



2018 Annual Report
Humanity & Inclusion

Staying the course in an increasingly turbulent world

Changes to France's tax laws caused an unprecedented decline in HI's private donations in 2018. However, this contextual issue must not be allowed to overshadow the benefits achieved from the profound transformations made to our organisation during the course of the year. Meanwhile, in an ever more complex world, we continued to deliver adapted responses to humanitarian crises, including in countries such as Libya and the Democratic Republic of Congo (DRC),

of our 60 or so programmes now represents almost 50% of our activity. We are now well on our way to achieving one of our key strategic ambitions: enhancing HI's capacity to lead NGO consortia and run major programmes spanning several countries.

Rolling out large-scale regional programmes in 2018 also enabled us to address a growing demand from our institutional donors. We overhauled the way we organise our

areas contaminated by landmines and explosive remnants of war.

Protecting our beneficiaries is paramount. In 2018, we strengthened our existing measures for safeguarding beneficiaries against sexual abuse and ensuring protection of personal data.

Finally, in this rapidly changing world to which we must ceaselessly adapt, our ethical principles are the constant that guides our choices. We consider it imperative to abide by these principles in all our actions and at all times. This conviction forced us to make a difficult decision in 2018: for the first time in our organisation's history, we withdrew from a country on ethical grounds. HI has red lines that it will never cross - in this case, the ethnic cataloguing of our personnel in Burundi. ■

"We also pursued the development of our social mission in 2018, attaining growth of around 10%."

left to fend for themselves by the international community. Our steadfast determination not to abandon the victims of invisible crises is integral to HI's DNA.

We also pursued the development of our social mission in 2018, attaining growth of around 10%. We increased the volume of our projects in Mali, Chad, DRC, Bangladesh, Iraq, Yemen and in support of Syrian refugees to the extent that this small proportion

operations and set up regional hubs which, although fewer in number, are able to manage greater volumes of activity. Another outcome of the organisational changes introduced in 2018 was the establishment of a new division dedicated to innovation and data management, and tasked with helping our projects harness technological advances. We have already secured major funding for the development of an innovative project in Chad using drones to map

Jean-Noël DARGNIES & Manuel PATROUILLARD

Chairman and Managing Director
of Humanity & Inclusion

"I would like to add some personal words of welcome to Jean-Noël Dargnies, the new Chairman of the Handicap International Federation - Humanity & Inclusion. After a long career as an engineer with an international corporation, Jean-Noël became the director of a prestigious educational institution, which, like HI, promotes strong humanist values. His experience in these different sectors

will be a valuable asset in the governance of HI and I thank him for his commitment to our organisation. I would also like to express my thanks once again to all our employees and voluntary workers for their remarkable efforts and engagement."

Manuel PATROUILLARD



DIRECT AND INDIRECT BENEFICIARIES

DIRECT BENEFICIARIES

2,130,525

people having received goods or services as part of a project implemented by HI or its operating partners in 2018.

INDIRECT BENEFICIARIES

8,132,987

people benefiting from the effects of goods or services received by HI's direct beneficiaries in 2018

BENEFICIARY DATA BY SECTOR OF ACTIVITY¹

HEALTH

476,667 beneficiaries

INCLUSION

320,765 beneficiaries

REHABILITATION

225,803 beneficiaries

ACTION AGAINST MINES AND OTHER WEAPONS

761,806 beneficiaries

BASIC NEEDS²

413,551 beneficiaries

GLOBAL WORKFORCE*

3,327 people

including:

- **2518** national staff on the ground
- **336** international staff on the ground
- **255** headquarters staff working for programmes and on programme monitoring
- **218** staff working in support services, fundraising and communication

HI NETWORK BUDGET

€ 192 million

1. Number of people having benefited directly from the actions of HI and its partners in 2018. Some people benefited from a number of services and/or activities. Consequently, despite our best efforts, a few of them may have been counted more than once. Non exhaustive data that does not include all sectors of HI's activity. This data cannot be aggregated.

2. Water, sanitation, shelter and livelihoods.

* Expressed in annual full-time equivalent positions.

Part 1 | Who we are?

The Humanity & Inclusion network

Our vision

Outraged at the injustice faced by people with disabilities and vulnerable populations, we aspire to a world of solidarity and inclusion, enriched by our differences, where everyone can live in dignity.

Our mission

HI is an independent and impartial aid organisation working in situations of poverty and exclusion, conflict and disaster. We work alongside people with disabilities and vulnerable populations, taking action and bearing witness in order to respond to their essential needs, improve their living conditions and promote respect for their dignity and fundamental rights.

Our values

HUMANITY

Our work is underpinned by the value of humanity. We include everyone, without exception and champion each individual's right to dignity. Our work is guided by respect, benevolence and humility.

INCLUSION

We advocate inclusion and participation for everyone, upholding diversity, fairness and individual choice. We value difference.

COMMITMENT

We are resolute, enthusiastic and bold in our commitment to developing tailored, pragmatic and innovative solutions. We take action and rally those around us to fight injustice.

INTEGRITY

We work in an independent, professional, altruistic and transparent manner.

Handicap International becomes Humanity & Inclusion

On 24th January 2018, the global Handicap International network became Humanity & Inclusion (HI).

HI is made up of a Federation, which implements programmes in 54 countries, and eight national associations. Depending on the country in which they are based, 26 of these programmes and national associations bear the name "Handicap International" and 36 are called "Humanity & Inclusion" in 2018.



The HI Organisation

The HI Organisation is comprised of a Federation, established in 2009, and eight national associations founded between 1982 and 2006: Belgium, Canada, France, Germany, Luxembourg, Switzerland, the United Kingdom and the United States.

The Federation implements the Organisation's social mission in around 60 countries under the name "Humanity & Inclusion" or "Handicap International", depending on the country.

Our national associations are called "Handicap International" in Belgium, France, Germany, Luxembourg and Switzerland, and "Humanity & Inclusion" in Canada, the United States and the United Kingdom.

Our Institute for Humanitarian Action: safeguarding our ethical principles

Since 2015, the HI Institute for Humanitarian Action (the new name of the Handicap International Foundation) has been responsible for defining the ethical framework that underpins HI's actions. The Institute analyses the ethical and political issues facing the HI movement and the aid sector in general.



IDEAS LABEL

With the help of the Institute for the Development of Ethics and Action for Solidarity (IDEAS), in January 2016 HI engaged in enhancing its governance, financial management and effectiveness. After an independent audit conducted on the basis of 120 IDEAS criteria, our organisation was awarded the IDEAS label in recognition of the quality of our governance, financial management and the efficiency of our actions.

Institutional policies and code of conduct

HI's institutional policies set out the principles to be respected by all of its employees and partners. Its gender, protection of beneficiaries and child protection policies are accompanied by a code of conduct which applies to all those representing HI (employees, people accompanying expatriate staff, consultants, service providers, partner organisations, interns and voluntary workers. Whenever local legislation permits, HI incorporates this code of conduct into employment contracts and internal rules of procedure.

Our institutional policies are available online: www.hi.org

- Policy for the Protection of Beneficiaries against Sexual Exploitation and Abuse, which also prohibits recourse to prostitution
- Child protection policy
- Gender policy
- Policy for the Prevention of and Fight against Bribery and Corruption
- Safety and Security policy

International recognition

1996

The United Nations High Commissioner for Refugees awarded HI the Nansen prize "for its outstanding work with refugees."

1997

HI was co-laureate of the Nobel Peace Prize in 1997 for its role in the International Campaign to Ban Landmines.

1999

HI obtained special consultative status with the United Nations.

2008

The Nansen prize was awarded to the United Nations Mine Action Coordination Centre for South Lebanon in recognition of the work of its deminers, who included three teams from HI.

2011

HI received the Conrad N. Hilton Humanitarian prize for its actions in support of people with disabilities.

2018

HI was rated 8th in NGO Advisor's ranking of the world's top 500 non-governmental organisations.

They support our causes

HI receives the high patronage of the High Patronage of Her Majesty Queen Mathilde of Belgium.

HI's causes are supported by a number of prestigious ambassadors. They include Jessica Cox, Ulrike Folkerts, Mario Galla, Rachel Kolly d'Alba, Anthony Lemke, Eddie Ndopu, Axelle Red, Christa Rigozzi, Diane Tell and Celine van Till.

Programmes and key events in 2018

PLAYDOYER

Including people with disabilities in humanitarian action

There are now 200 signatories to the Charter on Inclusion for Persons with Disabilities in Humanitarian Action, launched by HI and 70 partners in 2016. These include 25 states, the European Union, several United Nations agencies, humanitarian aid organisations and organisations of people with disabilities. In 2018, to ensure that concrete actions can be put in place to meet the requirements outlined in this Charter, HI conducted a survey of the situation of Syrians with disabilities living in camps, communities and informal settlements in Jordan and Lebanon. The survey found that more than 60% of households of Syrian refugees include a person with disabilities, and that 20% of refugees in Lebanon and Jordan are living with a disability. The survey also identified their main difficulties and assessed their access to services. The objective now is to provide NGOs with data and recommendations to help them adapt their humanitarian aid projects to the real needs of refugees with disabilities. A report entitled *Removing barriers, the path towards inclusive access* is available for both Lebanon and Jordan, along with fact sheets and statistical data.

PLAYDOYER

“STOP bombing civilians!”

As part of an international campaign launched two years ago with the International Network on Explosive Weapons (INEW), HI lobbied 4,500 parliamentarians in 2018, urging them to take a stance against the bombing of populated areas, a practice which kills or injures 90 people across the world each day. This lobbying campaign was launched in eight countries (Belgium, Canada, France, Germany, Luxembourg, Switzerland United Kingdom and United States,) to make politicians aware of the humanitarian disaster caused by the use of explosive weapons in populated areas. They were asked to sign the “Stop Bombing Civilians” petition, add the cause to their parliamentary agendas and bring pressure to bear on their governments to oppose this barbaric practice. The objective was to garner as many signatures as possible to support our advocacy with policy makers.

FACTS

43,000 people are killed or injured by explosive weapons every year

92% of the victims of explosive weapons used in densely populated areas are civilians.

ACHIEVEMENTS

At a conference organised in Chile by HI in December 2018, representatives of **23** States adopted the Santiago Communiqué to express their concern about the use of explosive weapons in populated areas.



TUNISIA

Employment & Disability: opening up opportunities

80% of people with disabilities are unemployed worldwide. The situation in Tunisia is a reflection of this lamentable state of affairs. Private companies and employers do not know where to find talented people with disabilities who meet their requirements, nor do they know how to adapt their work practices to facilitate the integration of workers with disabilities or how to tackle prejudices among the rest of the workforce.



2,488 people were informed and **603** accompanied in Benin, Morocco, Senegal and Tunisia.

However, the country's new law on corporate social responsibility, ratified in June 2018, is a step in the right direction. It requires social partners organisations to encourage companies to commit more strongly to ensuring diversity and inclusion. This is also the objective of HI's Employment & Disability project, run in four of Tunisia's governorates. To promote disability inclusion in the workplace, the project focuses on environmentally-responsible sectors offering job opportunities. Its main activity in 2018 was matching supply with demand. HI's teams simultaneously laid the groundwork for success with companies, public- and private-sector actors and their partners, as well as with disabled job-seekers, particularly women and young people. They also helped companies to institute diversity policies and establish partnerships with employment sector representatives to help them recruit workers with disabilities. Jobseekers were offered training and support to find stable employment or develop their own economic activity. This Employment & Disability project is run on a regional level in Benin, Morocco, Senegal and Tunisia.

AFGHANISTAN

Certified rehabilitation training

More than half of Afghanistan's population lives below the poverty line. The number of victims killed or injured by explosive weapons is among the highest in the world. Terrorist attacks and internal conflict make it extremely difficult to develop care services and train qualified professionals. As a result, huge numbers of Afghans with disability live in situations of extreme vulnerability without access to rehabilitation services. This is especially true in unstable and remote regions. To fill this skills gap in the remote provinces of Takhar and Herat, HI launched a three-year professional training course certified by the Afghan Diploma for Prosthetics & Orthotics. The objective? To improve access to quality physical rehabilitation services for people with disabilities living in areas where such services are unavailable. The project is run with our partner, the Swedish Committee for Afghanistan, and in collaboration with the Ghazanfar Institute of Health Sciences and the Afghan Ministry for Public Health's Disability and Rehabilitation Programme. In 2018, 40 ortho-prosthetics students from these provinces or neighbouring regions were awarded the diploma, half of whom were women.

18,897 people benefited from physical and functional rehabilitation services.



BURUNDI

Protecting the most vulnerable from the worst violence

In 2017/2018, 85,000 children in Burundi learned how to protect themselves from physical and sexual violence. Many of these children had disabilities, as disabled children are four times as likely to fall prey to sexual violence as children without disabilities. Four hundred young victims were also provided with direct care. Via another project, Schools as Zones of Peace, our teams created a healthy and secure environment for children living in parts of the country affected by armed confrontations. As a result, dozens of schools have now drawn up action plans and charters to

protect their most vulnerable pupils, and 500 people have received training on how to identify signs of distress in children. These leaders helped 2,500 children receive support. In 2018, HI ran protection activities in the south and south-east of the country where more than 10,000 people, most of them from Congo, have taken refuge. The majority (65%) are children who arrived without their parents and are therefore at significant risk of violence, exploitation and neglect. HI also provided protection for refugee women and girls, offering them psychological support and alerting

them to the risks of violence - a very real threat in this type of situation.

21,794 people were supported by HI in Burundi.

The needs for assistance are still as great in Burundi. However, in 2018, HI made the difficult decision to withdraw from the country after the government introduced new laws severely restricting the independence and neutrality of our operations.

MATERNAL AND CHILD HEALTH

Health as a priority for infants, young children, expectant and new mothers

An estimated 800 women and 10,000 infants die every day as a result of complications during pregnancy or childbirth, most of them in developing countries. Yet, 70% of these complications are preventable.

HI works with health services to reduce mortality rates and improve the prevention, early detection and management of disabilities linked to pregnancy and childbirth. Our teams are also lobbying for maternal and child health and sexual and reproductive health services to be integrated into local public health systems.

To improve maternal and child health, HI trains doctors, nurses and midwives in the prevention and management of disabilities and sets up pre- and post-natal support services. Our neonatal and child health and sexual and reproductive health projects target teenagers, pregnant women and women of childbearing age as well as

their children through early infancy as part of the same care continuum. This ensures efficient pregnancy monitoring, prevents impairments and

disabilities linked to at-risk pregnancy and childbirth and addresses the most common congenital malformations immediately after birth.



162,112 mothers and children benefited from this support in 13 countries.

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COLOMBIA

Freeing Colombia from the threat of landmines

HI is one of Colombia's four officially-recognised humanitarian demining operators. With 31 of its 32 departments contaminated by landmines, Colombia has the world's second-highest casualty rate from these weapons. This pervasive threat paralyses entire regions, and their inhabitants live in a state of constant fear. HI provides them support in the hope that one day they will be able to lead normal lives.

At the end of 2017, HI began demining operations in the departments Cauca, Meta and Caquetá. In addition to the high

concentration of landmines, Colombia is a mountainous country with dense vegetation, which creates real topographical constraints for the demining teams. Furthermore, most of the mines are improvised, making them unstable. All these factors make demining operations complex.

HI also teaches communities living in close proximity to such weapons how to stay safe. Teams also provide survivors with rehabilitation care, psychosocial support and help with returning to employment or launching a business.

379,984 m² of cleared land was released back to inhabitants in Colombia.

IRAQ

Helping Iraqis get back on their feet

In Iraq, HI provides displaced people, returnees, Iraqi host communities and Syrian refugees with rehabilitation care and psychosocial support. Their needs are managed either by our rehabilitation teams based in local health facilities or our mobile teams. We provide mobility aids, such as crutches, walking-frames and wheelchairs and have set up a number of Disability & Vulnerability focal points to ensure as many people as possible have access to our services. We also refer people to other organisations for services that we don't provide.

HI also assists the local authorities and other aid organisations to integrate the specific needs of people with disabilities into their humanitarian responses.

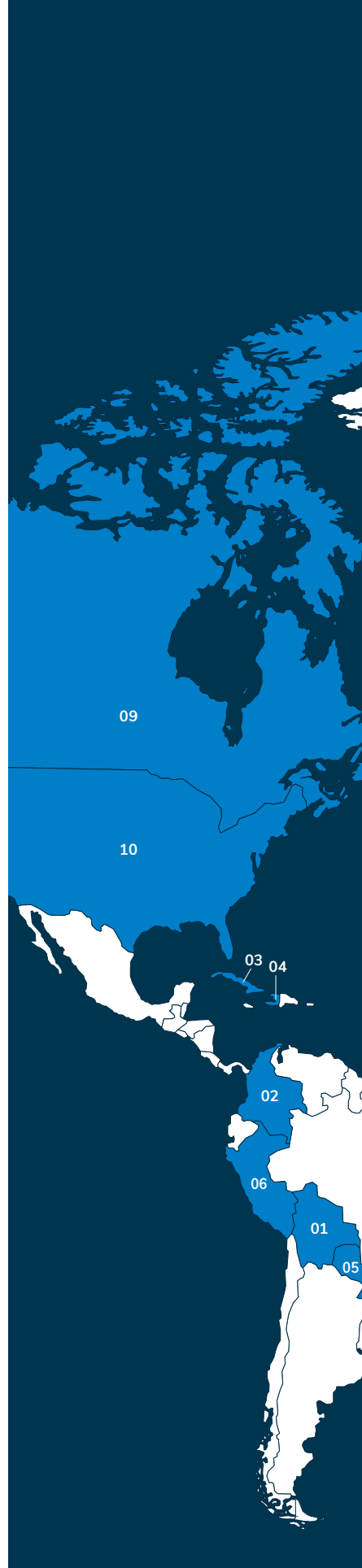
The extent of explosive contamination is massive in the city of Mosul, which was almost entirely reduced to rubble during fighting that ended in 2017. In 2018, HI continued its support to people returning to the city, in large part by teaching civilians how to spot, avoid and report explosive remnants of war.



292,460 people were supported by HI in Iraq.

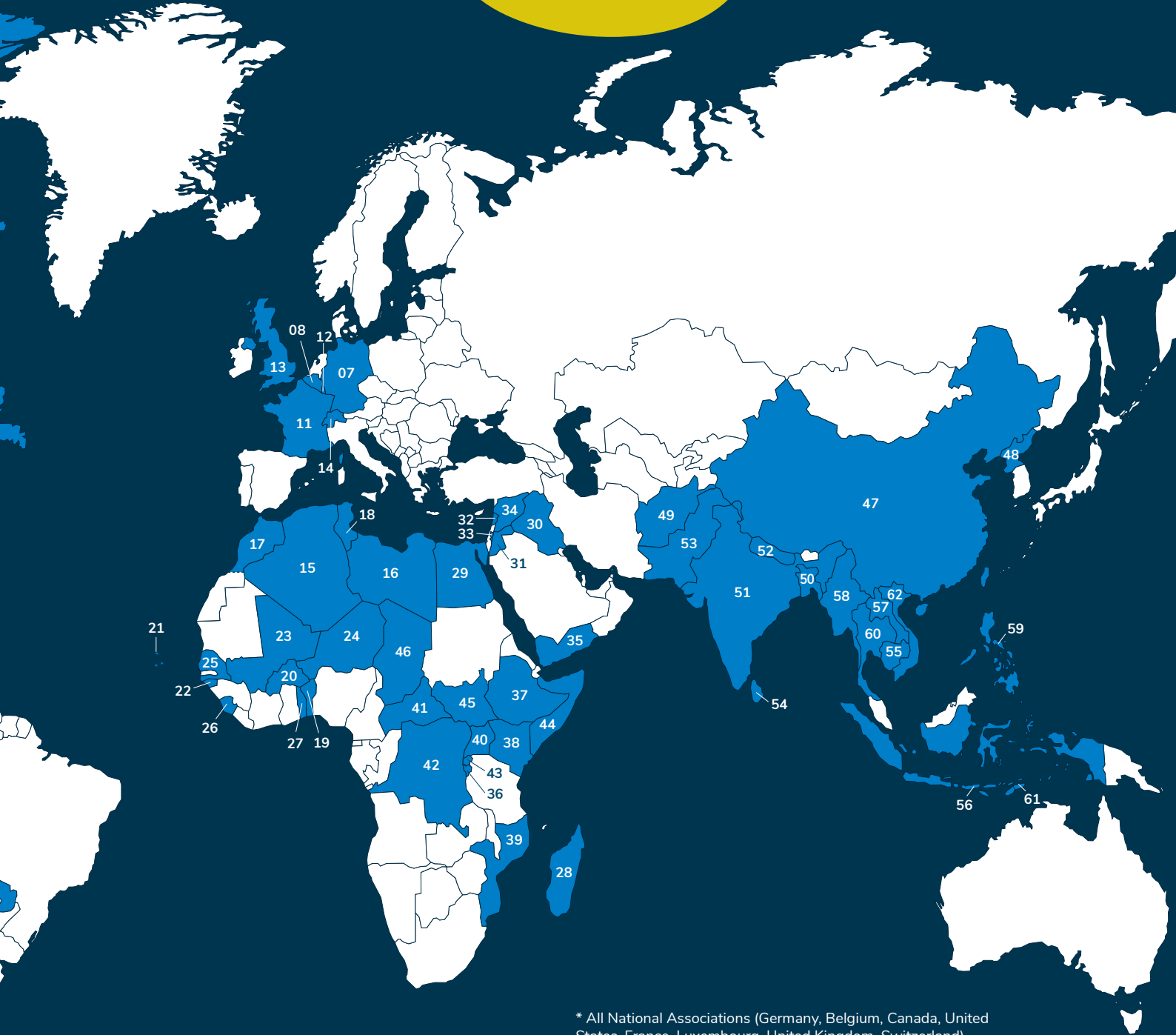
	Emergency response	Mine action*	Disability rights & policy	Social & economic inclusion	Rehabilitation	Prevention & health	Logistics platforms
CENTRAL AND SOUTH AMERICA							
01 / Bolivia			X	X	X	X	X
02 / Colombia	X	X	X	X	X	X	
03 / Cuba			X	X	X	X	
04 / Haiti	X		X	X	X	X	
05 / Paraguay							X
06 / Peru							X
EUROPE AND NORTH AMERICA							
07 / Germany		X	X	X			
08 / Belgium		X					
09 / Canada		X					
10 / United States		X					
11 / France		X	X	X			
12 / Luxembourg		X					
13 / United Kingdom	X	X	X				
14 / Switzerland		X					
NORTH AFRICA							
15 / Algeria				X	X		
16 / Libya		X				X	X
17 / Morocco	X		X	X	X		
18 / Tunisia			X	X			
WEST AFRICA							
19 / Benin		X	X	X			X
20 / Burkina Faso	X		X	X	X	X	X
21 / Cape Verde							X
22 / Guinea-Bissau			X	X			X
23 / Mali	X	X	X	X	X	X	X
24 / Niger	X	X	X	X	X	X	X
25 / Senegal		X		X	X	X	X
26 / Sierra Leone	X			X			X
27 / Togo			X	X	X	X	X
INDIAN OCEAN							
28 / Madagascar	X		X	X	X	X	X
MIDDLE-EAST							
29 / Egypt			X	X			X
30 / Iraq (incl. Iraqi Kurdistan)		X	X	X	X	X	X
31 / Jordan	X			X	X	X	X

	Emergency response	Mine action*	Disability rights & policy	Social & economic inclusion	Rehabilitation	Prevention & health	Logistics platforms
32 / Lebanon	X	X		X			X
33 / Palestine	X		X	X	X	X	X
34 / Syria	X	X		X	X	X	X
35 / Yemen	X	X		X	X	X	X
SOUTHERN, CENTRAL AND EAST AFRICA							
36 / Burundi	X		X	X	X	X	X
37 / Ethiopia	X			X	X	X	X
38 / Kenya			X	X	X	X	X
39 / Mozambique	X		X	X			
40 / Uganda	X		X	X	X	X	X
41 / Central African Republic	X					X	X
42 / Democratic Republic of the Congo	X			X	X	X	X
43 / Rwanda	X		X	X	X	X	X
44 / Somalia (incl. Somaliland and Puntland)	X		X	X		X	X
45 / South Sudan	X		X	X	X	X	X
46 / Chad		X	X	X	X		
CENTRAL AND EAST ASIA							
47 / China			X	X			X
48 / Democratic People's Republic of Korea			X	X	X	X	X
SOUTH ASIA							
49 / Afghanistan	X	X	X	X	X	X	X
50 / Bangladesh	X			X	X	X	X
51 / India						X	
52 / Nepal	X		X	X	X		
53 / Pakistan				X			
54 / Sri Lanka	X		X	X	X		
SOUTH-EAST ASIA							
55 / Cambodia			X	X	X	X	X
56 / Indonesia	X			X			X
57 / Laos		X	X	X	X	X	X
58 / Myanmar (Burma)		X	X	X	X		
59 / Philippines	X			X			X
60 / Thailand		X		X	X		
61 / East Timor			X				
62 / Vietnam						X	



Part 3 | Worldwide presence

408 projects in 62 countries



* All National Associations (Germany, Belgium, Canada, United States, France, Luxembourg, United Kingdom, Switzerland) conduct advocacy activities, including fighting against the bombing of civilians.

Countries where activities were started in 2018: Peru, Paraguay.
Countries where activities closed down in 2018: Burundi, East Timor, Nicaragua, Ukraine.

The borders and country names shown in this map do not imply an opinion by HI as to the status of these territories.

Constant growth in a time of uncertainty

2018 was a great year in terms of what we achieved with our programmes, on the international stage and with our strategic projects. Our social mission continued to grow, with the volume of our operations reaching €137 million. Up 13% on 2017, this increase was largely due to our emergency response operations (East Africa/DRC), growth in activities in Iraq and the implementation of major contracts via consortia, notably in Chad.

While our institutionnalisation funding grew in line with our responses to humanitarian crises, 2018 was marked by a sharp decline in donations which resulted in a €3.3 million reduction in our private fundraising's gross margin in comparison with 2017. This was mainly due to unfavourable changes to France's tax laws - changes that have impacted most of the aid sector. To overcome this downturn, HI needs the support of its donors more than ever. We thank those who give regularly for enabling us to continue our social mission of assistance to vulnerable people year after year.

Our net income in 2018 was in deficit to the tune of €1.6 million. Part of this deficit was planned as a means of funding our strategic projects. However, the deficit was higher than anticipated because of the unforeseen decline in private fundraising. This forced us to rapidly introduce measures to reduce administrative costs and to rein in some of our strategic projects to prevent our net income from falling below the set limit.

Thanks to the responsiveness and flexibility of our teams, we were able to maintain control of our costs in 2018 and preserve our association funds (€32.5 million) with no financial risks. This was accomplished despite the unfavourable context and unpredictable influences affecting the implementation of our activities.

Éric VAN DE KERKHOVE

Treasurer of Humanity & Inclusion

HI's funding and finance management principles

DIVERSE FUNDING SOURCES

To maintain its independence and ensure the long-term future of its actions, HI relies on three main sources of funding:

- funds raised from the general public through donations, solidarity sponsorship, legacies and sales of craft, fair-trade and co-branded products;
- grants from institutional donors (United Nations, European Union, the regional or national branches of international cooperation agencies) or private bodies (foundations, associations, companies);
- HI also draws benefit from its expertise and know-how by charging governmental agencies and international bodies for expertise and consultancy services.

As a result of its mixed funding structure (private donations and institutional funding) and international activity in contexts of crisis, disaster, reconstruction and development, HI's financial statements cannot easily be compared with those of other types of organisation.

PUBLIC GENEROSITY: A VITAL SOURCE OF FUNDING

Funds raised from the general public not only allow the organisation to directly finance the implementation of its programmes, but also to leverage additional funding for implementing actions on a larger scale. In fact, institutional donors are usually only willing to provide funding if the organisation is able to co-finance the programme concerned with funding raised from the general public. Public generosity is therefore the driving force behind the funding of HI's activities.

POOLING DONATIONS FOR GREATER EQUITY

HI has always made it a rule not to allocate donations to a given programme (except in the

case of solidarity sponsorship), but rather to pool donations so they can be used on all of its programmes.

It can thus mobilise funding at any time for wherever needs are greatest and most urgent. This practice of pooling unrestricted funds is complementary to that of institutional donors who designate funds to specific projects.

A RESERVES POLICY TO ENSURE FINANCIAL SECURITY

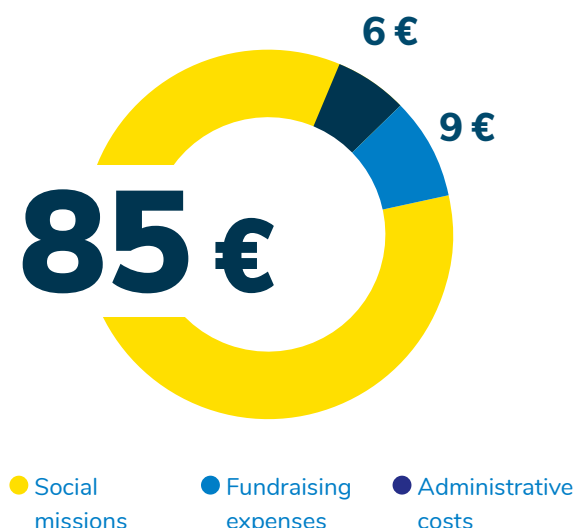
In order to preserve its financial security and that of its actions, HI builds up reserves of association funds and liquid assets. These reserves enable the organisation to cope with any fluctuations in resources. They also cover the need for working capital caused by the lag time between the implementation of activities and the receipt of institutional funding and allow HI freedom of initiative and independence of action in implementing its social missions. Lastly, these reserves enable the organisation to finance its strategic development projects.

FINANCIAL TRANSPARENCY

HI has made financial transparency one of its key management principles. Its objective is to be capable at any time of accounting for the use of all the funds entrusted to it. In addition to internal controls, the Federation and the eight member associations of the organisation undergo numerous external audits. The accounts of each member association are certified by a statutory auditor in their own country, and then the organisation's combined accounts are signed off by the Federation's statutory auditor, Ernst & Young. The financial reports on the use of institutional funding produced by the organisation are also frequently audited by external auditors.

Finally, the French Court of Auditors (Cour des Comptes) can at any time audit the Federation, whose headquarters are in France, or the French national association.

For each €100 spent in 2018 by the HI network*



HI again struck the essential balance between funds spent on social missions, and those allocated to administrative costs and fundraising. For many years, we have been doing everything in our power to maintain this ratio, as the end beneficiaries of our social missions are our reason for being.

In 2018, this ratio increased to 84.7% thanks to the stability of our administrative and fundraising costs and a 10% increase in the volume of our social missions, with extensive programmes in Mali, Chad, DRC, Bangladesh, Iraq, Yemen and in support of Syrian refugees.

Our fundraising costs remained stable at 9%. As in 2017, there were no large-scale fundraising appeals for humanitarian emergencies - usually a major source of private funds. The reduction in our administrative costs was mainly due to a savings plan put in place in the course of the year to offset the decline in income from fundraising.

* The HI network includes the Federation, the HI Institut and the 8 national associations: Belgium, Canada, France, Germany, Luxembourg, Switzerland, United Kingdom and the United States

NB: in this diagram, costs from solidarity trade, that is to say €2.098 million in direct costs (in the heading "Fundraising expenses") and €62,000 in operating costs, are not taken into account.

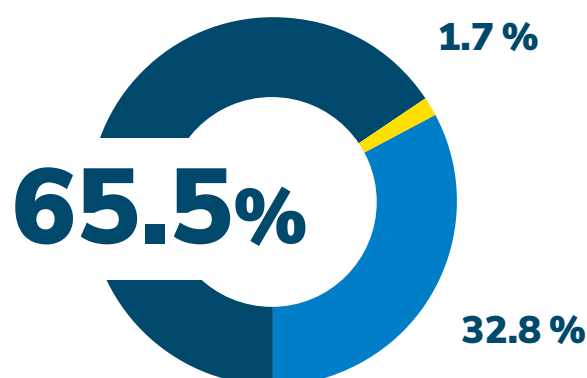
Origin of funds

At 31st December 2018 in thousands EUR. This table is based directly on HI's annual financial statements. As such, the figures have been rounded up.

Income	Total 2018 income	Monitoring of funds raised from the general public
Non-designated, unused resources raised from the public in previous periods brought forward at the start of the period ¹	—	12,166
Resources raised from the public ²	52,335	52,335
Other private funds ³	11,832	—
Total resources raised from the public	64,167	—
Grants and other public subsidies	121,506	—
Other income	3,070	—
Total income this financial year	188,743	—
Provisions write-back	1,379	—
Unutilised prior period designated resources brought forward	596	—
Change in dedicated funds raised from the public	—	209
Total income	190,718	64,710
Total uses financed by resources raised from the public	—	- 55,838
Balance of resources raised from the public not used and not designated at the period end ⁴	—	8,872

Where our resources come from

- Grants and other public subsidies
- Private resources collected
- Other resources



NB: revenue from solidarity trading (€3.329 thousand) are not taken into account in this diagram.

¹**Non-designated, unused resources raised from the public in previous periods** brought forward at the start of the period: constitute the 'initial stock of donations'. It corresponds to the part of the associative funds resulting from fundraising with the general public and not used during the previous exercises.

²**Resources raised from the public:** one-off donations, regular donations by direct debit, sponsoring, legacies, etc. raised in the year.

³**Other private funds:** institutional financing from foundations, associations and sponsors.

⁴**Balance of resources raised from the public not used and not designated at the period end:** constitute the 'final stock of donations' not used at the end of the year. This stock, integrated into associative funds, contributes to the financial safety indispensable to the perpetuity of the social missions.

Use of funds

At 31st December 2018 in thousands EUR. This table is based directly on HI's annual financial statements. As such, the figures have been rounded up.

Expenditure	Total use of funds 2018	Use of funds from other resources	Use of funds from resources raised from the general public
Social missions, ¹	159,751	123,197	36,553
Fundraising expenses, ²	20,074	1,770	18,304
Administrative costs, ³	10,924	10,924	0
Total expenditure for the financial year	190,749	135,891	54,857
Charges to provisions	1,177	1,177	—
Funds allocated and carried forward to the next financial year	387	387	—
Total expenditure	192,313	137,455	54,857
Proportion of gross fixed assets for the period financed from resources raised from the public	—	—	1,773
Reversal of amortisation charges on fixed assets financed from resources raised from the public	—	—	- 792
Total uses financed from resources raised from the public	—	—	55,838

¹**Social missions:** implementation of HI programmes throughout the world and programme coordination from headquarters. A programme includes more than one project.

²**Fundraising expenses:** includes expenses for general public fundraising campaigns and other fundraising expenses (other private funds, application for grants and other public subsidies).

³**Administrative costs:** includes all expenses related to general services, as well as expenses for information and awareness-raising, for example the organisation's website.

Methodology used in establishing the statement of utilisation of funds (CER)

The Statement of Utilisation of Funds, or CER from the French Compte d'Emploi des Ressources, is drawn up in conformity with the French decree of 11 December 2008 and using methodology approved by the Federation's Board of Trustees. Using common accounting principles, the CER is established on the basis of the cost accounts produced by each entity in the HI organisation, and in conformity with the regulations in effect.

- Each utilisation heading includes the direct costs and the management costs of the activities concerned.
- International and national staff costs

are charged directly to the programme concerned.

- Costs incurred on development education work relate to the social mission and so are classified under that heading. This is the case for the costs incurred by international campaigns to ban landmines and cluster munitions, and the EWIPA campaign aiming to put an end to the bombing of civilians.
- Costs relating to information to the general public (the website, for example) are included under "Administrative costs".
- Exceptional income and expenditure

for the financial year are incorporated into each heading of the CER.

Provisions and write-backs, together with designated funds, are given after the totals for uses and resources, in accordance with the regulations in effect. Finally, the heading "Uses of funds raised from the general public" is calculated as the difference between the cost of each utilisation heading and other funding allocated to them (mainly institutional funds).

As the Federation's headquarters are in France, French regulations apply.

Distribution of program-related costs

At 31st December 2018
This table is based directly on HI's annual financial statements. As such, the figures have been rounded up.

Africa and the Indian Ocean

70.3 M€

East Africa	0.44%
Ethiopia	3.51%
Kenya / Somalia	6.26%
Republic of South Sudan / Uganda	3.38%
West Africa	2.50%
Chad	14.57%
Burkina Faso / Niger	11.70%
Mali	18.32%
Senegal / Cape Verde / Guinea Bissau	4.04%
Sierra Leone / Liberia	2.88%
Togo - Benin	4.39%
Mozambique	1.56%
Burundi	4.37%
Democratic Republic of the Congo	10.86%
Rwanda	4.95%
Central African Republic	3.45%
Madagascar	2.82%

Central and South America

7.9 M€

Haiti	31.19%
Bolivia	11.38%
Colombia	52.35%
Cuba	5.07%
Nicaragua	0.01%

North Africa and the Middle East

49.3 M€

Morocco / Tunisia / Algeria	7.76%
Jordan / Egypt / Palestinian territories / Yemen / Iraq / Lebanon / Syria	87.41%
Libye	4.83%

Other programmes

activities 0.5 M€

100,00%

Carried out at National level

4.5 M€

Publications / Hizy	17,29%
Fondation HI	10,95%
Other programmes activities	53,08%
Campaign to promote the inclusion of people with disabilities	18,68%

International Campaign to Ban Landmines and

EWIPA* 4.7 M€

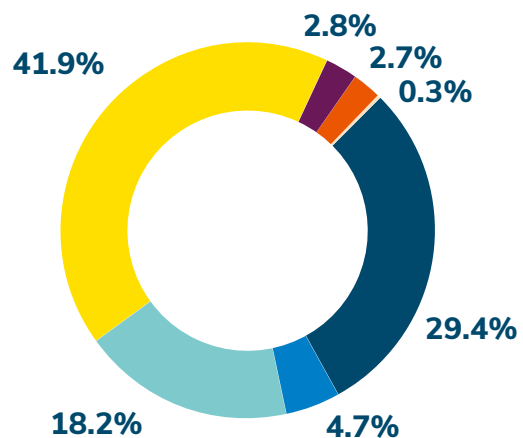
100,00%

Asia 30.5 M€

Cambodia/Thailand	3.50%
Vietnam	4.18%
Philippines/Indonésia / East Timor	7.47%
Laos	6.36%
India/Sri Lanka	5.79%
Pakistan	4.71%
Afghanistan	14.15%
Asia	2.79%
Nepal	7.27%
Democratic People's Republic of Korea	3.46%
China	3.20%
Bangladesh	26.10%
Burma/Myanmar	11.02%

Programmes total: €168 million

- Africa and the Indian Ocean
- Asia
- Central and South America
- North Africa and the Middle East
- Carried out at national level
- Other programme activities
- International Campaign to Ban Landmines



NB: Programme accounts are expressed in full costs, that is, after distribution of administrative costs on programmes, analysed according to a calculation rule validated by HI's auditor.

*EWIPA: advocacy campaign to reduce the impact of explosive weapons in populated areas.

International network combined balance sheet

At 31st December 2018 in thousands EUR
This table is based directly on HI's annual financial statements. As such, the figures have been rounded up.

Assets

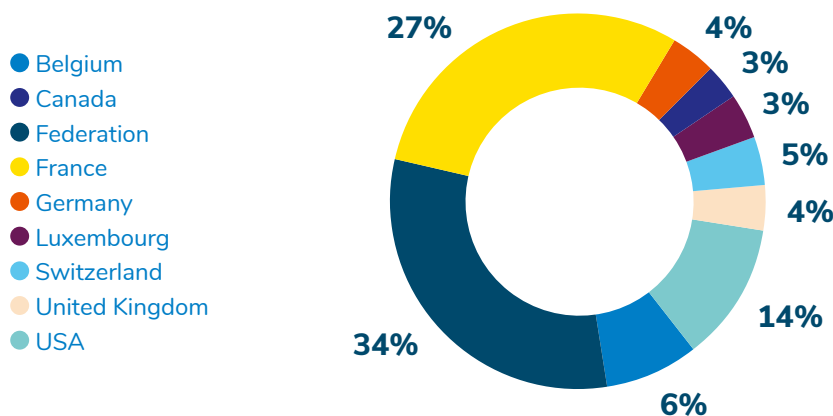
	2018	2017
Fixed assets ¹	16,925	14,769
Institutional donors ²	30,774	17,122
Current assets ³	27,513	23,193
Cash disposal ⁴	39,312	33,126
Total assets	114,524	88,210

Liabilities

	2018	2017
Associative funds ¹	32,525	32,188
Provisions for risks and charges ⁵	2,680	3,194
Allocated funds ⁶	387	596
Institutional donors ⁷	52,622	28,121
Current liabilities ⁷	26,119	23,905
Exchange rate variation	191	206
Total liabilities	114,524	88,210

Contributions of the Federation

AND NATIONAL ASSOCIATIONS TO THE INTERNATIONAL NETWORK'S RESOURCES



The federal network enables HI to develop and diversify:

- its financial, institutional and private resources;
- its human resources, through the recruitment of volunteers and international staff;
- its technical skills, through the acquisition of additional know-how.

¹**Fixed assets:** buildings, vehicles, computer hardware, and so on, as well as head-office as on the field.

²**Current assets:** inventories of raw materials / client receivables and related accounts, and funding organisations.

³**Cash disposal:** cash at bank and in hand. Part of this disposal is placed in SICAV, without risk to financial investments.

⁴**Associative funds:** security funds created when the association was founded. They are integrated in the treasury and allow HI to finance its actions while waiting for the institutional donors funds.

⁵**Provisions for risks and charges:** provisions to cover current disputes or possible risks on funding contracts

⁶**Restricted funds:** allocated funds to specific projects and not used during the period

⁷**Current liabilities:** include suppliers and other liabilities like tax and social liabilities, as well as funds received from funding organisations but not used during the period

HI Federation

The eight national associations that form the federal network entrust the Federation with exclusive responsibility for the implementation of international aid projects, advocacy and political initiatives at the international level, the preparation of the medium-term strategy and the development of common policies and operating procedures.

HI Federation balance sheet

At 31st December 2018 in thousands EUR
This table is based directly on HI's annual financial statements. As such, the figures have been rounded up.

Assets	2018	2017
Fixed assets ¹	16,377	14,108
Institutional donors ²	29,478	15,754
Current assets ³	45,960	37,570
Cash disposal ³	26,033	15,344
Total assets	117,848	82,776

Liabilities	2018	2017
Associative funds ⁴	23,568	23,274
Provisions for risks and charges ⁵	2,762	3,639
Allocated funds ⁶	244	246
Institutional donors ⁷	50,304	26,666
Current liabilities ⁷	40,970	28,951
Total liabilities	117,848	82,776

¹**Fixed assets:** buildings, vehicles, computer hardware, and so on, as well at head-office as on the field.

²**Current assets:** inventories of raw materials / client receivables and related accounts, and funding organisations.

³**Cash disposal:** cash at bank and in hand. Part of this disposal is placed in SICAV, without risk to financial investments.

⁴**Associative funds:** security funds created when the association was founded. They are integrated in the treasury and allow HI to finance its actions while waiting for the institutional donors funds.

⁵**Provisions for risks and charges:** provisions to cover current disputes or possible risks on funding contracts.

⁶**Restricted funds:** allocated funds to specific projects and not used during the period.

⁷**Current liabilities:** include suppliers and other liabilities like tax and social liabilities, as well as funds received from funding organisations but not used during the period.

HI Federation income statement

At 31st December 2018 in thousands EUR.
This table is based directly on HI's annual financial statements. As such, the figures have been rounded up.

Expenses	2018	2017	Income	2018	2017
Purchase and changes in inventory	- 48	105	Donations, legacies and solidarity	32,193	35,550
Other purchase and external expenses	49,440	43,893	Funding from public sources (grants)	118,620	101,851
Taxes and similar expenses	1,628	1,344	Private institutional funding	10,022	9,920
Wages, salaries, and social charges	69,983	64,032	Write back of provisions and depreciation, transfer of charges	1,868	997
Fixed asset depreciation and provisions	3,393	3,857	Other operating income	3,178	3,323
Other operating expenses	42,505	37,602	Operating income ¹	165,881	151,641
Operating expenses ¹	166,901	150,833	Financial income ²	873	160
Financial expenses ²	736	2,258	Exceptional income ³	110	118
Exceptional expenses ³	360	153	Total income for the year	166,864	151,919
Total expenses for the year	167,997	153,244	Carry over of restricted funds not used from previous year ⁶	247	544
Commitments on restricted funds ⁴	245	246	Total income	167,111	152,463
Corporate income tax ⁵	15	18	General total	167,111	152,463
Total expenses	168,257	153,508			
Net income	- 1,146	- 1,045			
General total	167,111	152,463			

¹**Operating income and expenses:** purchases, overheads, wages, taxes, depreciations and provisions for expenses, donations and fundings for income.

²**Financial income and expenses:** loans, investments and exchange gaps.

³**Exceptional income and expenses:** assets transfer, penalties.

⁴**Commitments on restricted funds:** restricted funds not used in the exercise.

⁵**Income taxes:** taxes on financial operations.

⁶**Carry over of restricted funds not used from previous year:** restricted funds used in the exercise.

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On January 24th 2018, the global Handicap International network became Humanity & Inclusion. This network is composed of a Federation, which implements our field programmes in 54 countries, and eight National Associations. These programmes and National Associations operate under the names “Humanity & Inclusion” or “Handicap International” depending on the country.

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