March, 10 June, 10 September, 10 December	Quarterly report	Head of Academy

7.7. The Foundation may request additional reporting if the Foundation considers this appropriate.

7.8. In 2021 the Foundation will conduct an external, independent and international evaluation of the performance of the Academy. The Academy shall contribute in the process.

8. Project completion

8.1. When the Grant Period ends, but no later than by the end of Q1 2023, the Grant Holder shall submit a final scientific report, final accounts and a final evaluation that shall include information on the activities of and the results achieved by the Academy as described in the Grant Application. The accounts shall also comply with current legislation and the usual recognized standards.

8.2. The Grant Holder shall update the activities of and results achieved by the Academy through researchfish® for 5 years after the Grant Period ends. The Grant Holder may submit a request to the Foundation to terminate the updating earlier than 5 years if the Grant Holder anticipates no further activities and results.

8.3. After the Grant Period ends, but no later than by the end of Q1 2023, the Grant Holder shall return any unused funds to the Foundation.

9. Changes

9.1. The Grant Holder shall obtain prior written approval from the Foundation for all significant changes to the Grant. The Grant Holder may make minor changes to the Grant as needed.

9.2. The following are examples of significant changes for which the Grant Holder shall obtain prior written approval from the Foundation:

- a change in the Grant Period;
- any change in the allocation of fellowships as stated in the Grant Application;
- any change in the allocation between the principal items as stated in section 5.2.
- a deviation of more than 5% for individual categories in the budget compared with the Grant Application;
- a change in the Academy Leadership.

9.3. The significant changes listed in section 9.2 are not exhaustive. The Foundation may stipulate additional factors for which the Grant Holder shall obtain prior written approval from the Foundation before making changes.

10. Contact with the Foundation

10.1. The contact person for the Foundation is Project Officer Maj Leth-Espensen, mjlt@novo.dk.

10.2. The contact person for the Grant Holder shall be Head of the Academy Allan Flyvbjerg, allan.flyvbjerg@regionh.dk.

10.3. As the Grant period spans several years the Foundation emphasizes the importance of continuous dialogue between the Foundation, the Grant Holder and the Academy leadership. To this end, two contact committees shall be established :

- A contact committee composed of the CEO of the Grant Holder, the Head of the Academy, the Foundation's CEO and the Foundation's Head of Strategic Awards. The meetings shall take place every year in Q1, and at the meetings the Foundation is to be informed of the current work and progress of the Academy.

- A contact committee composed of the Head of the Academy, the Foundation's Head of Strategic Awards and the contact person for the Foundation. The meetings shall take place every year in Q2, and at the meetings the Foundation is to be informed of the status of the Academy's current operations and plans for the coming year.

11. Legal and regulatory compliance, etc.

11.1. The Grant Holder shall comply with all national and international legislation, regulations, standards and ethical norms. The Grant Holder shall also understand and comply with the Foundation's values (the four cornerstones).

11.2. Any researchers associated with the Academy shall comply with the Foundation's standards for good research practice to ensure that the research supported is carried out with respect for and in harmony with the parties involved and society as a whole.

11.3. The Foundation's cornerstones and standards for good research practice are available on the Foundation's website.

12. Taxation

12.1. The Foundation shall not be responsible for any matter relating to any taxation of the Grant. The Grant Holder may contact the relevant tax authorities for guidance on taxation.

13. Employment terms and salaries

13.1. Any employment of personnel pursuant to the Grant shall be carried out in accordance with the regulations, practices and salary agreements currently applicable to the Grant Holder. The Foundation shall not be responsible for the conditions of employment pursuant to the Grant.

13.2. The Grant Holder shall ensure that the salaries of employees hired pursuant to the Grant are able to be paid based on the amount of the Grant in accordance with the Grant Application. The Grant Holder shall determine salaries in accordance with the regulations, practices and salary agreements currently applicable to the Grant Holder.

13.3. If the Foundation submits a request, the Grant Holder shall provide documentation showing that any changes in employees' salaries in accordance with the Grant are solely carried out after evaluation in accordance with the current regulations, practices and salary agreements currently applicable to the Grant Holder.

14. Publicity about the Academy

14.1. The Grant Holder shall ensure that any media coverage of or publicity about the Academy mentions that the Novo Nordisk Foundation (in Danish, Novo Nordisk Fonden) has supported the Academy.

14.2. The Grant Holder shall ensure that any publication resulting from the Academy mentions the Foundation's grant number. The Grant Holder shall be prohibited from including publications and other research output that do not appropriately acknowledge the support of the Foundation in subsequent reports about the Academy to the Foundation.

14.3. The Grant Holder shall be prohibited from using the name of the Novo Nordisk Foundation (in Danish, Novo Nordisk Fonden) in any other way without the prior written agreement of the Foundation.

14.4. Grant Holder shall be prohibited from representing or entering into agreements on behalf of the Foundation.

15. Intellectual property rights and freedom of research

15.1. The Foundation shall claim no ownership of or rights to any intellectual property generated by the activities the Grant supports.

15.2. All researchers funded by the Grant have full freedom of research and full freedom to publish any results.

16. Breach of contract

16.1. The Grant and the conditions applying to it in accordance with this Agreement shall be subject to the provisions of Danish law.

16.2. If the Grant Holder or the Host Institution does not comply with the conditions of this Agreement, the Grant Holder or the Host Institution may be held liable to repay the grant in full or in part, according to their legal responsibility for such non-compliance. In case of non-compliance, the Foundation is entitled to terminate, reduce or phase out the Grant.

16.3. If the Grant Holder breaches this Agreement, the Grant Holder shall cease to mention the Foundation in connection with the Academy if the Foundation so requests.

17. Choice of law and jurisdiction

17.1. Any dispute or claim arising in or out of the Grant shall be subject to and interpreted in accordance with Danish law and be finally settled in accordance with the Rules of Simplified Arbitration of the Danish Institute of Arbitration.

17.2. The seat of Danish arbitration shall be Copenhagen. Regardless of the agreement on arbitration, the Foundation shall be entitled to exercise all other powers in accordance with legislation.

18. Appendices

18.1. Application – Danish Diabetes Academy 12 September 2017.

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Date: 22 December 2017

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Birgitte Nauntofte
CEO
Novo Nordisk Fonden

Date:

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Niels Nørgaard Pedersen
CEO
Odense University Hospital

Date:

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Allan Flyvbjerg
Head of Academy
Danish Diabetes Academy