



# GAVI, THE VACCINE ALLIANCE 2023 ANNUAL FINANCIAL REPORT

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# DISCUSSION AND ANALYSIS



## INTRODUCTION

The confluence of risks that the world continued to face in 2023 gave added impetus to Gavi's efforts to deliver on core priorities. In so doing, we continued on a journey to ensure that the Vaccine Alliance has the agility to rapidly respond to the needs of the countries we support; seize opportunities for impact as and when they present themselves; and remain efficient, resilient and sustainable in the face of an uncertain geopolitical and fiscal landscape.

The Gavi Board called 2023 a "Year of Renewal". Gavi continues to ensure a constant response to the needs of the countries it supports in its core activities as well as through COVAX. In the past 12 months, Gavi has applied renewed vigour to its core business of supporting implementing countries to get their routine immunisation and health system and strengthening back on track. Gavi remains on track to achieve the majority of its mission indicators for the 2021–2025 strategic period, but there remain substantial challenges to address. Despite Gavi no longer administering COVAX beyond 31 December 2023, It will continue supporting countries in 2024–2025 with COVID-19 vaccines through the COVID-19 vaccine programme.

This Annual Financial Report provides an overview of Gavi's financial results and a review of operations during 2023. In terms of audited financial results, we are pleased to report an unqualified audit opinion issued by Deloitte SA.



**David Marlow**  
Chief Operating Officer  
Interim Chief Financial Officer  
Gavi, the Vaccine Alliance



**José Manuel Barroso**  
Chair  
Gavi Board

# STRUCTURE AND GOVERNANCE

## STRUCTURE

Gavi, the Vaccine Alliance (“Alliance”) is a global health partnership representing stakeholders in immunisation from both private and public sectors: donor and implementing country governments, private sector philanthropists such as the Bill & Melinda Gates Foundation (“Gates Foundation”), the financial community, donor country and developing country vaccine industry, research and technical institutes, civil society organisations and multilateral organisations such as the World Health Organization (“WHO”), the United Nations Children’s Fund (“UNICEF”) and the International Bank for Reconstruction and Development (“World Bank”). The Alliance was launched in January 2000 with the aim to protect the most vulnerable children in the world from preventable infectious disease.

Working together, Alliance partners achieve objectives that no single agency or group could achieve alone. These objectives include accelerating access to new and underused vaccines, strengthening health and immunisation systems in countries and shaping the global vaccine market to the benefit of lower-income countries. Countries have prevented more than 16.2 million future deaths with Gavi-supported vaccines. The Alliance conducts its operations as an international organisation, registered in Switzerland as The Gavi Alliance (“Gavi”), with privileges and immunities similar to those accorded to other international intergovernmental organisations in Switzerland.

In June 2006, the Alliance incorporated the International Finance Facility for Immunisation (“IFFIm”), a private company in the United Kingdom and a registered charity in England and Wales. IFFIm is set up to rapidly accelerate the availability and enhance the predictability of funds for Gavi’s immunisation programmes. Gavi enters into legally binding grant agreements with sovereign government donors and then irrevocably assigns to IFFIm the right to receive cash payments under those agreements. IFFIm uses these long-term pledges from sovereign government donors as collateral to sell Vaccine Bonds in global capital markets, making large amounts of funds immediately available for Gavi’s programmes, including new and underused vaccine support, health system strengthening support, vaccine research and development activities, and procurement and delivery of COVID-19 vaccines. Gavi is the sole member of IFFIm.

IFFIm had control over IFFIm Sukuk Company III Limited (“IFFImSC III”), a Cayman Islands company with limited liability, which was incorporated on 5 March 2019 under the Companies Law (2018 Revision) of the Cayman Islands with company registration number 348825. IFFImSC III was established for the sole purpose of issuing Sukuk certificates in support of IFFIm’s operations. In April 2022, IFFImSC III made the final payment of US\$ 50 million to the holders of its certificates and, in September 2023, IFFImSC III was dissolved.

In April 2020, Gavi, WHO, and the Coalition for Epidemic Preparedness Innovations (“CEPI”), working together with multinational and implementing country vaccine manufacturers, launched the COVAX Facility (“Facility”) as a global risk-sharing mechanism for pooled procurement and equitable distribution of eventual COVID-19 vaccines. In July 2020, the Gavi Board formally approved Gavi as the legal entity to administer the Facility and Gavi established, within the Secretariat, the Office of the COVAX Facility during the year to execute its responsibilities as administrator. In June 2021, the Gavi Board approved the continued administration of the Facility by Gavi in 2022. Gavi maintains separate contracts, bank accounts and money market funds, general ledger accounts, where necessary, and expense coding for the Facility to keep track of the transactions and activities. The Facility is not a separate legal entity and is discussed further in the *Mission and Strategic Goals* section on page 8 of this report. In June 2023, the Gavi Board agreed that Gavi would cease to administer the Facility beyond 31 December 2023.

Gavi prepares consolidated financial statements in accordance with accounting principles generally accepted in the United States (“US GAAP”), which include the financial information of IFFIm. For the purposes of this report, Gavi and IFFIm are jointly referred to as the “Gavi Group”. Gavi includes the financial information of the Facility. These Gavi Group financial statements commence on page 34 of this Annual Financial Report. The Statutory Financial Statements of Gavi and the Annual Report of the Trustees and Financial Statements of IFFIm are found at <https://www.gavi.org/news-resources/document-library/financial-reports> and <https://iffim.org/investor-centre/trustee-reports-financial-statements>, respectively. The Facility Statement of Funds is available upon request.

The following table summarises the assets and liabilities of Gavi (with assets and liabilities relating to the Facility disclosed separately) and IFFIm, on standalone and consolidated bases, as of 31 December 2023. As described in the *Mission and Strategic Goals* section on page 8 of this report, Gavi – Core represents the transactions and activities related to Gavi’s core strategic mission and Gavi – Facility represents the transactions and activities related to the Facility.

In Millions of US\$	Gavi – Core	Gavi – Facility	IFFIm	Eliminations	Consolidated
<b>Assets</b>					
Cash and investments	2,281	5,166	530	-	7,977
Restricted cash	510	166	-	-	676
Contributions receivable	1,506	-	2,798	-	4,304
Derivative assets	78	-	377	-	455
Receivable on COVAX Facility arrangements	-	1	-	-	1
Other assets	58	535	-	-	593
<b>Total assets</b>	<b>4,433</b>	<b>5,868</b>	<b>3,705</b>	<b>-</b>	<b>14,006</b>
<b>Liabilities</b>					
Programme grants payable	463	-	-	-	463
Procurement accounts payable	456	146	-	-	602
Derivative liabilities	12	-	293	-	305
Payable on COVAX Facility arrangements	-	504	-	-	504
Bonds and other borrowings	-	-	1,957	-	1,957
Other liabilities	243	982	1	-	1,226
<b>Total liabilities</b>	<b>1,174</b>	<b>1,632</b>	<b>2,251</b>	<b>-</b>	<b>5,057</b>
<b>Total net assets</b>	<b>3,259</b>	<b>4,236</b>	<b>1,454</b>	<b>-</b>	<b>8,949</b>
<b>Total liabilities and net assets</b>	<b>4,433</b>	<b>5,868</b>	<b>3,705</b>	<b>-</b>	<b>14,006</b>

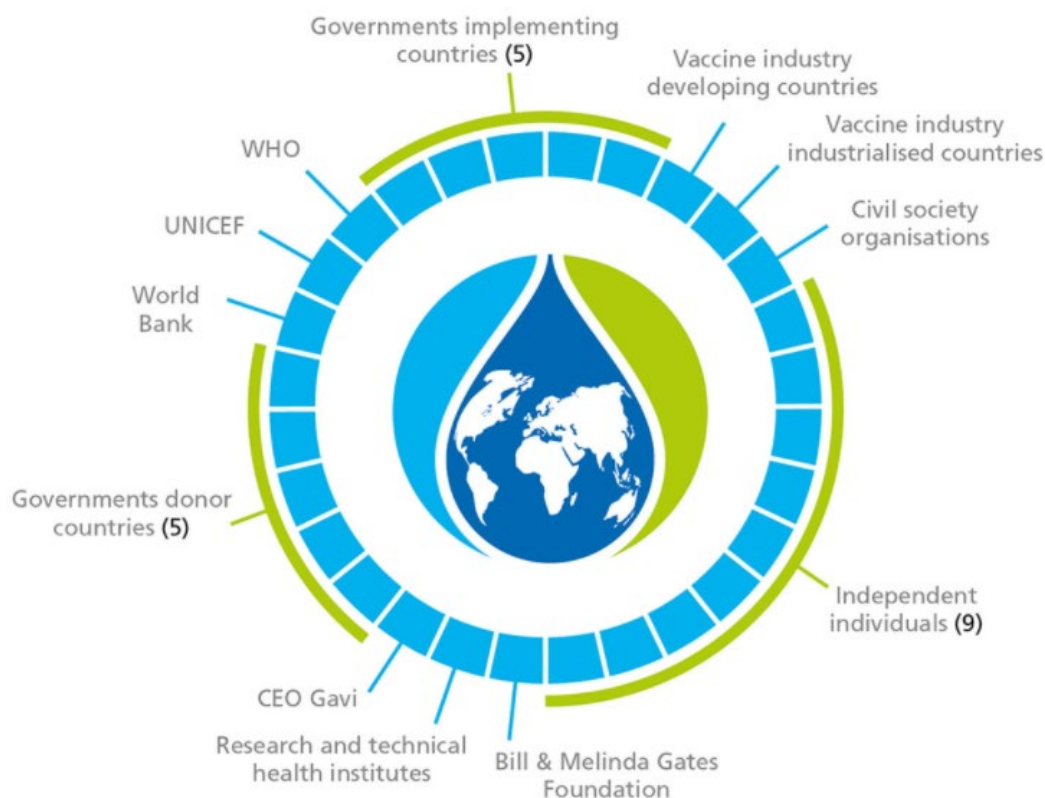
The following table summarises the income and expenses of Gavi (with income and expenses relating to the Facility disclosed separately) and IFFIm, on standalone and consolidated bases, for the year ended 31 December 2023.

In Millions of US\$	Gavi – Core	Gavi – Facility	IFFIm	Eliminations	Consolidated
<b>Revenue</b>					
Contributions from donors	1,388	572	142	(378)	1,724
Contributed non-financial assets	-	310	-	-	310
Net investment income	233	250	48	-	531
Fair value gains (losses)	39	(35)	166	-	170
Other revenue	6	1	1	(1)	7
<b>Total revenue</b>	<b>1,666</b>	<b>1,098</b>	<b>357</b>	<b>(379)</b>	<b>2,742</b>
<b>Expenses</b>					
Programme	2,335	1,241	378	(375)	3,579
Financing costs	-	-	118	-	118
Administrative, fundraising and other	46	30	5	(4)	77
<b>Total expenses</b>	<b>2,381</b>	<b>1,271</b>	<b>501</b>	<b>(379)</b>	<b>3,774</b>
<b>Decrease in net assets</b>	<b>(715)</b>	<b>(173)</b>	<b>(144)</b>	<b>-</b>	<b>(1,032)</b>

## GOVERNANCE

Gavi's Board of Directors ("Board") establishes Gavi's policies, oversees the operations of Gavi and monitors programme implementation. The Board brings together experts from both the public and private sectors. Representative Board members from multilateral development agencies, donors, implementing country governments, civil society, the pharmaceutical industry, and research and technical health communities help to shape Gavi's strategic vision and policies. Independent Board members, including those with experience in the private sector, bring an innovative perspective to Board discussions and decisions, and assist the Board in fulfilling its fiduciary role.





The Board is supported by a secretariat with offices in Geneva, Switzerland, and Washington, DC, United States of America (“Secretariat”). The Secretariat is responsible and accountable for the day-to-day operations of Gavi, including mobilising resources to fund programmes, coordinating programme approvals and disbursements, developing policy and implementing strategic initiatives, monitoring and evaluation, legal and financial management, and administration for the Board and its Committees.

The IFFIm Board, working with the World Bank, oversees bond issuances and develops funding, liquidity and other strategies to safeguard and maximise the value of IFFIm bond proceeds. The IFFIm Board comprises experts in finance and investments, and is independent of the Board.

In November 2009, Gavi established an independent internal audit function (“Audit and Investigations”) designed to assist the management and stakeholders of Gavi in accomplishing its objectives and to enhance and protect organisational value by providing risk-based and objective assurance, and insight, and assess probity. The work of Audit and Investigations extends not only to the Secretariat, but also to Gavi-supported programmes in-country including the Facility. Audit and Investigations is led by a managing director who reports to the Board, through routine reporting to the Audit and Finance Committee (“AFC”), and to the Chief Executive Officer.

In July 2020, as the legal administrator of the Facility, Gavi established the Office of the COVAX Facility within the Secretariat to ensure a dedicated team is available to support the Facility operations, and to mitigate disruption to Gavi’s core work. In June 2021, the Board approved the continued administration of the Facility by Gavi in 2022. Gavi has overseen the establishment of the COVAX Facility Advance Market Commitment Engagement Group – a governance body comprising economies that are eligible for COVID-19 vaccines through the Gavi Advance Market Commitment for COVID-19 Vaccines (“Gavi COVAX AMC”) – and the COVAX Facility Shareholders Council – composed of Self-Financing Participants (“SFPs”). Key groups are established to manage, govern, advise, represent their constituencies and support the operations of the Facility. In December 2022, the COVAX Facility Shareholders Council was dissolved. In June 2023, the Gavi Board agreed that Gavi would cease to administer the Facility beyond 31 December 2023.



## MISSION AND STRATEGIC GOALS

Gavi's mission is to save lives and protect people's health by increasing equitable and sustainable use of vaccines.

### 2021–2025 STRATEGIC PERIOD

In June 2019, the Board approved a new strategy ("Gavi 5.0") to guide Gavi's work over the 2021–2025 strategic period, with the aspiration of leaving no one behind with immunisation and prioritising reaching communities who are currently missed. Reducing the number of zero-dose children is a new mission indicator for Gavi 5.0, with a goal of 25% reduction in the number of zero-dose children by 2025.

In December 2022, in order to integrate the learnings from COVAX and the pandemic, the Gavi Board approved an updated version of the Alliance's Strategy as "Gavi 5.1". Gavi 5.1 is an evolution of Gavi 5.0 serving as a bridge to Gavi 6.0. Building on the lessons from the pandemic, Gavi 5.1 recognises the societal, geopolitical, economic and technological shifts that have transformed the environment in which the Alliance operates. It also acknowledges the new challenges to global health security posed by the increasing number of outbreaks of vaccine-preventable diseases.

Gavi 5.1 will continue the Gavi 5.0 focus on preventing further backsliding of routine immunisation, catching-up missed children, and reaching zero-dose children and missed communities. The introduction of key Gavi-supported vaccines will continue at pace and remain central, including revitalising the human papillomavirus ("HPV") vaccine programme and accelerating the launch of the malaria vaccine programme. The Alliance will accelerate its support to help countries optimise their vaccine portfolio and prioritise the most critical vaccines in an evidence-based, country-driven way. Gavi 5.1 continues to highlight the importance of improving the sustainability of immunisation programmes and ensuring healthy markets. It will entail an evolution of the Alliance's role in Pandemic Prevention, Preparedness and Response ("PPPR"), including increased support to regional manufacturing diversification.

Gavi 5.1 is supported by four strategic goals that were updated in December 2022:

- **1. The vaccine goal: introduce and scale up vaccines:** Introduction and scaling up coverage of high-impact vaccines in eligible countries will continue to be at the heart of the Gavi strategy. The Vaccine Goal is achieved through three strategic objectives: (1) strengthening countries' prioritisation of vaccines appropriate to their context; (2) supporting countries to introduce and scale up coverage of vaccines for prevention of endemic, epidemic and pandemic diseases; and (3) enhancing outbreak and pandemic response by ensuring equitable access to relevant vaccines including through stockpiles.
- **2. The equity goal: strengthen health systems to increase equity in immunisation:** Increasing equity in immunisation delivery is the priority of Gavi's health system strengthening ("HSS") support with a high ambition to reduce the number of under-immunised children and an intensified focus on reaching the unreached, especially zero-dose children. The equity goal is achieved through three strategic objectives: (1) helping countries extend immunisation services to regularly reach under-immunised and zero-dose children to build a stronger primary health care platform; (2) supporting countries to ensure immunisation services are resilient, well-managed, sustainable, harness innovation and meet the needs of caregivers; and (3) working with countries and communities to build resilient demand, and to identify and address gender-related barriers to immunisation.
- **3. The sustainability goal: improve sustainability of immunisation programmes:** Central to the Gavi model is a unique approach to sustainability, domestic public resource mobilisation for vaccines and transition out of Gavi support. The sustainability goal is achieved through three strategic objectives: (1) strengthening national and subnational political and social commitment to immunisation; (2) promoting domestic public resources for immunisation and primary health care to improve allocative efficiency; and (3) preparing and engaging self-financing countries to maintain or increase performance.
- **4. The healthy markets goal: ensure healthy markets for vaccines and related products:** The market shaping model for vaccines and immunisation-related products is at the heart of the Gavi model and continues to play a key role in the Alliance's strategy. The healthy markets goal is achieved through three strategic objectives: (1) ensuring sustainable, healthy markets with diversified supply for vaccines and immunisation-related products at affordable prices; (2) incentivising innovation for the development of suitable vaccines; and (3) scaling up innovative immunisation-related products.

## THE COVAX FACILITY

In April 2020, the Access to COVID-19 Tools (“ACT”) Accelerator – a groundbreaking global collaboration to accelerate development, production and equitable access to COVID-19 tests, treatments and vaccines – was launched.

COVAX, the vaccines pillar of the ACT Accelerator, was co-led by Gavi, WHO, CEPI and UNICEF – working in partnership with developed and developing country vaccine manufacturers, Pan American Health Organization (“PAHO”), the World Bank and others. It was the only global initiative that was working with governments and manufacturers to ensure equitable access to COVID-19 vaccines, regardless of income level.

Within COVAX, the Facility was launched as a global risk-sharing mechanism for pooled procurement and equitable distribution of eventual COVID-19 vaccines. In July 2020, the Gavi Board formally approved Gavi as the legal entity to administer the Facility.

Gavi led the procurement and delivery at scale for COVAX: designing and managing the Facility and the Gavi COVAX AMC and working with its traditional Alliance partners, UNICEF and WHO, along with governments on country readiness and delivery. As part of this role, Gavi hosted the Office of the COVAX Facility to coordinate the operation and governance of the mechanism as a whole, held financial and legal relationships with 193 Facility participants, and managed the Facility deals portfolio: negotiating advance purchase agreements (“APA”) with manufacturers of vaccines to secure doses on behalf of all Facility participants. The strategy further evolved to incorporate dose donations that increased the available supply. Gavi also coordinated the design, operationalisation and fundraising for the Gavi COVAX AMC, the mechanism that provided access to donor-funded doses of vaccine to 92 lower-income economies. As part of this work, Gavi provided funding and oversight for UNICEF procurement and delivery of vaccines to all Gavi COVAX AMC participants – operationalising the APAs between Gavi and manufacturers – as well as support for partners’ and governments’ work on readiness and delivery. This included tailored support to governments, UNICEF, WHO and other partners for cold chain equipment, technical assistance, capacity building, communications, human resources and specialists, syringes, vehicles and other aspects of the vastly complex logistical operation for delivery. Gavi also co-designed, raised funds for and supported the operationalisation of the Gavi COVAX AMC’s No-Fault Compensation Programme (“Programme”), as well as the COVAX Humanitarian Buffer (“Buffer”). The Programme provided fair, no-fault, lump sum compensation to any individual in the 92 lower-income economies covered by the Gavi COVAX AMC who suffered a serious adverse event from any vaccine procured or distributed through the Facility. The Programme was designed to be fast, robust and transparent, making it easier for any individual affected to get fair compensation without having to go through a lengthy and expensive legal process. The Buffer was established to enable access to COVID-19 vaccines for high-risk populations in humanitarian settings. As of 31 December 2022, the Buffer was no longer accepting new applications.

The principal role of the Facility was to help countries fulfil their national vaccination strategies by enabling equitable access to life-saving COVID-19 vaccines. By joining the Facility, participating countries and economies obtained not only access to a diverse portfolio of COVID-19 vaccines at beneficial prices, but also an actively managed portfolio. The Facility has a global participation of 193 economies (representing over 90% of the world’s population), consisting of 101 SFPs (including “Team Europe” – the European Commission on behalf of 27 European Union member states plus Norway and Iceland) and 92 Gavi COVAX AMC-eligible economies (“AMC92”).

With funding through the SFPs and through donations to the Gavi COVAX AMC, the Facility reserved doses with manufacturers to build an actively managed portfolio of vaccines based upon diverse technologies and geographies to accelerate access. This shaped the vaccine market to expand supply and achieve economies of scale through aggregating demand and increasing availability simultaneously in lower-income and higher-income countries.

No longer active in procuring doses, SFPs were completing their engagement with the Facility in 2023. For many SFPs, post-2021, it became evident that they no longer needed to procure their outstanding doses under their SFP Commitment Agreements (“SFP 1.0”) and wanted to reduce their financial liability as much as possible. COVAX followed processes for SFPs to terminate, or “close-out” their agreements, in a way that has allowed some donations to the Gavi COVAX AMC; has met all of Gavi’s outstanding financial obligations; and has minimised the amount that participants had to pay.

In June 2023, the Gavi Board agreed that Gavi would cease to administer the Facility beyond 31 December 2023. Despite Gavi no longer administering the Facility, the Gavi Board agreed in December 2023 to continue supporting countries in 2024–2025 with COVID-19 vaccines through the COVID-19 vaccine programme.

Further information on these strategic goals, Gavi’s future plans and performance indicators related to these goals will be found in Gavi’s 2023 Annual Progress Report, which will be available online at <https://www.gavi.org/programmes-impact/our-impact/progress-reports>.

## KEY FINANCIAL PERFORMANCE INDICATORS

This section lays out the Key Financial Performance Indicators that are used by the Secretariat to review, assess and manage the Gavi Group's overall financial position, activities, results and cash flows. In addition to these Key Financial Performance Indicators, the Secretariat has developed several indicators focused on specifically measuring performance against Gavi's strategic goals. These additional performance indicators are defined and described in Gavi's 2021–2025 strategy goal indicator definitions, and progress against these indicators will be described in Gavi's 2023 Annual Progress Report. Gavi – Core represents the transactions and activities related to Gavi's core strategic mission and IFFIm, and Gavi – Facility represents the transactions and activities related to the Facility.

The following table summarises the Gavi Group's Key Financial Performance Indicators for the years ended 31 December 2019 to 2023.

In Billions of US\$, except Percentages	Gavi – Core	Gavi – Facility	Total 2023	Gavi – Core	Gavi – Facility	Total 2022	2021	2020	2019
Cash proceeds from donors and IFFIm investors	2.1	0.6	2.7	2.1	2.7	4.8	10.2	2.3	2.0
Percentage of funds received from innovative finance mechanisms	16%	23%	39%	14%	56%	70%	90%	36%	20%
Total multi-year pledges	4.3	-	4.3	4.9	-	4.9	6.7	4.8	3.2
New and underused vaccines programme disbursements	1.2	-	1.2	1.1	-	1.1	1.3	1.1	1.3
Health system strengthening programme disbursements	0.3	-	0.3	0.2	-	0.2	0.2	0.4	0.4
COVAX Facility programme disbursements	-	0.5	0.5	-	1.9	1.9	5.3	0.3	-
Percentage overhead expenses <sup>1</sup>	2.73%	1.02%	2.13%	2.86%	0.24%	0.84%	0.70%	2.14%	4.35%
Percentage operating expenses <sup>1</sup>	6.83%	2.36%	5.28%	7.61%	0.53%	2.17%	1.63%	5.17%	10.68%
Percentage net financing costs	5.26%	-	5.26%	2.06%	-	2.06%	0.25%	0.72%	2.64%

<sup>1</sup> The 2019 increase was primarily a result of a change in accounting policy as further described below.

These Key Financial Performance Indicators are described in more detail below.

Indicator	Definition	Five-year history																								
<p><b>Cash proceeds from donors and IFFIm investors</b></p> <p><b>2023: US\$ 2.7 billion</b></p> <p>2022: US\$ 4.8 billion</p> <p>2021: US\$ 10.2 billion</p> <p>2020: US\$ 2.3 billion</p> <p>2019: US\$ 2.0 billion</p>	<p>Cash receipts from Gavi's direct donors plus cash receipts through IFFIm. Direct cash receipts include cash received pursuant to the Advance Market Commitment ("AMC") innovative finance mechanism.</p>	<table border="1"> <caption>Cash proceeds from donors and IFFIm investors (US\$ billion)</caption> <thead> <tr> <th>Year</th> <th>Gavi - Core</th> <th>Gavi - Facility</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>2019</td> <td>2.0</td> <td>0.0</td> <td>2.0</td> </tr> <tr> <td>2020</td> <td>2.3</td> <td>0.0</td> <td>2.3</td> </tr> <tr> <td>2021</td> <td>2.1</td> <td>8.1</td> <td>10.2</td> </tr> <tr> <td>2022</td> <td>2.7</td> <td>2.1</td> <td>4.8</td> </tr> <tr> <td>2023</td> <td>2.1</td> <td>0.6</td> <td>2.7</td> </tr> </tbody> </table>	Year	Gavi - Core	Gavi - Facility	Total	2019	2.0	0.0	2.0	2020	2.3	0.0	2.3	2021	2.1	8.1	10.2	2022	2.7	2.1	4.8	2023	2.1	0.6	2.7
Year	Gavi - Core	Gavi - Facility	Total																							
2019	2.0	0.0	2.0																							
2020	2.3	0.0	2.3																							
2021	2.1	8.1	10.2																							
2022	2.7	2.1	4.8																							
2023	2.1	0.6	2.7																							

Continued support from donors and IFFIm investors is fundamental to the achievement of all Gavi's strategic goals. Cash receipts from these donors and IFFIm investors indicate that Gavi has received a strong and consistent level of support. Cash receipts increased from US\$ 2.0 billion in 2019 to US\$ 2.7 billion in 2023. The increase in cash receipts in 2020, 2021 and 2022 was due to the funding received for Gavi COVAX AMC of US\$ 353 million, US\$ 8.7 billion and US\$ 2.7 billion, respectively. In 2023, the funding received for Gavi COVAX AMC decreased to US\$ 618 million as Gavi will no longer administer the Facility beyond 31 December 2023. Following the end of the Facility, Gavi and Gavi COVAX AMC donors have started a process to amend grants to extend permitted uses of unspent Gavi COVAX AMC funds toward other Gavi programmes. Gavi COVAX AMC is described in the *Innovative Finance Mechanisms* section on page 17 of this report.

Indicator	Definition	Five-year history																								
<p><b>Percentage of funds received from innovative finance mechanisms</b></p> <p><b>2023: 39 percent</b></p> <p>2022: 70 percent 2021: 90 percent 2020: 36 percent 2019: 20 percent</p>	<p>Total cash receipts through IFFIm, the AMC and the Gavi Matching Fund as a percentage of total cash receipts in each year from all of Gavi's donors and investors. The AMC includes the Advance Market Commitment for pneumococcal vaccines until 2020 and Gavi COVAX AMC starting in 2020.</p>	<table border="1"> <caption>Percentage of funds received from innovative finance mechanisms (2019-2023)</caption> <thead> <tr> <th>Year</th> <th>Gavi - Core (%)</th> <th>Gavi - Facility (%)</th> <th>Total (%)</th> </tr> </thead> <tbody> <tr> <td>2019</td> <td>20</td> <td>0</td> <td>20</td> </tr> <tr> <td>2020</td> <td>23</td> <td>13</td> <td>36</td> </tr> <tr> <td>2021</td> <td>6</td> <td>84</td> <td>90</td> </tr> <tr> <td>2022</td> <td>14</td> <td>56</td> <td>70</td> </tr> <tr> <td>2023</td> <td>17</td> <td>22</td> <td>39</td> </tr> </tbody> </table>	Year	Gavi - Core (%)	Gavi - Facility (%)	Total (%)	2019	20	0	20	2020	23	13	36	2021	6	84	90	2022	14	56	70	2023	17	22	39
Year	Gavi - Core (%)	Gavi - Facility (%)	Total (%)																							
2019	20	0	20																							
2020	23	13	36																							
2021	6	84	90																							
2022	14	56	70																							
2023	17	22	39																							

As described in the *Innovative Finance Mechanisms* section on page 17 of this report, Gavi's innovative finance mechanisms are an integral part of its strategy for achieving all four of its strategic goals. Over the past five years, innovative finance mechanisms have generated 39% of Gavi's cash receipts, 23% of which relates to Gavi COVAX AMC since its inception in 2020. This reflects Gavi's strong commitment to developing and maintaining mechanisms that tap new sources of capital and bring specific characteristics that advance Gavi and its mission.

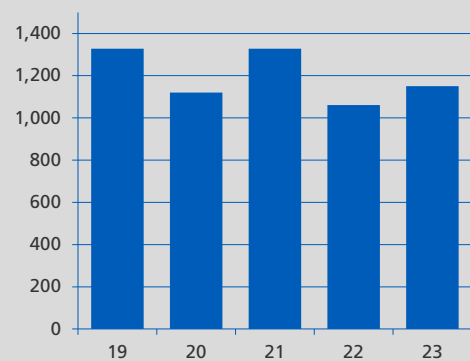
The percentage of funds received from innovative finance mechanisms increased from 20% in 2019 to 36% in 2020 and 90% in 2021 due to an increase in AMC cash proceeds, which includes the Gavi COVAX AMC, and an increase in IFFIm proceeds. The percentage decreased to 70% in 2022 and 39% in 2023 due to decrease in Gavi COVAX AMC proceeds. 14% of the 36% in 2020, 85% of the 90% in 2021, 56% of the 70% in 2022 and 23% of the 39% represent funds received from Gavi COVAX AMC donors.

Indicator	Definition	Five-year history																								
<p><b>Total multi-year pledges</b></p> <p><b>2023: US\$ 4.3 billion</b></p> <p>2022: US\$ 4.9 billion 2021: US\$ 6.7 billion 2020: US\$ 4.8 billion 2019: US\$ 3.2 billion</p>	<p>Year-end fair value of multi-year pledges as presented on the Gavi Group's Consolidated Statements of Financial Position. Multi-year pledges include pledges pursuant to the Gavi COVAX AMC.</p>	<table border="1"> <caption>Total multi-year pledges (2019-2023)</caption> <thead> <tr> <th>Year</th> <th>Gavi - Core (US\$ billion)</th> <th>Gavi - Facility (US\$ billion)</th> <th>Total (US\$ billion)</th> </tr> </thead> <tbody> <tr> <td>2019</td> <td>3.2</td> <td>0</td> <td>3.2</td> </tr> <tr> <td>2020</td> <td>4.0</td> <td>0.8</td> <td>4.8</td> </tr> <tr> <td>2021</td> <td>6.5</td> <td>0.2</td> <td>6.7</td> </tr> <tr> <td>2022</td> <td>4.9</td> <td>0</td> <td>4.9</td> </tr> <tr> <td>2023</td> <td>4.3</td> <td>0</td> <td>4.3</td> </tr> </tbody> </table>	Year	Gavi - Core (US\$ billion)	Gavi - Facility (US\$ billion)	Total (US\$ billion)	2019	3.2	0	3.2	2020	4.0	0.8	4.8	2021	6.5	0.2	6.7	2022	4.9	0	4.9	2023	4.3	0	4.3
Year	Gavi - Core (US\$ billion)	Gavi - Facility (US\$ billion)	Total (US\$ billion)																							
2019	3.2	0	3.2																							
2020	4.0	0.8	4.8																							
2021	6.5	0.2	6.7																							
2022	4.9	0	4.9																							
2023	4.3	0	4.3																							

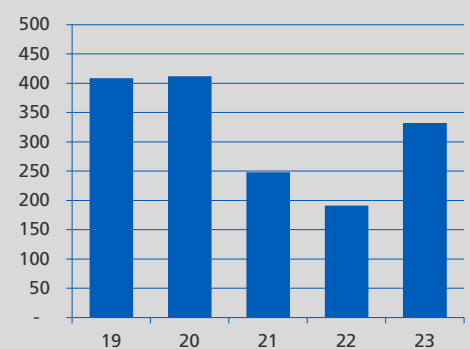
In order to achieve its Sustainability Goal, Gavi requires sufficient long-term multi-year pledges to provide implementing countries with a predictable and stable funding environment.

The total value of multi-year pledges increased during the period from 2019 to 2020 and 2021 as a result of converting the multi-year commitments made by direct donors during the Global Vaccine Summit ("GVS") 2020, Gavi's third donor pledging conference, in June 2020 into grant agreements to help fund Gavi's programmatic activities until 2025. The multi-year pledges decreased in 2022 and 2023 as direct donors paid down their multi-year pledges. Multi-year pledges from Gavi COVAX AMC donors, including grant agreements assigned to IFFIm, amounted to US\$ 1.4 billion in 2020, US\$ 1.2 billion in 2021, US\$ 661 million in 2022 and US\$ 574 million in 2023.

At the GVS 2020, new multi-year commitments made by direct donors totalled US\$ 8.8 billion for the period 2021 to 2025. As of 31 December 2023, 96% of these multi-year commitments had been converted into grant agreements signed by donors. See the *Gavi Foreign Currency and Hedging Activity* section on page 26 of this report for further information on the valuation of the multi-year commitments made by direct donors at Gavi's third donor pledging conference.

Indicator	Definition	Five-year history												
<p><b>New and underused vaccines programme disbursements</b></p> <p><b>2023: US\$ 1.2 billion</b></p> <p>2022: US\$ 1.1 billion 2021: US\$ 1.3 billion 2020: US\$ 1.1 billion 2019: US\$ 1.3 billion</p>	<p>Cash disbursed, on a calendar year basis, for vaccine procurement and to implementing countries for the purpose of accelerating the introduction and uptake of new and underused vaccines. Includes vaccine introduction grants and operational costs.</p>	 <table border="1"> <caption>Five-year history of New and underused vaccines programme disbursements</caption> <thead> <tr> <th>Year</th> <th>Disbursement (US\$ billion)</th> </tr> </thead> <tbody> <tr> <td>19</td> <td>1.3</td> </tr> <tr> <td>20</td> <td>1.1</td> </tr> <tr> <td>21</td> <td>1.3</td> </tr> <tr> <td>22</td> <td>1.05</td> </tr> <tr> <td>23</td> <td>1.15</td> </tr> </tbody> </table>	Year	Disbursement (US\$ billion)	19	1.3	20	1.1	21	1.3	22	1.05	23	1.15
Year	Disbursement (US\$ billion)													
19	1.3													
20	1.1													
21	1.3													
22	1.05													
23	1.15													

Under its first strategic goal (“Introduce and scale up vaccines”), Gavi aims to increase access to immunisation and enable equal access to new and underused vaccines (“NVS”). The level of NVS programme disbursements is directly correlated with the rate of uptake of these vaccines and, therefore, provides an indication of Gavi’s progress toward achieving its strategic goal. NVS programme disbursements remained stable from 2019 to 2023. The decrease in NVS programme disbursements during 2020 was primarily due to delays in campaigns and vaccine introductions as a result of COVID-19 pandemic disruptions and, consequently, lower operational costs. There were continued efforts from 2021 to 2023 to restore and achieve normal levels of programmatic activity.

Indicator	Definition	Five-year history												
<p><b>Health system strengthening programme disbursements</b></p> <p><b>2023: US\$ 332 million</b></p> <p>2022: US\$ 191 million 2021: US\$ 248 million 2020: US\$ 412 million 2019: US\$ 409 million</p>	<p>Cash disbursed, on a calendar year basis, to implementing countries for the purpose of strengthening their health systems. Includes disbursements for immunisation services support and Cold Chain Equipment Optimisation Platform (“CCEOP”).</p>	 <table border="1"> <caption>Five-year history of Health system strengthening programme disbursements</caption> <thead> <tr> <th>Year</th> <th>Disbursement (US\$ million)</th> </tr> </thead> <tbody> <tr> <td>19</td> <td>409</td> </tr> <tr> <td>20</td> <td>412</td> </tr> <tr> <td>21</td> <td>248</td> </tr> <tr> <td>22</td> <td>191</td> </tr> <tr> <td>23</td> <td>332</td> </tr> </tbody> </table>	Year	Disbursement (US\$ million)	19	409	20	412	21	248	22	191	23	332
Year	Disbursement (US\$ million)													
19	409													
20	412													
21	248													
22	191													
23	332													

To achieve its second strategic goal (“Strengthen health systems to increase equity in immunisation”), Gavi disbursed US\$ 1.6 billion to implementing countries from 2019–2023, to help bolster their health systems. HSS support addresses health system bottlenecks, primarily in five areas: (1) supply chain; (2) data availability, quality and use; (3) demand promotion and community engagement; (4) in-country leadership, management and coordination; and (5) health workforce. Governments are encouraged to engage civil society organisations for the implementation of HSS activities. HSS programme disbursements continued to increase from 2019 to 2020 as Gavi scaled up the HSS programme to deliver on the coverage and equity agenda and strengthened the disbursement process. In 2021, Gavi focused on establishing strategic and operational alignment towards achieving Gavi 5.0 goals, as it was the first year of the strategic period. In 2022, Gavi disbursed a record level of cash support to countries, however Gavi – Core HSS disbursements were impacted by countries managing the utilisation of available funding across Gavi – Core and COVAX [COVID-19 vaccine Delivery Support (“CDS”)]. While routine immunisation coverage was largely maintained, planning and implementation of HSS grants were disrupted in some countries given the diversion of capacity and focus on responding to the pandemic. There were significant and sustained efforts in 2023 to catch up and reach normal levels of Gavi – Core programmatic activity with increased momentum on reaching zero-dose children and missed communities through the Equity Accelerator Fund.

In July 2020, the Board agreed that an amount of at least US\$ 1.2 billion is available for HSS disbursements, including performance payments and excluding disbursements to CCEOP, for grant programme years in the 2021–2025 strategic period, with additional funding being subject to future Board decisions. Subsequently, in December 2020, the Board approved an additional US\$ 500 million for the 2021–2025 strategic period as dedicated funding to reach zero-dose children and missed communities.

In June 2015, the Board approved the establishment of CCEOP to strengthen countries' cold chain systems, with an initial amount of US\$ 50 million to launch its implementation and fund the first applications. CCEOP was launched in 2016. In December 2016, the Board approved additional funding for an aggregate amount not exceeding US\$ 250 million.

Indicator	Definition	Four-year history										
<p><b>COVAX Facility programme disbursements</b></p> <p><b>2023: US\$ 498 million</b></p> <p>2022: US\$ 1.9 billion</p> <p>2021: US\$ 5.3 billion</p> <p>2020: US\$ 300 million</p>	<p>Cash disbursed, on a calendar year basis, for the purpose of the Gavi COVAX AMC. Includes disbursements for prepayments to vaccine manufacturers and procurement agents and cash-based programmes such as CDS.</p>	<table border="1"> <caption>COVAX Facility programme disbursements (in million US\$)</caption> <thead> <tr> <th>Year</th> <th>Disbursements</th> </tr> </thead> <tbody> <tr> <td>20</td> <td>300</td> </tr> <tr> <td>21</td> <td>5,300</td> </tr> <tr> <td>22</td> <td>1,900</td> </tr> <tr> <td>23</td> <td>498</td> </tr> </tbody> </table>	Year	Disbursements	20	300	21	5,300	22	1,900	23	498
Year	Disbursements											
20	300											
21	5,300											
22	1,900											
23	498											

On 23 February 2021, the Facility became operational as COVAX shipped the first batch of COVID-19 vaccine doses to Ghana. This marked the beginning of the global roll-out of COVID-19 vaccines. In 2021, Gavi disbursed US\$ 5.3 billion for the procurement and delivery of vaccines to all Gavi COVAX AMC participants, including advance payments to vaccine manufacturers and procurement agents. COVAX Facility programme disbursements decreased in 2022 and 2023 as advance payments in 2021 were drawn down to procure vaccines. During 2022 and 2023, Gavi also entered into discussions and agreements with manufacturers to reduce or rephase committed volumes in response to the decline in demand for vaccines from participant countries.

As of 31 December 2023 and 2022, Gavi's outstanding commitments on APAs with vaccine manufacturers amounted to approximately US\$ 6.1 million and US\$ 962 million, respectively. Gavi COVAX AMC is described in the *Innovative Finance Mechanisms* section on page 17 of this report.

In June 2021, the Board approved the creation of a CDS envelope and cross-cutting delivery elements, with associated funding to countries of at least US\$ 775 million, with the objective of ensuring successful rapid roll-out and scale-up of COVID-19 vaccines over the subsequent 6 to 12 months. Gavi launched the CDS Funding Window in July 2021 to address urgent gaps impacting roll-out and scale-up of COVID-19 vaccines received through the Facility. In 2022, the total CDS and cross-cutting envelope was increased to US\$ 1.4 billion to address the ongoing needs of countries implementing COVID-19 vaccinations.

Indicator	Definition	Five-year history												
<p><b>Percentage overhead expenses</b></p> <p><b>2023: 2.73 percent</b></p> <p>2022: 2.86 percent</p> <p>2021: 2.56 percent</p> <p>2020: 2.14 percent</p> <p>2019: 4.35 percent*</p>	<p>Gavi's overhead expenses as a percentage of total expenses, excluding the Facility.</p> <p><b>* The 2019 increase was primarily a result of a change in accounting policy, as further described below.</b></p>	<table border="1"> <caption>Percentage overhead expenses</caption> <thead> <tr> <th>Year</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>19*</td> <td>4.35</td> </tr> <tr> <td>20</td> <td>2.14</td> </tr> <tr> <td>21</td> <td>2.56</td> </tr> <tr> <td>22</td> <td>2.86</td> </tr> <tr> <td>23</td> <td>2.73</td> </tr> </tbody> </table>	Year	Percentage	19*	4.35	20	2.14	21	2.56	22	2.86	23	2.73
Year	Percentage													
19*	4.35													
20	2.14													
21	2.56													
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23	2.73													



Indicator	Definition	Four-year history										
<b>COVAX Facility percentage overhead expenses</b> <b>2023: 1.02 percent</b> 2022: 0.24 percent 2021: 0.18 percent 2020: 0.00 percent	The Facility's overhead expenses as a percentage of total expenses.	<table border="1"> <caption>COVAX Facility percentage overhead expenses</caption> <thead> <tr> <th>Year</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>2020</td> <td>0.00</td> </tr> <tr> <td>2021</td> <td>0.18</td> </tr> <tr> <td>2022</td> <td>0.24</td> </tr> <tr> <td>2023</td> <td>1.02</td> </tr> </tbody> </table>	Year	Percentage	2020	0.00	2021	0.18	2022	0.24	2023	1.02
Year	Percentage											
2020	0.00											
2021	0.18											
2022	0.24											
2023	1.02											

Indicator	Definition	Five-year history												
<b>Percentage operating expenses</b> <b>2023: 6.83 percent</b> 2022: 7.61 percent 2021: 6.35 percent 2020: 5.17 percent 2019: 10.68 percent*	Gavi's operating expenses as a percentage of total expenses, excluding the Facility.  <b>* The 2019 increase was primarily a result of a change in accounting policy, as further described below.</b>	<table border="1"> <caption>Percentage operating expenses</caption> <thead> <tr> <th>Year</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>2019*</td> <td>10.68</td> </tr> <tr> <td>2020</td> <td>5.17</td> </tr> <tr> <td>2021</td> <td>6.35</td> </tr> <tr> <td>2022</td> <td>7.61</td> </tr> <tr> <td>2023</td> <td>6.83</td> </tr> </tbody> </table>	Year	Percentage	2019*	10.68	2020	5.17	2021	6.35	2022	7.61	2023	6.83
Year	Percentage													
2019*	10.68													
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Indicator	Definition	Four-year history										
<b>COVAX Facility percentage operating expenses</b> <b>2023: 2.36 percent</b> 2022: 0.53 percent 2021: 0.31 percent 2020: 0.00 percent	The Facility's operating expenses as a percentage of total expenses.	<table border="1"> <caption>COVAX Facility percentage operating expenses</caption> <thead> <tr> <th>Year</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>2020</td> <td>0.00</td> </tr> <tr> <td>2021</td> <td>0.31</td> </tr> <tr> <td>2022</td> <td>0.53</td> </tr> <tr> <td>2023</td> <td>2.36</td> </tr> </tbody> </table>	Year	Percentage	2020	0.00	2021	0.31	2022	0.53	2023	2.36
Year	Percentage											
2020	0.00											
2021	0.31											
2022	0.53											
2023	2.36											

In order to maximise the amount of funds available for programmatic activities, the Gavi Group's administrative overhead must be kept as low as possible. Gavi – Core's percentage overhead expenses has been below 5% and decreased slightly from 2.86% in 2022 to 2.73% in 2023. Gavi – Core's percentage operating expenses decreased slightly from 7.61% in 2022 to 6.83% in 2023. This decrease in the Gavi – Core's percentage overhead expenses and operating expenses was driven primarily by an increase in Gavi – Core programme expenses from 2022 to 2023.

The increase in 2019 was primarily driven by a one-off reduction in total programme expenses due to the change in accounting policy as a result of the adoption of a new accounting standard on the recognition of expenses, which requires substantial fulfilment of certain conditions before expenses can be recognised.

In 2020, the Facility was being implemented, and no COVID-19 vaccines were procured during the year. In 2021, the Facility procured and began the global roll-out of COVID-19 vaccines. As of 31 December 2023 and 2022, the Facility's operating costs totalled US\$ 36.2 million and US\$ 40.6 million, respectively. US\$ 6.8 million and US\$ 12.1 million, respectively, of operating costs were covered under the SFP arrangements and presented net of interest income, in-kind contributions and pro-rata reimbursements under such arrangements in the consolidated financial statements. The Facility's percentage overhead expenses and percentage operating expenses increased from 0.24% and 0.53%, respectively, to 1.02% and 2.36%, respectively. This increase was driven primarily by a decrease in the Facility's programme expenses from 2022 to 2023 due to the Facility winding down. The decrease in total programme expenses is discussed further in the *Overview of Income and Expenses* section on page 22 of this report.

For the purposes of calculating the Gavi Group's percentage overhead and operating expenses amounts above, overhead expenses are the aggregate of the Gavi Group's fundraising, management and general expenses; and operating expenses are the aggregate of the Gavi Group's overhead expenses, Secretariat



programme implementation expenses and partners' programme implementation expenses in relation to evaluations and assessments. Overhead expenses exclude indirect programme expenses, such as those expenses related to programme implementation and performance monitoring.

The components of the Gavi Group's percentage overhead and operating expenses were:

Indicator	Gavi – Core	Gavi – Facility	2023	Gavi – Core	Gavi – Facility	2022
Management and general expenses percentage	1.64%	0.47%	1.23%	1.49%	0.13%	0.44%
Fundraising expenses percentage	1.09%	0.55%	0.90%	1.37%	0.11%	0.40%
Total overhead expenses percentage	2.73%	1.02%	2.13%	2.86%	0.24%	0.84%

Indicator	Gavi – Core	Gavi – Facility	2023	Gavi – Core	Gavi – Facility	2022
Total overhead expenses percentage	2.73%	1.02%	2.13%	2.86%	0.24%	0.84%
Secretariat programme implementation expenses percentage	3.60%	1.34%	2.82%	4.16%	0.29%	1.19%
Partners' programme implementation expenses percentage <sup>1</sup>	0.50%	0.00%	0.33%	0.59%	0.00%	0.14%
Total operating expenses percentage	6.83%	2.36%	5.28%	7.61%	0.53%	2.17%

The Gavi Group's fundraising, management and general expenses were as follows:

In Millions of US\$	Gavi – Core	Gavi – Facility	2023	Gavi – Core	Gavi – Facility	2022
Management and general expenses	39	6	45	25	7	32
Fundraising expenses	26	7	33	23	6	29
Total overhead expenses	65	13	78	48	13	61

The Gavi Group's operating expenses were as follows:

In Millions of US\$	Gavi – Core	Gavi – Facility	2023	Gavi – Core	Gavi – Facility	2022
Total overhead expenses	65	13	78	48	13	61
Secretariat programme implementation expenses	86	17	103	70	16	86
Partners' programme implementation expenses <sup>1</sup>	12	-	12	10	-	10
Total operating expenses	163	30	193	128	29	157

<sup>1</sup> This total only includes the portion of partners' programme implementation expenses that are related to evaluations and assessments.

Certain departments within the Secretariat conduct activities that have programmatic and fundraising, as well as management and general components. The cost of conducting these activities ("Joint Costs") were allocated as follows:

In Millions of US\$	Gavi – Core	Gavi – Facility	2023	Gavi – Core	Gavi – Facility	2022
Joint costs allocated to programmes	28	3	31	23	2	25
Joint costs allocated to management and general	7	1	8	6	1	7
Joint costs allocated to fundraising	6	1	7	5	1	6
Total joint costs	41	5	46	34	4	38

For the purposes of calculating the Gavi Group's percentage overhead and operating expenses amounts above, total expenses are the aggregate of the Gavi Group's direct and indirect programme expenses, and overhead costs. Total expenses exclude financing costs and all fair value gains and losses. Total expenses were determined as follows:

In Millions of US\$	Gavi – Core	Gavi – Facility	2023	Gavi – Core	Gavi – Facility	2022
Direct country programme expenses	2,025	1,199	3,224	1,393	5,517	6,910
Secretariat programme implementation expenses	86	17	103	70	16	86
Partners' programme implementation expenses	209	42	251	172	14	186
Total programme expenses	2,320	1,258	3,578	1,635	5,547	7,182
Total overhead expenses	65	13	78	48	13	61
Total non-programme expenses	65	13	78	48	13	61
Total expenses, excluding financing costs and fair value gains and losses	2,385	1,271	3,656	1,683	5,560	7,243

Indicator	Definition	Five-year history												
<p><b>Percentage net financing costs</b>  <b>2023: 5.26 percent</b>            2022: 2.06 percent            2021: 0.25 percent            2020: 0.72 percent            2019: 2.64 percent</p>	<p>IFFIm's net interest expense as a percentage of its average bonds and other borrowings balance for the year. Net interest expense is after the effect of hedging transactions. Average bonds and other borrowings for the year is the average of the nominal monthly balances.</p>	<table border="1"> <caption>Five-year history of percentage net financing costs</caption> <thead> <tr> <th>Year</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>2019</td> <td>2.64%</td> </tr> <tr> <td>2020</td> <td>0.72%</td> </tr> <tr> <td>2021</td> <td>0.25%</td> </tr> <tr> <td>2022</td> <td>2.06%</td> </tr> <tr> <td>2023</td> <td>5.26%</td> </tr> </tbody> </table>	Year	Percentage	2019	2.64%	2020	0.72%	2021	0.25%	2022	2.06%	2023	5.26%
Year	Percentage													
2019	2.64%													
2020	0.72%													
2021	0.25%													
2022	2.06%													
2023	5.26%													

The Gavi Group's net interest expense and average bonds and other borrowings balances were as follows:

In Millions of US\$, except Percentages	2023	2022	2021	2020	2019
Net interest expense on bonds and other borrowings after impact of swaps	130	42	4	5	24
Average nominal value of bonds and other borrowings for the year	2,471	2,034	1,582	699	908
Percentage net financing costs	5.26%	2.06%	0.25%	0.72%	2.64%

The Gavi Group incurs financing costs on Vaccine Bonds issued by IFFIm. In order to minimise these financing costs, although influenced by market conditions and other factors outside IFFIm's control, IFFIm has done the following:

- put in place a liquidity policy that allows it to maintain a high credit rating. See the *Cash Reserve and Liquidity Policies* section on page 26 for further details; and
- entered into currency and interest rate swaps to hedge against IFFIm's exposure to currency and interest rate fluctuations impacting its Vaccine Bonds. See the *IFFIm Hedging Activity* section on page 27 of this report for further information on IFFIm's currency and interest swap arrangements.

Percentage net financing costs were higher in 2023 compared to 2022 primarily due to: (1) a higher weighted average of outstanding bonds payable during 2023 compared to 2022; and (2) relatively higher coupon rate on IFFIm's most recent bond issuance in November 2022, which had a larger impact on financing costs in 2023.

The Gavi Group's low percentage net financing costs over the last five years indicate that IFFIm's liquidity and hedging policies have been appropriately designed and effectively executed. IFFIm's cost of funding compared to that of its donors serves as an indicator of IFFIm's efficiency, subject to macroeconomic factors. At its inception, IFFIm's funding cost was, on average, anticipated to be higher than that of its donors and

would be considered alongside the utility and impact of its flexible financing structure. IFFIm has successfully accessed the capital markets based on Gavi's needs. IFFIm's weighted average cost of all its bonds issued is 34 basis points over Secured Overnight Financing Rate ("SOFR"). This is seven basis points higher than the weighted average cost of borrowing of its donors, which is 27 basis points over SOFR calculated over the same period.

## INNOVATIVE FINANCE MECHANISMS

### BENEFITS OF INNOVATIVE FINANCE MECHANISMS

Innovative finance mechanisms help Gavi to:

- diversify its funding portfolio: innovative finance mechanisms attract capital from a variety of public and private sources. They aim to attract funds that are committed for longer periods of time.
- adapt to the needs of implementing countries, donors and investors: innovative finance mechanisms help match the capacity and preferences of donors and investors with the needs of implementing countries to rapidly scale up vaccine coverage, lower disease prevalence and accelerate introduction of new and underused vaccines.
- provide predictable and flexible resources: funding predictability has enabled countries to implement multi-year programmes that fundamentally improve the quality of and access to health care services. Flexible resources, including the ability to frontload or accelerate funding based on need, generate additional impact and allow Gavi to access alternate funding resources as funding constraints emerge, avoiding programme disruption.
- respond to the United Nations Sustainable Development Goals: Gavi and immunisation are critical to achieving child health goals set by the United Nations ("UN"). Gavi aided the UN in achieving the Millennium Development Goals ("MDG") for child health, which aimed to reduce by two thirds the deaths of children aged under five by 2015. As the MDG period came to an end, Gavi is in full support of the UN post-2015 Sustainable Development Goals including child health: accelerate the progress made to date in reducing newborn and child mortality by ending all such preventable deaths before 2030. Additional resources provided from innovative finance mechanisms help Gavi accelerate funding for the introduction of vaccines and strengthen health systems.
- shape markets: Gavi's use of innovative finance helps meet country demand, grow markets, attract manufacturers and reduce prices. This makes donor resources go further and increases the ability of countries to fund vaccines in the long term.
- respond to emergencies: Gavi's use of innovative finance mechanisms provide Gavi with resources and the ability to respond to emergencies during outbreaks or pandemics.

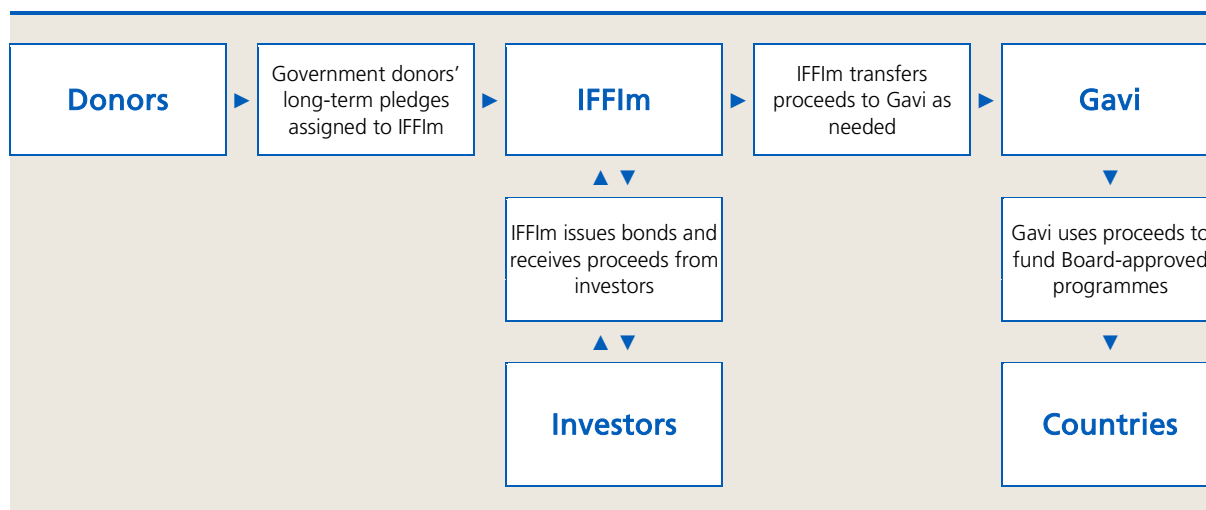
### THE INTERNATIONAL FINANCE FACILITY FOR IMMUNISATION

IFFIm is an innovative finance mechanism created in 2006 that provides long-term, predictable and flexible funding to Gavi. IFFIm historically has converted long-term government commitments into immediately available cash resources by issuing bonds in the capital markets. IFFIm contributes to accelerating the availability and predictability of funds for Gavi's immunisation programmes, including NVS support, HSS support, vaccine research and development activities, and procurement and delivery of COVID-19 vaccines. Between 2006 and 2023, IFFIm accounted for over 17% of Gavi's funding. IFFIm is a core component of Gavi's long-term funding strategy.

IFFIm is backed by legally binding funding commitments from the Governments of the Commonwealth of Australia, Canada, the Federative Republic of Brazil, the Republic of France, the Republic of Italy, the State of the Netherlands, the Kingdom of Norway, the Republic of South Africa, the Kingdom of Spain, the Kingdom of Sweden, and the United Kingdom of Great Britain and Northern Ireland ("United Kingdom"), which together have pledged to contribute approximately US\$ 9.7 billion to IFFIm over 30 years.<sup>1</sup> These long-term government pledges are used as collateral to raise funds on the global capital markets by issuing Vaccine Bonds. Cash receipts from the donor governments are then used to repay IFFIm bonds.

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<sup>1</sup> Further information on donor pledges to IFFIm is on page 70 of this report.



The ability of IFFIm to convert long-term commitments into immediate cash provides Gavi with the flexibility to use funds when they are needed most. This means that Gavi can choose either to frontload IFFIm resources over a short period of time or to have smaller and more consistent drawdowns over a longer term, depending on Gavi’s funding needs and without incurring significant costs in either situation. Having these immediately available resources ensures a near-term positive impact on public health that strengthens and protects future generations.

IFFIm bonds also provide investors with a socially responsible investment opportunity and raise awareness about Gavi and its mission. IFFIm bonds have proven popular with both institutional and individual investors, raising over US\$ 8.7 billion since IFFIm’s inception in 2006 to 31 December 2023.

## THE GAVI ADVANCE MARKET COMMITMENT FOR COVID-19 VACCINES

At the GVS 2020 on 4 June 2020, Gavi launched the Gavi COVAX AMC as the first building block of the Facility. It was established as an innovative finance mechanism to provide access to donor-funded doses of COVID-19 vaccines to 92 eligible lower-income economies, comprising all economies with gross national income (“GNI”) per capita under US\$ 4,000, plus other World Bank International Development Association (“IDA”)-eligible economies.

Gavi coordinated the design, operationalisation and fundraising for the Gavi COVAX AMC. Gavi had been mobilising resources from donor governments, philanthropy and the private sectors. This went towards vaccine manufacturers to secure supply agreements for Gavi COVAX AMC doses. The Gavi COVAX AMC was critical to ensuring equitable access to COVID-19 vaccines, regardless of income level, by having an allocation mechanism to guide how the vaccines were distributed within countries and territories.

The first phase of the Gavi COVAX AMC began with seed funding of US\$ 505 million enabled by the support at the GVS. A target was set to mobilise US\$ 2.0 billion by the end of 2020 to fund down payments to manufacturers and secure the first doses. This target was reached by the end of December 2020.

A second phase began with support from the G7 Summit in February 2021, and the launch of an Investment Opportunity hosted by the Government of the United States of America in April 2021. Further momentum was generated through the Global Health Summit on 21 May 2021, co-hosted by the European Commission (“EC”) and Italy as chair of the G20, culminating in the Gavi COVAX AMC Summit on 2 June 2021, hosted by the Government of Japan.

IFFIm also served as a vehicle through which donors can support the Gavi COVAX AMC. Through IFFIm vaccine bonds, donors can accelerate funding to the Gavi COVAX AMC and help enable equitable access to these vaccines.

From inception to 31 December 2023, total cash receipts amounted to US\$ 12.4 billion; and total donated doses received, which are non-cash transactions, amounted to US\$ 6.0 billion. US\$ 580 million of the total cash receipts and US\$ 310 million of the total donated doses were received in 2023.

## THE GAVI MATCHING FUND

The Gavi Matching Fund is a public-private funding mechanism designed to incentivise private sector investments in immunisation.

At Gavi's pledging conference in June 2011, the United Kingdom Department for International Development ("DFID") and the Gates Foundation pledged £50 million and US\$ 50 million, respectively, to match contributions from corporations, foundations and other organisations, as well as from their customers, members, employees and business partners, until 2015.

At Gavi's second pledging conference in January 2015, the Gates Foundation and the State of the Netherlands pledged US\$ 75 million and €10 million, respectively, to match contributions from corporations, foundations and other organisations, as well as from their customers, members, employees and business partners, until 2020. In December 2020, the Gates Foundation and Gavi agreed that US\$ 5 million of the US\$ 75 million matching fund be reallocated towards general support on Gavi – Core activities.

At the GVS 2020 in June 2020, the Gates Foundation, the State of the Netherlands and the United Kingdom pledged US\$ 75 million (of which US\$ 30 million was allocated to the Facility), €25 million and £25 million, respectively, to match contributions from corporations, foundations and other organisations, as well as from their customers, members, employees and business partners, until 2025.

The Gavi Matching Fund allows Gavi to deliver more life-saving vaccines to the lowest-income countries. Healthy children lead to healthy communities and healthy societies. The Gavi Matching Fund also attracts advocates for the cause of immunisation and those who provide core business skills to help address technological and logistical challenges to immunisation.

The Gavi Matching Fund process comprises three key steps:

- (1) Gavi works with the partner to find ways to engage customers, employees, business partners or others to contribute through the Gavi Matching Fund.
- (2) A private sector partner makes a cash or in-kind contribution to Gavi.
- (3) Until 2015, every contribution to Gavi through the Gavi Matching Fund by the private sector partner, its customers, employees and business partners was matched either by DFID or by the Gates Foundation. From 2016 to 2020, private sector contributions to Gavi through the Gavi Matching Fund were matched by the Gates Foundation and the State of the Netherlands. For the 2021–2025 strategic period, private sector contributions to Gavi through the Gavi Matching Fund will be matched by the Gates Foundation, the State of the Netherlands and the United Kingdom.

The Gavi Matching Fund raised US\$ 32 million in 2023. Since its inception in 2011 to 31 December 2023, the Gavi Matching Fund has raised a total of US\$ 509 million. This amount is the total of pledges from private sector partners and matching pledges from the Gates Foundation, the State of the Netherlands and the United Kingdom.

## FUNDING FROM GATES FOUNDATION

Gavi received US\$ 300 million in funding from the Gates Foundation to fund the COVID-19 vaccine (principally being the Covovax vaccine) procurement prepayment to Serum Institute of India Private Limited ("SII"), across two US\$ 150 million tranches on 31 July 2020 and 28 September 2020, respectively. The Gates Foundation funding is subject to repayment by Gavi on a quarterly basis starting with the quarter in which the first SII procurement credit is applied, reduced or offset by SII. Procurement credit is equal to the amount of the procurement prepayment from Gavi. For each quarter, Gavi will repay to the Gates Foundation (within 60 days after quarter-end) an amount equal to one third of such SII procurement credit during such quarter. As SII delivers vaccine doses to Gavi (through UNICEF or any other agent designated by Gavi), Gavi will repay its one-third equivalent obligation to the Gates Foundation.

The aggregate amount repayable by Gavi to the Gates Foundation will be subject to proportional reduction relative to the amount of any procurement credit reduction, which relates to reductions to the amount repayable by Gavi in the event of product failures that may be incurred by SII.

Gavi received US\$ 300 million in 2020. Repayment commenced in May 2022, and US\$ 100 million and US\$ 139 million were repaid in 2023 and 2022, respectively.

## EUROPEAN COMMISSION FACILITIES

The loan facilities were a funding acceleration mechanism designed to provide immediate access to cash upon the signature of grants in order to rapidly assist in addressing the pandemic.

In December 2020, the EC committed support to the Facility with a €400 million EC-guaranteed loan, in two tranches, provided through the European Investment Bank ("EIB"), as part of its Global Coronavirus Response. The loan was received on 31 March 2021. It consists of an SFP upfront payment of US\$ 150 million (€130 million), a risk-sharing guarantee of US\$ 35 million (€30 million), and loan proceeds of US\$ 283 million (€240 million).

In October 2021, the EIB provided an additional €200 million loan for the Gavi COVAX AMC. The loan was received on 26 November 2021.

The loan facilities had a fixed rate of 0% per annum and mature on 11 December 2025. Gavi repaid US\$ 498 million (€470 million) in December 2022. The outstanding borrowings to the EIB was nil as of 31 December 2023 and 2022. This balance is net of the SFP upfront payment of US\$ 139 million (€130 million), which is expected to be paid directly by the EC to the EIB under the terms of the European Fund for Sustainable Development Guarantee between the EC and the EIB.

In December 2022, Gavi and the EIB entered into two financing facilities which will provide Gavi:

- (1) a credit of up to €500 million for the purpose of supporting the financing of the purchase of COVID-19 vaccines and equipment required for immunisation campaigns and the financing of the purchase of vaccines and equipment required for immunisation campaigns for all vaccines approved by the Gavi Board. In December 2023, the financing facility was amended for a credit of up to €1 billion.
- (2) a letter of credit facility in an amount equivalent to US\$ 320 million in order to support Gavi's obligations to pay amounts for multi-year vaccine procurement contracts entered into by UNICEF. To enable this facility, Gavi will have to request that IFFIm, at the time of issuance of each letter of credit, commits funding for a programme which cash flows will mirror those of the guaranteed payment obligations.

The outstanding borrowings from these facilities were nil as of 31 December 2023 and 2022.

## US INTERNATIONAL DEVELOPMENT FINANCE CORPORATION FACILITY

In December 2022, the United States International Development Finance Corporation ("DFC") entered into a loan facility with Gavi, to provide up to US\$ 1 billion to accelerate COVID-19 vaccine and ancillary supply purchase and delivery on behalf of developing countries participating in the Gavi COVAX AMC.

The loan facility mechanism is designed to provide rapid access to cash even prior to a grant agreement being signed, and allows Gavi to monetise sovereign and private sector pledges to the Gavi COVAX AMC and consequently maximise impact by minimising waiting time for the funding.

The outstanding borrowings from DFC was nil as of 31 December 2023 and 2022.

## FINANCIAL OVERVIEW

### OVERVIEW OF ASSETS AND LIABILITIES

The following table summarises the Gavi Group's consolidated assets and liabilities as of 31 December 2023, 2022 and 2021:

In Millions of US\$, except Percentages	2023	2022	2021	Change, 2022 to 2023	Change, 2021 to 2022
<b>Assets</b>					
Cash and investments	8,653	8,959	8,907	(3)%	1 %
Contributions receivable	4,304	4,912	6,668	(12)%	(26)%
Derivative assets	455	591	188	(23)%	214 %
Receivable on COVAX Facility arrangements	1	6	14	(83)%	(57)%
Other assets	593	1,250	4,288	(53)%	(71)%
<b>Total assets</b>	<b>14,006</b>	<b>15,718</b>	<b>20,065</b>	<b>(11)%</b>	<b>(22)%</b>
<b>Liabilities</b>					
Programme grants and procurement accounts payable	1,065	994	1,896	7 %	(48)%
Derivative liabilities	305	370	395	(18)%	(6)%
Payable on COVAX Facility arrangements	504	989	1,659	(49)%	(40)%
Bonds and other borrowings	1,957	2,413	2,345	(19)%	3 %
Other liabilities	1,226	971	797	26 %	22 %
<b>Total liabilities</b>	<b>5,057</b>	<b>5,737</b>	<b>7,092</b>	<b>(12)%</b>	<b>(19)%</b>
<b>Total net assets</b>	<b>8,949</b>	<b>9,981</b>	<b>12,973</b>	<b>(10)%</b>	<b>(23)%</b>
<b>Total liabilities and net assets</b>	<b>14,006</b>	<b>15,718</b>	<b>20,065</b>	<b>(11)%</b>	<b>(22)%</b>

The Gavi Group's total assets decreased by 11% during 2023; 5% of the decrease relates to the Facility. The decrease in total assets was primarily due to decreases in contributions receivable, net derivative assets, receivable on COVAX Facility arrangements, and other assets. Each of these is discussed below.

- **Decrease in contributions receivable:** The decrease in contributions receivable of US\$ 608 million resulted primarily from cash receipts of US\$ 1.3 billion offset by new multi-year pledges of US\$ 389 million and fair value gains of US\$ 253 million.

- **Decrease in derivative assets:** The derivative assets were US\$ 136 million lower in 2023 compared to 2022.

The Gavi Group's decrease in derivative assets balance comprise a decrease in Gavi's asset position on its foreign currency forward contracts by US\$ 66 million and a decrease in IFFIm's net asset position on its interest rate and currency swap contracts by US\$ 70 million. As of 31 December 2023, IFFIm's net balance on its derivative financial instruments was a receivable of US\$ 84 million (derivative financial assets of US\$ 377 million less derivative financial liabilities of US\$ 293 million), which was a decrease of US\$ 3 million from the prior year net receivable balance of US\$ 87 million (derivative financial assets of US\$ 447 million less derivative financial liabilities of US\$ 360 million). This US\$ 3 million decrease in 2023 was due to net fair value losses of US\$ 72 million, partially offset by net swap settlement payments of US\$ 69 million. See the *IFFIm Hedging Activity* section on page 27 of this report for further information on IFFIm's currency and interest swap arrangements.

- **Decrease in receivable on COVAX Facility arrangements:** The decrease in receivable on COVAX Facility arrangements of US\$ 5.1 million resulted from cash receipts from self-financing and cost-sharing participants of US\$ 7.0 million, partially offset by new receivables on cost-sharing arrangements of US\$ 2.2 million.

- **Decrease in other assets:** The decrease in other assets of US\$ 657 million was primarily due to the drawdown of advances to vaccine manufacturers and procurement agents for the procurement of COVID-19 vaccines of US\$ 209 million, provision on advance payments to vaccine manufacturers of US\$ 240 million, exit costs of US\$ 305 million and cost of expired doses and raw materials of US\$ 520 thousand. In 2022, a provision on advances to a vaccine manufacturer of US\$ 423 million was recognised for expected costs of expired doses. The actual costs of expired doses of US\$ 424 million was incurred in 2023, with a net effect to programme expenses of US\$ 520 thousand. The decrease was offset by advance payments to vaccine manufacturers of US\$ 55 million in 2023.

The Gavi Group's total liabilities decreased by 12% during 2023; 10% of the decrease relates to the Facility. The decrease in total liabilities was primarily due to decreases in net derivative liabilities, payable on COVAX Facility arrangements, and bond and other borrowings. Each of these is discussed below.

- **Decrease in derivative liabilities:** The derivative liabilities were US\$ 65 million lower in 2023 compared to 2022.

The Gavi Group's decrease in derivative liabilities balance comprise an increase in Gavi's liability position on its foreign currency forward contracts by US\$ 2 million, offset by a decrease in IFFIm's net liability position on its interest rate and currency swap contracts by US\$ 67 million as described in the decrease in derivative assets.

- **Decrease in payable on COVAX Facility arrangements:** The decrease in payable on COVAX Facility arrangements of US\$ 485 million resulted primarily from the close-out of SFP agreements in 2023. As of 31 December 2023, Commitment Agreements with 101 participants were terminated. As a result of the close out, remaining upfront payments are either donated to Gavi COVAX AMC, repaid or retained by Gavi as termination payment.

For the year ended 31 December 2023, vaccine doses of US\$ 199 million were donated by SFPs to Gavi COVAX AMC, repayments of US\$ 250 million were disbursed to the participants, procurement agents or private fund and termination payments of US\$ 154 million were retained by Gavi to be utilised to satisfy any liabilities arising from APA with vaccine manufacturers.

- **Decrease in bonds and other borrowings:** The decrease in bonds and other borrowings of US\$ 456 million resulted from bond redemptions of US\$ 530 million, which resulted in a decrease in the fair value of bonds payable. This decrease was partially offset by fair value losses. The fair value of bonds payable is highly sensitive to yield and exchange rate movements, which are some of the market observable inputs that are used to fair value IFFIm's bonds. During 2023, IFFIm recorded fair value losses of US\$ 73 million on its bonds, which resulted in an increase in the fair value of bonds payable.



## OVERVIEW OF INCOME AND EXPENSES

The following table summarises the Gavi Group's consolidated income and expenses for the years ended 31 December 2023, 2022 and 2021:

In Millions of US\$, except Percentages	2023	2022	2021	Change, 2022 to 2023	Change, 2021 to 2022
<b>Revenue</b>					
Contributions from government and private donors	1,724	3,161	11,231	(45)%	(72)%
Contributed non-financial assets	310	1,310	4,412	(76)%	(70)%
Net investment income (loss)	531	(12)	88	(4,525)%	(114)%
Other revenue	7	2	6	250 %	(67)%
<b>Total revenue<sup>1</sup></b>	<b>2,572</b>	<b>4,461</b>	<b>15,737</b>	<b>(42)%</b>	<b>(72)%</b>
<b>Expenses</b>					
Programme	3,579	7,182	8,514	(50)%	(16)%
Net interest expense on bonds and other borrowings after impact of swaps	130	42	4	210 %	950 %
Other fair value (gains) losses	(182)	168	(16)	(208)%	(1,150)%
Administrative, fundraising and other	77	60	60	28 %	- %
<b>Total expenses</b>	<b>3,604</b>	<b>7,452</b>	<b>8,562</b>	<b>(52)%</b>	<b>(13)%</b>
<b>Increase (decrease) in net assets</b>	<b>(1,032)</b>	<b>(2,991)</b>	<b>7,175</b>	<b>(65)%</b>	<b>(142)%</b>

<sup>1</sup> This total includes donor-restricted contributions from government and private donors and contributed non-financial assets. It does not include the release of net assets from restrictions, net fair value gains on derivatives, net fair value gains on contributions receivable and net financing income, which are included in the total revenue reported in the Consolidated Statements of Activities on page 36 of the consolidated financial statements.

The Gavi Group's recorded contribution revenue is the aggregate of new multi-year pledges and annual contributions. The Gavi Group's revenue for 2023, 2022 and 2021 was driven primarily by the following:

- **2023 contribution revenue:** Contribution revenue of US\$ 2.0 billion was recorded in 2023. The decrease in contribution revenue is an expected trend given that Gavi is in the third year of its current strategic period and winding down on its multi-year pledges, the majority of which were recognised at the beginning of the strategic period. Gavi is also no longer administering the Facility beyond 31 December 2023.

Some grant agreements were multi-year pledges whose initial fair values were recorded as 2023 revenue in accordance with the Gavi Group's accounting policies. Gavi's multi-year pledges for the year included US\$ 276 million from the Republic of France for the 2021–2025 strategic period and US\$ 300 million and US\$ 70 million from Japan and Republic of Korea, respectively, for the Gavi COVAX AMC. In 2023, Gavi assigned to IFFIm the benefit of new sovereign grant agreements from Canada and the Kingdom of Spain in amounts totalling C\$ 125 million and €75 million, respectively, with initial recorded fair values totalling US\$ 142 million. The new grant agreements were assigned to IFFIm to support programme funding to Gavi encompassing its core programmes and CEPI's new vaccine research and development activities.

Other grants took the form of annual contributions, which were recorded as revenue as the funds were received. See Schedule 1.5: *Annual Contributions from Donors* on page 70 for a complete list of annual contributions received by the Gavi Group during 2023.

In 2023, the Gavi Group received in-kind contributions from Gavi COVAX AMC donors in the form of COVID-19 vaccine doses under dose sharing arrangements, which were recorded as revenue in accordance with the Gavi Group's accounting policies. See Schedule 1.7: *Gavi COVAX AMC Donated Doses* on page 73 for a complete list of donated doses received by the Gavi Group during 2023.

- **2022 contribution revenue:** Contribution revenue of US\$ 4.5 billion was recorded in 2022.

Some grant agreements were multi-year pledges whose initial fair values were recorded as 2022 revenue in accordance with the Gavi Group's accounting policies. Gavi's multi-year pledges for the year included US\$ 10.0 million and US\$ 3.2 million from Japan and the Kingdom of Belgium, respectively, for the 2021–2025 strategic period and US\$ 5.1 million and US\$ 2.4 million from Commonwealth of Australia and Kingdom of Belgium, respectively, for the Gavi COVAX AMC. In 2022, Gavi assigned to IFFIm the benefit of new sovereign grant agreements from United Kingdom and the Kingdom of Spain in amounts totalling £461 million and €100 million, respectively, with initial recorded fair values totalling US\$ 541 million. The

new grant agreements were assigned to IFFIm to support programme funding to Gavi encompassing its core programmes.

Other grants took the form of annual contributions, which were recorded as revenue as the funds were received. See Schedule 1.5: *Annual Contributions from Donors* on page 70 for a complete list of annual contributions received by the Gavi Group during 2022.

In 2022, the Gavi Group received in-kind contributions from Gavi COVAX AMC donors in the form of COVID-19 vaccine doses under dose-sharing arrangements, which were recorded as revenue in accordance with the Gavi Group's accounting policies. See Schedule 1.7: *Gavi COVAX AMC Donated Doses* on page 73 for a complete list of donated doses received by the Gavi Group during 2022.

- **2021 contribution revenue:** Contribution revenue of US\$ 15.6 billion was recorded in 2021. This high contribution revenue amount was primarily due to continued increase in grant agreements signed by several public and private donors, pursuant to the commitments these donors made at Gavi's third donor pledging conference, in June 2020, in support of Gavi's immunisation mission, including its efforts to respond to the COVID-19 pandemic through the Facility.

Some grant agreements were multi-year pledges whose initial fair values were recorded as 2021 revenue in accordance with the Gavi Group's accounting policies. Gavi's multi-year pledges for the year included US\$ 1.5 billion, US\$ 703 million, US\$ 299 million, US\$ 290 million, US\$ 232 million and US\$ 3 million from the Gates Foundation, the Kingdom of Norway, the United Kingdom, United States Agency for International Development ("USAID"), the Commonwealth of Australia and various other donors, respectively, for the 2021–2025 strategic period and US\$ 4 billion, US\$ 1 billion, US\$ 374 million, US\$ 236 million, US\$ 236 million and US\$ 2 billion from USAID, the Federal Republic of Germany, the Republic of Italy, Canada, the Republic of France, and various other donors, respectively, for the Gavi COVAX AMC. In 2021, Gavi assigned to IFFIm the benefit of new sovereign grant agreements from the Kingdom of Norway, the Kingdom of Sweden and the Commonwealth of Australia in amounts totalling kr (NOK) 4 billion, kr (SEK) 2.5 billion and A\$ 86 million, respectively, with initial recorded fair values totalling US\$ 720 million. The new grant agreements were assigned to IFFIm to support programme funding to Gavi encompassing its core programmes, CEPI's new vaccine research and development activities, and the Gavi COVAX AMC.

The Gavi Group's net investment gain was US\$ 531 million in 2023, an increase from a loss of US\$ 12 million in 2022. IFFIm's investment income was higher by US\$ 37 million in 2023 compared to 2022, as IFFIm's investment portfolio had a relatively higher weighted average balance in 2023. The higher balance, together with increased market returns due to higher interest rates, resulted in a portfolio rate of return of 5.8% during 2023 compared to 1.9% during 2022. Gavi's investment income was higher by US\$ 506 million in 2023 compared to 2022 due to higher interest rates and Gavi's long-term portfolio delivered an estimated gain of 13.2% during 2023 compared to an estimated loss of 8.6% during 2022.

The Gavi Group's programme expenses decreased by 50% in 2023. In 2023, programme expenses comprised primarily US\$ 2.3 billion for cash and vaccine programmes, US\$ 310 million for donated COVID-19 vaccine doses, US\$ 240 million for provision on advance payments to vaccine manufacturers, US\$ 305 million for exit costs, US\$ 251 million for partners' programme implementation, US\$ 28 million for CDS, US\$ 103 million for Secretariat programme implementation, US\$ 2.2 million for CCEOP, and US\$ 34 million for procurement fees. In 2022, a provision on advances to a vaccine manufacturer of US\$ 423 million was recognised for expected costs of expired doses. The actual costs of expired doses of US\$ 424 million was incurred in 2023, with a net effect to programme expenses of US\$ 520 thousand. Programme expenses were lower in 2023 due to the Facility winding down.

Net interest expense was higher in 2023 compared to 2022, primarily due to 1) a higher weighted average of outstanding bonds payable during 2023 compared to 2022; and (2) relatively higher coupon rate on IFFIm's most recent bond issuance in November 2022, which had a larger impact on financing costs in 2023. In 2023, net interest expense on bonds and other borrowings after impact of swaps of US\$ 130 million comprised interest expense of US\$ 44 million and net interest expense on bond swaps of US\$ 86 million. In 2022, net interest expense on bonds and other borrowings after impact of swaps of US\$ 42 million comprised interest expense of US\$ 20 million and net interest expense on bond swaps of US\$ 22 million.

The Gavi Group incurred other fair value gains of US\$ 182 million in 2023, other fair value losses of US\$ 168 million in 2022 and other fair value gains of US\$ 16 million in 2021. The composition and drivers of each of these gains and losses are described below:

- **2023 other fair value gains:** Other fair value gains of US\$ 182 million comprised fair value gains on derivative of US\$ 8 million, foreign currency transaction gains on contributions receivable of US\$ 114 million, and fair value gains on contributions receivable of US\$ 172 million. These gains were partially offset by other fair value losses of US\$ 12 million, net fair value losses on bonds and other borrowings of US\$ 74 million, and other foreign exchange losses of US\$ 26 million.

The US\$ 8 million fair value gains on derivatives and US\$ 74 million fair value losses on bonds and other borrowings were primarily due to the amortisation of previously applied discounted amounts as the duration to maturity of IFFIm's outstanding bonds decreased. The US\$ 114 million foreign currency transaction gains on contributions receivable were primarily the result of a weakened United States dollar against British pound, euro and most of the other currencies in 2023, which significantly increased the fair values of foreign currency denominated contributions receivable. The US\$ 172 million fair value gains on contributions receivable were primarily due to a slightly larger decrease in the grant payment condition value adjustment applied on IFFIm's contributions receivable.

- 2022 other fair value losses: Other fair value losses of US\$ 168 million comprised fair value gains on derivatives of US\$ 358 million, net fair value gains on bonds and other borrowings of US\$ 150 million, and other foreign exchange gains of US\$ 79 million. These gains were partially offset by foreign currency transaction losses on contributions receivable of US\$ 330 million, fair value losses on contributions receivable of US\$ 332 million, and other fair value losses of US\$ 93 million.

The US\$ 358 million fair value gains on derivatives were primarily the result of hedging Gavi's future net cash inflows and a stronger United States dollar in 2022, which resulted in lower fair values of pledge swaps. The US\$ 150 million fair value gains on bonds and other borrowings were primarily the result of higher interest rates in 2022. Due to higher interest rates in 2022, higher discount rates were applied to IFFIm bonds. The US\$ 330 million foreign currency transaction losses on contributions receivable were primarily the result of a stronger United States dollar in 2022, which significantly decreased the fair values of foreign currency denominated contributions receivable. The US\$ 332 million net fair value losses on contributions receivable and US\$ 93 million fair value losses on other receivables were primarily the result of higher interest rates in 2022. Due to higher interest rates in 2022, higher discount factors were applied to the pledges.

- 2021 other fair value gains: Other fair value gains of US\$ 16 million comprised fair value gains on derivatives of US\$ 224 million and net fair value gains on bonds and other borrowings of US\$ 24 million. These gains were partially offset by foreign currency transaction losses on contributions receivable of US\$ 191 million, fair value losses on contributions receivable of US\$ 35 million and other foreign exchange losses of US\$ 6 million.

The US\$ 224 million fair value gains on derivatives were primarily the result of hedging Gavi's future net cash inflows and a stronger United States dollar in 2021, which resulted in lower fair values of pledge swaps. The US\$ 24 million fair value gains on bonds and other borrowings were primarily the result of higher interest rates in 2021. Due to higher interest rates in 2021, higher discount rates were applied to IFFIm bonds. The US\$ 191 million foreign currency transaction losses on contributions receivable were primarily the result of a stronger United States dollar in 2021, which significantly decreased the fair values of foreign currency denominated contributions receivable. The US\$ 35 million net fair value losses on contributions receivable were primarily the result of higher interest rates in 2021. Due to higher interest rates in 2021, higher discount factors were applied to the pledges.

Net fair value gains or losses on derivatives are reported as total revenue and total expenses, respectively, in the Consolidated Statements of Activities on page 36 of the consolidated financial statements. Net fair value gains or losses on contributions receivable and foreign currency transaction gains or losses on contributions receivable are reported as total expenses and/or changes in net assets with donor restrictions in the Consolidated Statements of Activities on page 36 of the consolidated financial statements. Net fair value gains or losses on bonds and other borrowings are reported as net financing income or expense in the Consolidated Statements of Activities on page 36 of the consolidated financial statements and as finance income or expenses in the Consolidated Statements of Functional Expenses on page 38 of the consolidated financial statements. See the *Gavi Foreign Currency and Hedging Activity* and *IFFIm Hedging Activity* sections on pages 26 and 27, respectively, of this report for further information on the Gavi Group's use of derivatives to hedge against market risks.

## OVERVIEW OF CASH FLOWS

The following table summarises the Gavi Group's consolidated cash flows for the years ended 31 December 2023, 2022 and 2021:

In Millions of US\$, except Percentages	2023	2022	2021	Change, 2022 to 2023	Change, 2021 to 2022
Net cash from (used in) operating activities <sup>1</sup>	156	(65)	2,244	(340)%	(103)%
Net cash from (used in) investing activities	(922)	(2,527)	(207)	(64)%	1,121 %
Net cash from (used in) financing activities	(599)	232	1,480	(358)%	(84)%
Net change in cash	(1,365)	(2,360)	3,517	(42)%	(167)%
Cash and restricted cash as of the beginning of the year	2,185	4,545	1,028	(52)%	342 %
Cash and restricted cash as of the end of the year	820	2,185	4,545	(62)%	(52)%

<sup>1</sup> This total includes the effect of exchange rate changes on cash, which is excluded from net cash provided by operating activities reported in the Consolidated Statements of Cash Flows on page 37 of the consolidated financial statements.

Net cash from (used in) operating activities is driven mainly by cash receipts from donors, as described in the *Overview of Assets and Liabilities* section on page 20 of this report, and cash payments to implementing countries, procurement agents, partners and vendors for programmatic and administrative purposes.

Net cash from (used in) investing activities mainly relates to the investment of proceeds from donors and SFPs, as described in the *Overview of Assets and Liabilities* section on page 20 of this report, and bond issuances before those proceeds are used to fund Gavi programmes or redeem bonds.

Net cash from (used in) financing activities reflects the cash inflows from Vaccine Bond issuances and cash outflows from Vaccine Bond redemptions.

Cash and restricted cash in the table above included US\$ 246 million and US\$ 1.3 billion of cash and restricted cash related to Gavi's role as administrator of the Facility as of 31 December 2023 and 2022, respectively.

The Gavi Group's cash receipts from donors and IFFIm investors were as follows:

In Millions of US\$, except Percentages	2023	2022	2021	Change, 2022 to 2023	Change, 2021 to 2022
Sovereign governments and the European Commission	1,332	1,115	864	19 %	29 %
Gates Foundation and other private donors	350	360	216	(3)%	67 %
IFFIm	435	829	1,214	(48)%	(32)%
Other innovative finance mechanisms	618	2,476	7,918	(75)%	(69)%
Total cash receipts from donors and IFFIm investors	2,735	4,780	10,212	(43)%	(53)%

The Gavi Group's programme disbursements were as follows:

In Millions of US\$, except Percentages	2023	2022	2021	Change, 2022 to 2023	Change, 2021 to 2022
NVS	1,151	1,061	1,328	8 %	(20)%
HSS	332	191	248	74 %	(23)%
Facility	498	1,917	5,330	(74)%	(64)%
Total programme disbursements	1,981	3,169	6,906	(37)%	(54)%

In addition to funding country programmes for NVS and HSS considered above, Gavi also provides support through other programmes, for example: the Fiduciary Management and Risk Assurance programme, which ensures timely, efficient and equitable management of Gavi grants by governments in line with the Board's risk appetite; and the Middle-Income Countries Approach, which aims to prevent and mitigate backsliding in vaccine coverage, and to drive the sustainable introduction of key missing vaccines, in certain former and never Gavi-eligible countries. In addition, the Partners' Engagement Framework provides funding to partners allowing them in turn, to support countries' immunisation programmes.

## CASH RESERVE AND LIQUIDITY POLICIES

The Gavi Group has put policies in place to ensure that they maintain sufficient liquidity to meet their obligations to implementing countries, IFFIm investors and all other creditors. These policies are summarised below:

- Gavi cash reserve policy: At all times, Gavi maintains at a minimum unrestricted cash and investment reserve equivalent to eight months of Gavi's expected annual expenditures.
- Gavi programme funding policy: As a prerequisite to Board approval or endorsement of any new programmes, Gavi designates an amount of Qualifying Resources sufficient to fully cover all its commitments for the period from the start of the current year through the next two calendar years. Qualified Resources are defined as the aggregate of Gavi cash and investments on hand, in excess of the reserve policy, and expected future cash inflows for the next two years. Expected future cash flows comprise: (1) expected cash receipts from Gavi – Core and Gavi COVAX AMC donors; (2) expected funding from IFFIm; and (3) projected investment income.
- IFFIm liquidity policy: IFFIm maintains an adequate level of liquidity to meet its operational requirements, provide predictability of programme funding and support its credit rating. Taking these factors into account, IFFIm maintains a minimum balance of pooled investments equivalent to its cumulative contracted debt service payments for the next 12 months. This minimum balance is recalculated and reset on a quarterly basis.

## GAVI FOREIGN CURRENCY AND HEDGING ACTIVITY

Gavi expenditures are primarily incurred in United States dollars. Therefore, Gavi is exposed to foreign currency exchange rate fluctuations on contributions receivable in currencies other than the United States dollar. In November 2011, the Board approved a currency hedging policy that specified parameters for currency hedging through which Gavi can manage this exposure. Under its hedging policy, Gavi actively hedges its foreign currency exchange risk on a portion of contributions receivable and future net cash inflows by entering into currency forward contracts. In addition, a small portion of Gavi's currency exchange risk is naturally hedged by expenses that Gavi incurs in currencies other than the United States dollar.

At the GVS 2020 on 4 June 2020, Gavi valued commitments to Gavi – Core activities from donors' direct contributions using Bloomberg spot foreign currency exchange rates. Using these rates, the valuation of direct contributions committed for the period 2021 to 2025 totalled US\$ 8.1 billion.<sup>2</sup> Various other commitments from donors have since decreased direct contributions and the United States dollar has strengthened since then, thereby decreasing the United States dollar valuation<sup>3</sup> of the direct contributions committed in other currencies. The Secretariat estimated that, as of March 2024, the United States dollar value of the commitments for direct contributions had decreased by US\$ 0.5 billion to a value of US\$ 7.6 billion, for the period 2021 to 2025. The amount of US\$ 7.6 billion comprises:

- US\$ 3.7 billion (49%) for amounts received or to be received in United States dollars;
- US\$ 3.5 billion (46%) for amounts in other currencies already received and exchanged for United States dollars, and amounts to be received that are hedged into United States dollars; and
- US\$ 0.4 billion (5%) for amounts in other currencies to be received that are not yet hedged and are valued using Bloomberg spot rates. Gavi is exposed to exchange rate fluctuations on this amount.

The COVID-19 pandemic has resulted in greater volatility and uncertainty on financial markets. As a result, Gavi applied currency hedging to provide certainty of funding and reduce the volatility in the United States dollar value of future net cash inflows due to exchange rate fluctuations. As of March 2024, Gavi has hedged nearly 85% of the total direct non-US dollar contributions expected to be received over the period 2021 to 2025.

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<sup>2</sup> Includes pledges for direct contributions that were made at Gavi's third donor pledging conference.

<sup>3</sup> The updated valuation of non-US\$ contributions uses Bloomberg spot foreign currency rates as of 31 March 2024.

Gavi remains exposed to foreign currency fluctuations on a portion of its contributions receivable. The sensitivity analysis in the following table shows the impact that a 5% change in value of the United States dollar would have on the fair value of Gavi's contributions receivable as of 31 December 2023 and 2022.

In Millions of US\$	Illustrative increase or decrease in US\$ value of contributions receivable for each 5% movement of exchange rate against US\$	
	2023	2022
Australian dollar	5	9
Euro	25	23
Norwegian krone	13	19

56% and 49% of Gavi's contributions receivable as of 31 December 2023 and 2022, respectively, were denominated in Australian dollar, Euro and Norwegian krone.

## IFFIm HEDGING ACTIVITY

The majority of IFFIm's contributions receivable and some of its bonds and other borrowings are denominated in currencies other than the United States dollar. Therefore, IFFIm is exposed to the risk of financial loss or unpredictable cash flows resulting from fluctuations in foreign exchange rates. Since almost all Gavi's programme expenses are incurred in United States dollars and predictability of funding is essential to Gavi's mission, IFFIm has entered into currency swap contracts with the World Bank and other counterparties to mitigate the aforementioned risks. Under these contracts, IFFIm has effectively swapped foreign currency receipts from donors and payments to investors with United States dollar receipts from, and payments to, the World Bank and other counterparties.

In addition to the abovementioned foreign exchange risks, IFFIm is also exposed to potential adverse changes in the value of contributions receivable and bonds and other borrowings resulting from fluctuations in interest rates. In order to mitigate this risk, IFFIm has entered into interest rate swap contracts with the World Bank. Under these contracts, IFFIm has effectively swapped contributions receivable into dollar floating rate receivables from the World Bank and bonds and other borrowings into floating rate payables to the World Bank.

The following table shows IFFIm's fair value adjustments and interest expense, for the year ended 31 December 2023, before and after the impact of IFFIm's currency and interest rate swaps.

In Millions of US\$	Pledges	Bonds
<u>Interest and fair value adjustments before impact of swaps</u>		
Interest expense	-	(44)
Interest rate fair value gains (losses)	78	(67)
Foreign currency fair value gains (losses)	120	(6)
Other fair value gains	39	-
<b>Total interest and fair value adjustments before impact of swaps</b>	<b>237</b>	<b>(117)</b>
<u>Impact of currency and interest rate swaps</u>		
Interest expense	-	(86)
Interest rate fair value gains	33	59
Foreign currency fair value (losses) gains	(92)	12
Other fair value gains (losses)	6	(5)
<b>Total impact of currency and interest rate swaps</b>	<b>(53)</b>	<b>(20)</b>
<b>Net interest and fair value adjustments after impact of swaps</b>	<b>184</b>	<b>(137)</b>

## SECRETARIAT ENVIRONMENTAL FOOTPRINT

This section lays out the initiative the Secretariat has taken in 2023 to disclose its environmental footprint, which includes emissions and water consumption.

There are three scopes of categorising the different kind of emissions an organisation creates in its operations, as follows:

- **Scope 1 emissions:** direct greenhouse gas (“GHG”) emissions that occur from sources that are controlled or owned by an organisation. The Secretariat does not control or own sources producing emissions.
- **Scope 2 emissions:** indirect GHG emissions associated with the purchase of electricity, steam, heat, or cooling. Scope 2 emissions consist of the electricity consumed by the Secretariat.
- **Scope 3 emissions:** the result of activities from assets not owned or controlled by the reporting organisation, but that the organisation indirectly affects in its value chain. Scope 3 emissions consist of 15 categories and the Secretariat partially discloses scope 3, which includes category 5 (waste generation), category 6 (including business and training travel) and category 7 (including relocation and home leave travel).

The Secretariat maintains operational offices in Washington, DC (“WDC office”) and Geneva, Switzerland [Global Health Campus (“GHC”). Pertinent data regarding the buildings housing these offices is sourced from the facility managers. The facility managers collect data and provide the Secretariat with a proportional allocation based on the Secretariat’s pro-rata share of the building. In 2023, Gavi’s pro-rata share of the building space is 5.9% in the WDC office and 25.7% in the GHC.

Indicator	Definition	Five-year history																								
<b>Electricity consumption</b> <b>2023: 1,131 MWh</b> 2022: 1,153 MWh 2021: 884 MWh 2020: 851 MWh 2019: 1,559 MWh	Measured in megawatt hour (“MWh”), it includes the direct consumption of electricity, domestic hot water, cooling and heating of WDC office and GHC.  The purchased electricity at GHC has been converted in tons of carbon dioxide equivalent (“tCO <sub>2</sub> e”) using the EU GHG emission intensity rate of electricity generation*. The conversion rate for WDC office has been provided by facility manager.	<table border="1"> <caption>Electricity Consumption Data (2019-2023)</caption> <thead> <tr> <th>Year</th> <th>GHC (MWh)</th> <th>WDC (MWh)</th> <th>tCO<sub>2</sub>e</th> </tr> </thead> <tbody> <tr> <td>2019</td> <td>1,300</td> <td>259</td> <td>400</td> </tr> <tr> <td>2020</td> <td>650</td> <td>201</td> <td>250</td> </tr> <tr> <td>2021</td> <td>700</td> <td>184</td> <td>250</td> </tr> <tr> <td>2022</td> <td>900</td> <td>253</td> <td>300</td> </tr> <tr> <td>2023</td> <td>900</td> <td>231</td> <td>280</td> </tr> </tbody> </table>	Year	GHC (MWh)	WDC (MWh)	tCO <sub>2</sub> e	2019	1,300	259	400	2020	650	201	250	2021	700	184	250	2022	900	253	300	2023	900	231	280
Year	GHC (MWh)	WDC (MWh)	tCO <sub>2</sub> e																							
2019	1,300	259	400																							
2020	650	201	250																							
2021	700	184	250																							
2022	900	253	300																							
2023	900	231	280																							
* 2022 conversion rate was used as the 2023 rate was not available.																										

GHC building performance is high compared to the average of the Canton of Geneva. GHC “Indice de dépense de chaleur” is estimated at 29 kilowatt hour (“KWh”) per square metre, well below the average of the Canton (141 KWh per square metre). Other optimisation actions, scheduled for 2024 consist of: changing underground lamps to LED, blocking blinds in shaded positions in the summer of 2024, optimising heating and cooling consumption using new sub-meters. The electricity consumption decreased by 22 MWh in 2023 compared to 2022 and decreased by 428 MWh compared to 2019.

Indicator	Definition	Five-year history																								
<b>Waste</b> <b>2023: 15.1 tons</b> 2022: 23.8 tons 2021: 3.9 tons 2020: 10.5 tons 2019: 30.6 tons	Measured in tons, recycled waste includes paper, glass, plastic/polyethylene terephthalate (“PET”), metal, wood, construction waste and hazardous waste and not recycled waste includes mixed waste.  The data is related only to GHC, as data is not available in the WDC office.	<table border="1"> <caption>Waste Generation Data (2019-2023)</caption> <thead> <tr> <th>Year</th> <th>Recycled (tons)</th> <th>Not recycled (tons)</th> <th>Total (tons)</th> </tr> </thead> <tbody> <tr> <td>2019</td> <td>8.5</td> <td>22.1</td> <td>30.6</td> </tr> <tr> <td>2020</td> <td>2.5</td> <td>8.0</td> <td>10.5</td> </tr> <tr> <td>2021</td> <td>0.5</td> <td>3.4</td> <td>3.9</td> </tr> <tr> <td>2022</td> <td>6.5</td> <td>17.3</td> <td>23.8</td> </tr> <tr> <td>2023</td> <td>9.0</td> <td>6.1</td> <td>15.1</td> </tr> </tbody> </table>	Year	Recycled (tons)	Not recycled (tons)	Total (tons)	2019	8.5	22.1	30.6	2020	2.5	8.0	10.5	2021	0.5	3.4	3.9	2022	6.5	17.3	23.8	2023	9.0	6.1	15.1
Year	Recycled (tons)	Not recycled (tons)	Total (tons)																							
2019	8.5	22.1	30.6																							
2020	2.5	8.0	10.5																							
2021	0.5	3.4	3.9																							
2022	6.5	17.3	23.8																							
2023	9.0	6.1	15.1																							

The total waste generated by GHC decreased by 37% from 23.8 tons in 2022 to 15.1 tons in 2023. The percentage recycled waste increased by 65% compared to 2022. The low levels in 2020 and 2021 were due to the pandemic.



Indicator	Definition	Five-year history																								
<b>Travel</b> <b>2023: 4,297 tCO<sub>2</sub>e</b> 2022: 2,782 tCO <sub>2</sub> e 2021: 577 tCO <sub>2</sub> e 2020: 115 tCO <sub>2</sub> e 2019: 4,962 tCO <sub>2</sub> e	Measured in tCO <sub>2</sub> e, it includes travel of employees and consultants covered by the Secretariat's travel agent. Data is extracted from the portal of the travel agent and is calculated as per GHG Protocol.  Category 6 relates to travel for business and training of employees and category 7 relates to travel for home leave and relocation of employees.	<table border="1"> <caption>Travel Emissions (tCO<sub>2</sub>e)</caption> <thead> <tr> <th>Year</th> <th>Category 6</th> <th>Category 7</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>2019</td> <td>4,847</td> <td>115</td> <td>4,962</td> </tr> <tr> <td>2020</td> <td>115</td> <td>0</td> <td>115</td> </tr> <tr> <td>2021</td> <td>577</td> <td>0</td> <td>577</td> </tr> <tr> <td>2022</td> <td>2,782</td> <td>0</td> <td>2,782</td> </tr> <tr> <td>2023</td> <td>4,182</td> <td>115</td> <td>4,297</td> </tr> </tbody> </table>	Year	Category 6	Category 7	Total	2019	4,847	115	4,962	2020	115	0	115	2021	577	0	577	2022	2,782	0	2,782	2023	4,182	115	4,297
Year	Category 6	Category 7	Total																							
2019	4,847	115	4,962																							
2020	115	0	115																							
2021	577	0	577																							
2022	2,782	0	2,782																							
2023	4,182	115	4,297																							

Travel of employees, as well as experts, conference participants and other stakeholders, partially or totally sponsored by Gavi, is necessary to fulfil the Secretariat's mission and operations. In 2023, 95% of travel emissions are related to category 6 of scope 3 emissions.

Indicator	Definition	Five-year history																		
<b>Water consumption</b> <b>2023: 2,764 m<sup>3</sup></b> 2022: 1,665 m <sup>3</sup> 2021: 240 m <sup>3</sup> 2020: 831 m <sup>3</sup> 2019: 2,328 m <sup>3</sup>	Measured in cubic meters ("m <sup>3</sup> "), includes water consumed at GHC. The data is not available in the WDC office.	<table border="1"> <caption>Water Consumption Data</caption> <thead> <tr> <th>Year</th> <th>Total m<sup>3</sup></th> <th>m<sup>3</sup> per employee</th> </tr> </thead> <tbody> <tr> <td>2019</td> <td>2,328</td> <td>7.0</td> </tr> <tr> <td>2020</td> <td>831</td> <td>2.5</td> </tr> <tr> <td>2021</td> <td>240</td> <td>1.0</td> </tr> <tr> <td>2022</td> <td>1,665</td> <td>4.0</td> </tr> <tr> <td>2023</td> <td>2,764</td> <td>5.6</td> </tr> </tbody> </table>	Year	Total m <sup>3</sup>	m <sup>3</sup> per employee	2019	2,328	7.0	2020	831	2.5	2021	240	1.0	2022	1,665	4.0	2023	2,764	5.6
Year	Total m <sup>3</sup>	m <sup>3</sup> per employee																		
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2021	240	1.0																		
2022	1,665	4.0																		
2023	2,764	5.6																		

The Secretariat is aiming to adopt conscious water consumption in all offices. The amount of water consumed per employee in 2023 increased by 1.6 m<sup>3</sup> compared to 2022. The low levels in 2020 and 2021 were due to the pandemic.

## RECENT EVENTS

### COVAX FACILITY MILESTONES

AMC participants made significant progress in vaccine delivery efforts, enabled by consistent and predictable vaccine supply provided through COVAX and other sources, and intensified support to countries for uptake activities.

COVAX shipped nearly 2 billion COVID-19 vaccine doses to 146 economies, including over 1.77 billion doses to AMC economies, contributing significantly to coverage rates achieved in lower-income countries. COVAX represented a major source of COVID-19 vaccine supply to low-income countries as well as to the African continent.

With additional successful fundraising for the Gavi COVAX AMC, in 2022, COVAX was able to secure sufficient supply to meet participant demand, raise urgent funds for support to turn vaccines into vaccinations and put in place contingency financing in support of scenario planning via the launch of the Pandemic Vaccine Pool ("PVP"). It was also able to resize its portfolio of APAs and donations, successfully hitting targets to ensure continuing to meet countries' needs while minimising above-country wastage and securing access to optional doses to meet unforecasted increases in demand.

COVID-19 delivery funding was instrumental to readiness and scale-up of country absorption and continues to be critical to supporting country needs. Through Gavi, US\$ 1.3 billion in delivery funding was made available to 88 lower income countries, including US\$ 150 million made available from core resources for early investments in technical assistance and cold chain equipment. COVID-19 vaccine delivery investments have had both immediate benefits for COVID-19 vaccine delivery, and in line with the third Gavi CDS objective of integration, are expected to have long-term benefits to routine immunisation programmes and

health systems. COVID-19 delivery funding is supporting cross-cutting delivery investments for vaccination scale-up and building cold chain capacity, generating demand at national and subnational levels; spearheading innovations to track and monitor vaccine safety and stock management; implementing vaccine-related innovative real-time data monitoring mechanisms and geospatial data support; and expanding partnerships with civil society organisations. Capacity built in these areas not only help to strengthen health systems but can improve preparedness for future pandemics. At the beginning of 2022, 34 AMC countries were below 10% primary series coverage (28 in Africa). They received concerted delivery support through 2022 and into 2023. 28 countries have now moved past 10%, with many at coverage rates of 30% and beyond.

Gavi and COVAX have supported lower-income countries to collectively administer more vaccines since 2021 than in any other period in history – reaching new demographics, such as adult populations, even without dedicated large-scale surge response capacity – and enabling rapid targeted increase in coverage in the most difficult settings. There was significant progress in closing the equity gap, with an average of 57% of the population across 92 AMC-eligible countries now protected with a primary series, compared to the global primary coverage average of 67%. AMC coverage of health care workers (HCWs), a key high-risk group, was at 84%, compared to the global average of HCWs coverage of 89%; and coverage of older adults was at 72%, compared to the global average of 83%. Effective coverage of high-risk groups, including with boosters, will continue to be a key priority through the COVID-19 vaccine 2024–2025 programme.

According to Imperial College London estimates, COVAX doses have helped avert more than 2.7 million deaths and have averted 75% of deaths in low-income countries and 73% of deaths in AMC-supported African countries through end 2022. In June 2023, the Gavi Board confirmed the plan to move towards integration of COVID-19 vaccine into routine core programmes from 2024 onwards, in alignment with the WHO base case scenario. Gavi will continue to support the 91 lower-income AMC countries through the COVID-19 vaccine programme in 2024–2025. The focus will be on protecting high priority groups. This support will include procurement of vaccines and delivery support, including integration of COVID-19 vaccine into routine immunisation programmes.

Latest data on COVAX is available here: <https://www.gavi.org/news-resources/document-library/covax-data-brief>.

## CESSATION OF COVAX FACILITY

In June 2023, the Gavi Board agreed that Gavi would cease to administer the Facility beyond 31 December 2023. Despite Gavi no longer administering the Facility, the Gavi Board agreed in December 2023 to continue supporting countries in 2024–2025 with COVID-19 vaccines through the COVID-19 vaccine programme.

Following the end of the Facility, the balance of COVAX funds of US\$ 5.3 billion as of 31 December 2023 will cover the following:

- a. outstanding commitments to vaccine manufacturers under APA as described in Note 24 of the consolidated financial statements;
- b. phased in-country delivery (CDS) as approved by the Gavi Board;
- c. potential commitments under the No-Fault Compensation Programme which runs through 2027; and
- d. any operating costs to fully close the Facility.

For any remaining funds on behalf of SFPs, Gavi will continue the close-out process beyond 2023 to return remaining funds where relevant to SFPs according to their Termination Agreements.

For any remaining funds for Gavi COVAX AMC, Gavi and Gavi COVAX AMC donors have started a process to amend grants to extend permitted uses of unspent Gavi COVAX AMC funds toward other Gavi programmes, including the COVID-19 Programme, Regional Manufacturing (African Vaccine Manufacturing Accelerator), the Day Zero Financing Facility First Response Fund, the Big Catch-up, and the Pandemic Prevention, Preparedness, Response Coalition Network and others. Gavi is reviewing and monitoring the amendments and as of the date of the issuance of the consolidated financial statements, the amendments have not resulted in a significant change or adjustment to the consolidated financial statements as of 31 December 2023.

## NEW SOVEREIGN PLEDGE

In December 2023, IFFIm received a new sovereign pledge of €75 million from the Kingdom of Spain, which will be payable to IFFIm over a period of 12 years. The new pledge was made to IFFIm to support programme funding to Gavi encompassing CEPI's new vaccine research and development activities.

## SETTLEMENT WITH VACCINE MANUFACTURER

On 16 February 2024, Gavi entered into a Termination and Settlement Agreement with Novavax, ending the arbitration proceedings and releasing both parties of all claims arising from, under or otherwise in connection with the APA.

Pursuant to the Settlement Agreement, Novavax has paid to Gavi an initial settlement payment of US\$ 75 million, which was received on 20 February 2024, and agreed to make deferred payments of US\$ 400 million, which shall be paid in variable quarterly instalments and will be equal to US\$ 80 million in each calendar year for a term ending 31 December 2028. Such deferred payments may be reduced through Gavi's use of an annual vaccine credit equivalent to the unpaid balance of such deferred payments each year, which may be applied to the procurement of any of Novavax's vaccines by procurement agencies acting on behalf of Gavi.

In addition, Novavax granted Gavi an additional credit of up to US\$ 225 million that may be applied against procurement of Novavax vaccines beyond the US\$ 80 million deferred payment amount in any calendar year during the deferred payment term. Gavi and Novavax also entered into a security agreement pursuant to which Novavax granted Gavi a security interest in certain accounts receivable from SII under the License and Supply Agreement dated as of 10 March 2020, by and between SII and Novavax related to the licensure and supply of Novavax's Matrix-M adjuvant for Serum's production of a malaria vaccine including the R21 antigen, which will continue for the deferred payment term of the Settlement Agreement.

As of 31 December 2023, advances to vaccine manufacturers and procurement agents include the additional credit from Novavax of US\$ 220 million, net of US\$ 5 million procured doses, and other receivables include an advance payment due from Novavax of US\$ 475 million, offset with a valuation adjustment of US\$ 114 million.

On 10 May 2024, Novavax entered into a licensing agreement with Sanofi which includes a cash upfront payment to Novavax and a potential for further milestone and royalty payments. This development may have a beneficial impact on the valuation adjustment described above.

## STRESS IN THE GLOBAL BANKING SYSTEM

Management has considered the stress in the banking system that occurred in the first quarter of 2023 and its global impact on economic activity and financial markets. The Gavi Group has evaluated and assessed the potential impact on its financial position, performance and ability to continue meeting its obligations, including the impact on Gavi's counterparty credit risk in derivative instruments with a counterparty whose credit rating has become lower than A or A2. Management does not expect that the Gavi Group's overall financial position and performance will be significantly impacted by the adverse effects of the stress in the banking system. The Gavi Group has measures in place to ensure it maintains sufficient liquidity and capacity to meet its obligations as they fall due, and to continue undertaking its business activities on an ongoing basis. Management does acknowledge the risks and the potential challenges this may involve.

## FUTURE PLANS

### MEETING FUTURE VACCINE DEMAND

Taking into account the available resources, the Secretariat forecasts that Gavi will have sufficient resources to fund all its programmatic commitments, as revised for the impact of the COVID-19 pandemic on Gavi's core mission and the response to the pandemic through the Facility.

Gavi – Core: the Secretariat regularly forecasts, reviews and manages Gavi's cash flows to ensure that Gavi has sufficient Qualifying Resources and liquidity to meet all its future vaccine demand. See *Cash Reserve and Liquidity Policies* section on page 26 of this report for further information on Gavi's Qualifying Resources and liquidity policies.

As of December 2023, the date of the last forecast approved by the Board, Gavi's estimated Qualifying Resources for its 2021–2025 strategic period totalled US\$ 10.4 billion, while its total forecasted cash outflows for the same period were US\$ 10.3 billion. Therefore, Gavi had approximately US\$ 0.1 billion available for additional future mission-related investments. This surplus also provides increased assurance that Gavi will be able to meet future vaccine demand while still responding to significant unexpected future events and has allowed Gavi to provide additional support to countries in response to the COVID-19 pandemic.

Gavi – Facility: in June 2023, the Gavi Board agreed that Gavi would cease to administer the Facility beyond 31 December 2023. Despite Gavi no longer administering the Facility, the Gavi Board agreed in December 2023 to continue supporting countries in 2024–2025 with COVID-19 vaccines through the COVID-19 programme. The Secretariat anticipates that the COVID-19 related forecast will continue to rapidly evolve, including the revisions necessary to reflect any future Board decisions on the strategy of the Gavi COVAX AMC and COVID-19 Programme.

As of December 2023, the date of the last forecast approved by the Board, Gavi COVAX AMC's estimated Qualifying Resources for the period 2020 to 2023 and COVID-19 Programme's estimated Qualifying Resources for the period 2024 to 2025 totalled US\$ 12.5 billion, while its total forecasted cash outflows for the same period was US\$ 12.5 billion (made up of US\$ 9.6 billion base expenditure, US\$ 2.1 billion PVP, US\$ 0.6 billion dose-sharing ancillary, and US\$ 0.2 billion interest income, after funding the COVID-19 Programme).

# PREPARATION OF THE ANNUAL FINANCIAL REPORT

## RESPONSIBILITY FOR CONSOLIDATED FINANCIAL STATEMENTS

The Board and the Secretariat are responsible for the preparation of Gavi's consolidated financial statements and related information that is presented in this report. The consolidated financial statements have been prepared in accordance with US GAAP and also comply with Swiss Law and the Gavi Alliance Statutes. Gavi's consolidated financial statements include amounts based on estimates and judgments made by the Secretariat. The Company engaged Deloitte to audit and opine on Gavi's consolidated financial statements.

Gavi designs and maintains accounting and internal control systems to provide reasonable assurance at reasonable cost that assets are safeguarded against loss from unauthorised use or disposition, and that the financial records are reliable for preparing consolidated financial statements and maintaining accountability for assets. These systems are augmented by written policies, an organisational structure providing division of responsibilities, careful selection and training of qualified personnel, and a programme of internal audits.

The Board, through its AFC, meets periodically with the Secretariat, internal auditor and Deloitte to ensure that each is meeting its responsibilities, and to discuss matters concerning internal controls and financial reporting. Deloitte and the internal auditor each have full and free access to the AFC.

## FORWARD-LOOKING INFORMATION

Certain information contained in this *Discussion and Analysis* constitutes forward-looking information. This forward-looking information relates to the future financial conditions and results of activities of Gavi. The information represents the Secretariat's current expectations and estimates about the business environments in which Gavi operates and the Secretariat's beliefs and assumptions regarding these environments. This forward-looking information is subject to important risks and uncertainties that are difficult to predict, and assumptions that may prove to be inaccurate. The results or events predicted in the forward-looking information contained in this *Discussion and Analysis* may differ materially from actual results or events.

# CONSOLIDATED FINANCIAL STATEMENTS



## CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

In Thousands of US\$	Note	As of 31 December 2023	As of 31 December 2022
<u>Assets</u>			
Cash		143,767	229,053
Restricted cash	3	676,471	1,956,041
Investments	4	7,310,612	5,768,566
Pooled investments	4	522,091	1,005,115
Contributions receivable	5	4,304,036	4,911,865
Foreign currency forward contracts receivable	6	77,557	144,407
Receivables, prepaid expenses and other assets	7	584,123	1,233,570
Currency and interest rate swaps receivable	6	377,189	446,875
Receivable on COVAX Facility arrangements	8	585	5,675
Operating lease right-of-use asset	18	9,195	16,434
<b>Total assets</b>		<b>14,005,626</b>	<b>15,717,601</b>
<u>Liabilities and net assets</u>			
<u>Liabilities</u>			
Accounts payable and other liabilities	9	1,214,102	951,869
Programme grants payable	10	463,447	36,793
Procurement accounts payable	3	601,821	957,016
Foreign currency forward contracts payable	6	12,187	10,388
Currency and interest rate swaps payable	6	293,452	359,536
Payable on COVAX Facility arrangements	8	503,529	988,571
Operating lease obligations	18	11,438	18,859
Bonds and other borrowings	11	1,956,532	2,413,237
<b>Total liabilities</b>		<b>5,056,508</b>	<b>5,736,269</b>
<u>Net assets</u>			
Without donor restrictions		564,734	1,000,733
With donor restrictions	12	8,384,384	8,980,599
<b>Total net assets</b>		<b>8,949,118</b>	<b>9,981,332</b>
<b>Total liabilities and net assets</b>		<b>14,005,626</b>	<b>15,717,601</b>

**The accompanying notes are an integral part of these consolidated financial statements.**



## CONSOLIDATED STATEMENTS OF ACTIVITIES

<b>In Thousands of US\$</b>	<b>Note</b>	<b>Year Ended 31 December 2023</b>	<b>Year Ended 31 December 2022</b>
<u>Changes in net assets without donor restrictions</u>			
<u>Revenue</u>			
Contributions from government and private donors		393,872	450,202
Net investment income	13	530,645	-
Net fair value gains on derivatives	14	-	335,878
Net financing income	15	-	130,508
Foreign currency transaction adjustment		-	79,401
Other revenue		7,095	2,127
Release of net assets from restrictions		2,523,600	3,667,902
<b>Total revenue</b>		<b>3,455,212</b>	<b>4,666,018</b>
<u>Expenses</u>			
Programme	16	3,578,720	7,181,953
Management and general		44,872	32,250
Fundraising		32,616	28,615
Net investment expenses	13	-	12,252
Net fair value losses on derivatives	14	77,713	-
Net financing expenses	15	118,162	-
Foreign currency transaction adjustment		26,611	-
Other fair value losses	7, 8	12,517	93,300
<b>Total expenses</b>		<b>3,891,211</b>	<b>7,348,370</b>
<b>Change in net assets without donor restrictions</b>		<b>(435,999)</b>	<b>(2,682,352)</b>
<u>Changes in net assets with donor restrictions</u>			
Contributions from government and private donors		1,330,621	2,711,346
Contributed non-financial assets	17	310,296	1,309,841
Net fair value gains (losses) on contributions receivable		172,312	(332,237)
Foreign currency transaction adjustment on contributions receivable		114,156	(330,444)
Release of net assets from restrictions		(2,523,600)	(3,667,902)
<b>Change in net assets with donor restrictions</b>		<b>(596,215)</b>	<b>(309,396)</b>
<u>Net assets as of the beginning of the year</u>			
Without donor restrictions		1,000,733	3,683,085
With donor restrictions		8,980,599	9,289,995
<b>Total net assets as of the beginning of the year</b>		<b>9,981,332</b>	<b>12,973,080</b>
<u>Net assets as of the end of the year</u>			
Without donor restrictions		564,734	1,000,733
With donor restrictions	12	8,384,384	8,980,599
<b>Net assets as of the end of the year</b>		<b>8,949,118</b>	<b>9,981,332</b>

**The accompanying notes are an integral part of these consolidated financial statements.**

## CONSOLIDATED STATEMENTS OF CASH FLOWS

<b>In Thousands of US\$</b>	<b>Note</b>	<b>Year Ended 31 December 2023</b>	<b>Year Ended 31 December 2022</b>
<u>Net cash flows from operating activities</u>			
<u>Change in net assets</u>		(1,032,214)	(2,991,748)
<u>Adjustments to reconcile change in net assets to net cash from operating activities:</u>			
Realised and unrealised (gains) losses on investments and pooled investments		(137,511)	114,316
(Increase) decrease in fair value of contributions receivable		(172,312)	332,237
Foreign currency transaction adjustment		(82,241)	160,082
Programme grants payable written off		(20,013)	(16,352)
Provision on advances to vaccine manufacturers		239,692	647,000
Decrease (increase) in fair value of bonds and other borrowings		73,725	(143,877)
Other fair value losses		12,517	93,300
Amortisation of operating lease right-of-use asset		7,239	2,433
Depreciation expense		1,065	864
Loss on disposal of fixed assets		-	11
Investment fees		334	1,045
<u>Changes in assets and liabilities:</u>			
Decrease in contributions receivable		862,229	1,238,992
Decrease (increase) in foreign currency forward contracts receivable		66,850	(107,219)
Decrease in receivables, prepaid expenses and other assets		349,453	2,295,386
Decrease in receivable on COVAX Facility arrangements		5,090	7,946
Increase in accounts payable and other liabilities		262,233	176,689
Increase (decrease) in programme grants payable		446,667	(5,934)
Decrease in procurement accounts payable		(355,195)	(879,978)
Increase (decrease) in foreign currency forward contracts payable		1,799	(37,500)
Increase (decrease) in net currency and interest rate swaps		72,421	(269,322)
Decrease in payable on COVAX Facility arrangements		(438,013)	(670,586)
Decrease in operating lease obligation		(7,421)	(2,795)
<u>Net cash provided by (used in) operating activities</u>		156,394	(55,010)
<u>Cash flows from investing activities</u>			
Purchase of fixed assets		(309)	(739)
Purchase of investments and pooled investments		(17,379,195)	(8,882,204)
Sales of investments and pooled investments		16,457,350	6,354,713
<u>Net cash used in investing activities</u>		(922,154)	(2,528,230)
<u>Cash flows from financing activities</u>			
Net payments upon settlement of swaps related to bonds and other borrowings		(68,819)	(14,043)
Proceeds from issuance of bonds and other borrowings		-	830,332
Redemption of bonds and other borrowings		(530,430)	(584,243)
<u>Net cash (used in) provided by financing activities</u>		(599,249)	232,046
Effect of exchange rate changes on cash		153	(9,559)
<u>Net change in cash</u>		(1,364,856)	(2,360,753)
Cash and restricted cash as of the beginning of the year		2,185,094	4,545,847
Cash and restricted cash as of the end of the year	23	820,238	2,185,094
<u>Supplemental disclosures</u>			
Cash paid for interest		43,135	12,233
Cash received for interest		313,624	78,180

The accompanying notes are an integral part of these consolidated financial statements.

## CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES

<b>Year Ended 31 December 2023, in Thousands of US\$</b>	<b>Programme Expenses</b>	<b>Manage- ment and General Expenses</b>	<b>Financing Expenses</b>	<b>Fundraising Expenses</b>	<b>Total Expenses</b>
Direct programme expenses	3,223,723	-	-	-	3,223,723
Programme implementation	251,499	-	-	-	251,499
<b>Total programme expenses</b>	<b>3,475,222</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,475,222</b>
Payroll and benefits	50,467	22,624	-	12,233	85,324
Training and recruitment	-	1,305	-	-	1,305
Professional fees	34,404	14,670	-	14,668	63,742
Media production and distribution	377	12	-	504	893
Events and meetings	1,347	1,603	-	1,435	4,385
Travel and representation	5,350	851	-	1,311	7,512
Facility and office costs	8,670	3,001	-	1,858	13,529
Supplies and minor equipment	2,883	806	-	607	4,296
Finance expense	-	-	74,009	-	74,009
Interest expense	-	-	44,153	-	44,153
Other operating expenses	103,498	44,872	118,162	32,616	299,148
<b>Total functional expenses</b>	<b>3,578,720</b>	<b>44,872</b>	<b>118,162</b>	<b>32,616</b>	<b>3,774,370</b>

<b>Year Ended 31 December 2022, in Thousands of US\$</b>	<b>Programme Expenses</b>	<b>Manage- ment and General Expenses</b>	<b>Financing Expenses</b>	<b>Fundraising Expenses</b>	<b>Total Expenses</b>
Direct programme expenses	6,909,559	-	-	-	6,909,559
Programme implementation	186,103	-	-	-	186,103
<b>Total programme expenses</b>	<b>7,095,662</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,095,662</b>
Payroll and benefits	45,617	11,785	-	12,651	70,053
Training and recruitment	-	1,038	-	-	1,038
Professional fees	28,110	12,599	-	12,249	52,958
Media production and distribution	175	17	-	367	559
Events and meetings	725	1,247	-	578	2,550
Travel and representation	2,573	367	-	545	3,485
Facility and office costs	6,462	4,421	-	1,592	12,475
Supplies and minor equipment	2,629	776	-	633	4,038
Finance income	-	-	(150,153)	-	(150,153)
Interest expense	-	-	19,645	-	19,645
Other operating expenses	86,291	32,250	(130,508)	28,615	16,648
<b>Total functional expenses</b>	<b>7,181,953</b>	<b>32,250</b>	<b>(130,508)</b>	<b>28,615</b>	<b>7,112,310</b>

The accompanying notes are an integral part of these consolidated financial statements.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 1. NATURE OF OPERATIONS AND AFFILIATIONS

These consolidated financial statements include the accounts of the following entities: (1) the Gavi Alliance (“Gavi”) and (2) the International Finance Facility for Immunisation Company (“IFFIm”). For the purposes of these consolidated financial statements, Gavi and IFFIm are collectively referred to as the Gavi Group. Each entity included in these consolidated financial statements is described below.

**The Gavi Alliance:** Gavi was formerly known as the Global Alliance for Vaccines and Immunisation. It was created in 2000 to respond to and combat declining immunisation rates in implementing countries. Gavi was initially created as a non-judicial association of public and private sector organisations, institutions and governments, including the Bill & Melinda Gates Foundation (“Gates Foundation”), the United Nations Children’s Fund (“UNICEF”), the International Bank for Reconstruction and Development (“World Bank”), the World Health Organization (“WHO”), implementing country governments, grantor country governments, vaccine manufacturers, civil society organisations, and research and technical health institutes. Gavi is registered as an international organisation in Switzerland, with privileges and immunities similar to those accorded to other international intergovernmental organisations.

In April 2020, Gavi, WHO, and the Coalition for Epidemic Preparedness Innovations (“CEPI”), working together with multinational and developing country vaccine manufacturers, launched the COVAX Facility (“Facility”) as a global risk-sharing mechanism for pooled procurement and equitable distribution of eventual COVID-19 vaccines. In July 2020, the Gavi Board formally approved Gavi as the legal entity to administer the Facility and Gavi established, within the Secretariat, the Office of the COVAX Facility during the year, to execute its responsibilities as administrator. Gavi maintains separate contracts, bank accounts and money market funds, general ledger accounts, where necessary, and expense coding for the Facility to keep track of the transactions and activities. The Facility is not a separate legal entity.

The principal role of the Facility was to help countries fulfil their national vaccination strategies by enabling equitable access to life-saving COVID-19 vaccines. By joining the Facility, participating countries and economies obtained not only access to a diverse portfolio of COVID-19 vaccines at beneficial prices, but also an actively managed portfolio. The Facility had global participation of 193 economies (representing more than 90% of the world’s population), consisting of 101 Self-Financing Participants (“SFPs”), including “Team Europe” – the European Commission on behalf of 27 European Union member states plus Norway and Iceland; and 92 AMC-eligible economies (“AMC92”).

With funding through the SFPs and through donations to the Gavi Advance Market Commitment for COVID-19 vaccines (“Gavi COVAX AMC”), the Facility reserved doses with manufacturers to build an actively managed portfolio of vaccines based upon diverse technologies and geographies to accelerate access. This shaped the vaccine market to expand supply and achieve economies of scale through aggregating demand and increasing availability simultaneously in lower-income and higher-income countries.

In June 2023, the Gavi Board agreed that Gavi would cease to administer the Facility beyond 31 December 2023.

**The International Finance Facility for Immunisation Company:** IFFIm was incorporated in June 2006 as a private company limited by guarantee under the United Kingdom Companies Act 1985, with company registration number 5857343. It is also registered as a charity with the Charity Commission for England and Wales, with charity registration number 1115413. IFFIm is a multilateral development institution that raises funds by issuing bonds in the international capital markets. It then disburses the funds to Gavi, which uses the funds for its vaccine procurement, immunisation, health system strengthening (“HSS”), vaccine research and development programmes, and procurement and delivery of COVID-19 vaccines. Gavi is the sole member of IFFIm. Gavi also has ongoing economic interests in the net assets of IFFIm through contracts and affiliation agreements.

## 2. SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting:** The accompanying consolidated financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States (“US GAAP”).

**Basis of Consolidation:** The accompanying consolidated financial statements include the accounts of Gavi and IFFIm. All intercompany balances and transactions have been eliminated on consolidation.

**Cash or Cash Equivalents:** The Gavi Group reports all demand deposits as cash and has not experienced any losses in these accounts. Risks are managed in accordance with its cash and liquidity management policy. The Gavi Group does not believe it is exposed to any significant credit risk related to the accounts. Cash equivalents are short-term, highly liquid investments with original maturities of three months or less. The

Gavi Group reports all cash equivalents, which includes fiduciary deposits and money market funds, as investments.

**Net Contributions Receivable:** The Gavi Group's net contributions receivable comprises unconditional promises to give from donors. The Gavi Group records each unconditional promise to give at fair value on the date the recognition criteria are met. A conditional promise to give is considered unconditional if the barriers or conditions are met. The techniques applied in determining the fair values of promises to give are described in the *Fair Values of Financial Instruments* section below. In addition, management evaluates the collectability based on historical experience and likelihood of payment.

Due to the nature of promises to give, changes in market and credit risk, vaccine demand and the economic environment may significantly impact the inputs used in the model and, consequently, the fair values of the contributions receivable. Although a secondary market might not exist for these transactions, it is reasonably possible that if the Gavi Group were to sell these receivables in a secondary market a buyer might require a discount to the reported fair value, and the discount could be significant.

Changes in the fair values of contributions receivable, excluding fair value changes related to changes in currency exchange rates, are recognised in the Consolidated Statements of Activities in the period of change and included in net fair value gains and losses on contributions receivable in the Consolidated Statements of Activities.

Contributions receivable pledged in currencies other than the United States dollars are converted to United States dollars using the spot currency exchange rates as of year-end. Fair value changes related to changes in currency exchange rates are reported in the Consolidated Statements of Activities as foreign currency transaction adjustment.

**Receivable on COVAX Facility Arrangements:** These are the contractual amounts of down payments/upfront payments due from SFPs and cost-sharing participants, which are due and irrevocable when the participants join the Facility.

**Investments:** Gavi and IFFIm manage and record their investments in different ways as follows:

- **Investments held by Gavi:** These investments are governed by Gavi's investment policies and managed by external investment managers. The investments are recorded at fair value. Investment sales and purchases are recorded on a trade-date basis, which results in both investment receivables and payables on unsettled investment trades on individually held securities. Money market accounts managed by external advisers, with original maturities of three months or less, are reported in the Consolidated Statements of Financial Position as investments.
- **Investments held by IFFIm:** These investments are managed on a pooled basis by the World Bank, which maintains a single, commingled investment portfolio ("Pool") for all of the trust funds it administers. The World Bank commingles IFFIm's assets with other trust fund assets it administers. The amounts recorded in the Gavi Group's Consolidated Statements of Financial Position represent the Gavi Group's allocated share of the Pool's fair value at year-end. The fair value is based on market quotations, where available. If quoted market prices are not available, fair values are based on quoted market prices of comparable instruments. The carrying amount of cash included in the Pool approximates its fair value.

The Gavi Group records investments at fair value. The techniques applied in determining the fair values of investments are described in the *Fair Values of Financial Instruments* section below.

Gains and losses on investments as well as interest and dividend income are reported as net investment income (expense) in the Consolidated Statements of Activities.

**Fixed Assets:** Furniture, equipment, computer software, and leasehold improvements that were purchased by the Gavi Group are stated at cost. Depreciation for furniture and equipment is calculated using the straight-line method over their estimated useful lives of three to five years. Depreciation for leasehold improvements is calculated using the straight-line method over the shorter of the asset's useful life or the term of the lease. Fixed assets (net of accumulated depreciation of US\$ 8.0 million and US\$ 6.9 million in 2023 and 2022, respectively) of US\$ 1.4 million and US\$ 2.2 million are included in receivables, prepaid expenses and other assets in the Consolidated Statements of Financial Position as of 31 December 2023 and 2022, respectively.

**Bonds and Other Borrowings:** Bonds and other borrowings are recognised at fair value. The techniques applied in determining the fair values of bonds and other borrowings are described in the *Fair Values of Financial Instruments* section below.

Changes in the fair values of bonds and other borrowings are recognised in net assets without donor restrictions in the period of change and are included in net financing income (expense) in the Consolidated Statements of Activities. Bonds and other borrowings issuance costs, mark-to-market costs, and discounts are recognised in the period incurred and are also included in net financing income (expense) in the Consolidated Statements of Activities.

**Derivative Financial Instruments:** IFFIm uses currency and interest rate swaps and Gavi uses foreign currency forward contracts to manage the foreign exchange risk on its foreign currency assets and liabilities and future net cash inflows (usually for up to five years forward). These derivatives are recognised at fair value in the Consolidated Statements of Financial Position. The currency and interest rate swaps and the foreign currency forward contracts are shown gross. The techniques applied in determining the fair values of derivative financial instruments are described in the *Fair Values of Financial Instruments* section below.

Changes in the fair values of derivatives, including fair value changes related to changes in currency exchange rates, are recognised in the Consolidated Statements of Activities in the period of change. These are included in net fair value gains and losses on derivatives in the Consolidated Statements of Activities and reported as change in net currency and interest rate swaps in the Consolidated Statements of Cash Flows.

IFFIm and Gavi have elected not to apply hedge accounting. Therefore, fair value changes on derivative financial instruments are not offset against related fair value changes on the contributions receivable, and bonds and other borrowings that are economically hedged by those derivative financial instruments.

IFFIm has both: (1) a master netting agreement with the World Bank that legally provides for net settlement of receivables and payables on IFFIm's currency and interest rate swaps, and (2) the intention to settle such receivables and payables on a net basis.

**Net Programme Grants Payable:** Net programme grants payable are recognised at fair value. The techniques applied in determining the fair values of programme grants payable are described in the *Fair Values of Financial Instruments* below.

Payments to programme implementing partners or procurement agents in advance of any service delivery are accounted for as prepayments for procurement and are included in receivables, prepaid expenses and other assets in the Consolidated Statements of Financial Position.

**Procurement Accounts Payable:** Procurement accounts payable are recognised at fair value. The techniques applied in determining the fair values of procurement accounts payable are described in the *Fair Values of Financial Instruments* below.

**Payable on COVAX Facility Arrangements:** These are the advances from SFPs and cost-sharing participants held by Gavi for future procurement of vaccines.

**Leases:** Gavi is a lessee in several non-cancellable operating leases, for office space, computers and other office equipment. Gavi determines if an arrangement is a lease, or contains a lease, at inception of a contract and when the terms of an existing contract are changed. Gavi recognises a lease liability and a right-of-use asset at the commencement date of the lease. The lease liability is initially and subsequently recognised based on the present value of its future lease payments using risk-free discounted rate at commencement date for all leases. The right-of-use asset is subsequently measured throughout the lease term at the amount of the remeasured lease liability, plus unamortised initial direct costs, plus any prepaid lease payments, less the unamortised balance of lease incentives received, and any impairment recognised. Lease cost for lease payments is recognised on a straight-line basis over the lease term.

Gavi has elected, for all underlying classes of assets, to not recognise the right-of-use assets and lease liabilities for short-term leases that have a lease term of twelve months or less at lease commencement, and do not include an option to purchase the underlying asset that Gavi is reasonably certain to exercise. Gavi recognises lease cost associated with short-term leases on a straight-line basis over the lease term.

Gavi made an accounting policy election by class of underlying asset, for computers and other office equipment, to account for each separate lease component of a contract and its associated non-lease components as a single lease component.

**Fair Values of Financial Instruments:** US GAAP establishes a framework for measuring fair value and prescribes disclosures about fair value measurements. It emphasises that fair value is a market-based measurement, not an entity-specific measurement and, therefore, a fair value measurement should be determined based on the assumptions that market participants would use in pricing the asset or liability. As a basis for considering market participants' assumptions in fair value measurements, US GAAP establishes a fair value hierarchy based upon the observability of the inputs to the valuation of an asset or liability. These inputs may be observable, whereby the market participant assumptions are developed based on market data obtained from independent sources, and unobservable, whereby market participant assumptions are developed by the reporting entity based on the best information available in the circumstances.

The Gavi Group has elected to report its contributions receivable, advance payment due from a vaccine manufacturer included in other receivables, programme grants payable, procurement accounts payable and bonds and other borrowings at fair value, with changes in fair value reported in the Consolidated Statements of Activities. With respect to IFFIm's contributions receivable and bonds and other borrowings, this election was made to better align the carrying values of these contributions receivable and bonds and other borrowings with the carrying values of currency and interest rate swap contracts that economically hedge

them. With respect to programme grants payable, procurement accounts payable and non-IFFIm contributions receivable, this election was made to ensure consistent accounting treatment across Gavi and IFFIm. The Gavi Group recognises all new contributions receivable, programme grants payable, procurement accounts payable and bonds and other borrowings at fair value as these assets and liabilities are acquired or incurred.

US GAAP establishes a three-level fair value hierarchy under which financial assets and financial liabilities are categorised based on the priority of the inputs to the valuation technique. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities, the next-highest priority to observable market-based inputs or inputs that are corroborated by market data, and the lowest priority to unobservable inputs that are not corroborated by market data. US GAAP requires that the valuation techniques used to measure fair value maximise the use of observable inputs and minimise the use of unobservable inputs.

The Gavi Group's financial assets and financial liabilities recorded at fair value are categorised based on the inputs to the valuation techniques as follows:

- Level 1: Financial assets and liabilities whose values are based on unadjusted quoted prices for identical assets or liabilities in active markets.
- Level 2: Financial assets and liabilities whose values are based on either: (1) quoted prices for similar assets or liabilities in active markets, (2) quoted prices for identical or similar assets or liabilities in non-active markets, or (3) pricing models for which all significant inputs are observable, either directly or indirectly, for substantially the full term of the asset or liability.
- Level 3: Financial assets and liabilities whose values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement.

When the inputs used to measure fair value fall within different levels of the hierarchy, the level within which the fair value measurement is categorised is based on the lowest-level input that is significant to the fair value measurement of the asset or liability in its entirety.

Investments for which fair value is measured at net asset value per share (or its equivalent) using the practical expedient are not categorised in the fair value hierarchy and are disclosed separately, as shown in Note 22 to the consolidated financial statements for the years ended 31 December 2023 and 2022.

The techniques applied in determining the fair values of assets and liabilities are summarised below:

- Cash: The carrying amount of the Gavi Group's cash approximates its fair value.
- Investments Managed by Gavi: The fair values of investments are calculated based on either quoted market prices per share, observable data such as ongoing redemption and subscription activity, or net asset values per share provided by Gavi's investment managers.
- Pooled Investments Managed by the World Bank: Pooled Investments managed by the World Bank are included in the Consolidated Statements of Financial Position. The World Bank maintains the Pool for IFFIm, certain trust funds and other entities administered by the World Bank, as well as assets held in trust for other World Bank Group institutions. The Pool's assets are maintained separately from the funds of the World Bank Group. The Pool is divided into sub-portfolios to which allocations were made based on funding specific investment horizons, risk tolerances and other eligibility requirements set by the World Bank.

IFFIm's share of the Pool is not traded in any market. However, the Pool is a trading portfolio that is reported at fair value. IFFIm's shares in the Pool represent its allocated share of the Pool's fair value at the end of the reporting period. If an active market exists, the market or quoted price is applied. If an active market does not exist, generally accepted valuation techniques, based on observable market data as of the reporting date, are used instead. The carrying amount of cash included in the Pool approximates its fair value.

Under an investment strategy approved by the IFFIm Board, IFFIm is invested in high-grade fixed-income instruments with interest rate sensitivity matching that of the liabilities funding its investment portfolio. For instruments for which market quotations are not available, fair values are determined using model-based valuation techniques, whether internally generated or vendor-supplied, including the standard discounted cash flow method using market observable inputs, such as yield curves, credit spreads and prepayment speeds. Unless quoted prices are available, money market instruments are reported at face value, which approximates fair value.

- Contributions Receivable from IFFIm Donors: The Gavi Group's contributions receivable include pledges to IFFIm from the following ten sovereign government donors: (1) the Commonwealth of Australia, (2) the Republic of France, (3) the Republic of Italy, (4) the Kingdom of Norway, (5) the State of the Netherlands, (6) the Republic of South Africa, (7) the Kingdom of Spain, (8) the Kingdom of Sweden, (9)



the United Kingdom, (10) the Federative Republic of Brazil and (11) Canada (together the “IFFIm Donors”). The IFFIm Donors have entered into legally binding obligations to make scheduled payments to Gavi over periods of up to 20 years. Gavi has assigned the right to receive these grant payments to IFFIm in consideration of IFFIm’s agreement to assess for approval programmes presented to IFFIm by Gavi, and to use its reasonable endeavours to raise funds for such programmes if approved. The pledges are irrevocable and are payable by the IFFIm Donors in several instalments in accordance with predetermined fixed payment schedules over time.

The total amount paid by the IFFIm Donors is impacted by a grant payment condition (“GPC”) that allows the donors to reduce their payment amounts if one or more eligible recipient countries, as defined by the transactional documents, falls into protracted arrears on their obligations to the International Monetary Fund (“IMF”). Each recipient country has been ascribed a weight within a reference portfolio, which represents the IMF’s estimate of how likely the country will be to enter into protracted arrears. These weights remain static for the life of IFFIm, and are 0.5%, 1%, 3%, or 5%. The amounts are aggregated, and the IFFIm Donors reduce the amounts they pay by the aggregate percentage weights of countries that are in protracted arrears to the IMF. When countries clear their arrears to the IMF, future amounts payable by the IFFIm Donors are increased by the respective weights of those clearing countries. The final determination of each IFFIm Donor payment amount, as measured by the World Bank, is made 25 business days prior to the due date of the payment.

The reference portfolio as of 31 December 2023 and 2022 was as follows:

Country	Country Weighting	Total Share
South Sudan, Sudan	0.5%	1%
Afghanistan, Angola, Armenia, Azerbaijan, Benin, Bhutan, Bolivia, Burkina Faso, Burundi, Cambodia, Cameroon, Central African Republic, Chad, Comoros, Congo, Republic of Côte d'Ivoire, Djibouti, Eritrea, The Gambia, Georgia, Ghana, Guinea, Guinea-Bissau, Guyana, Haiti, Honduras, Kenya, Kiribati, Kyrgyzstan, Lao PDR, Lesotho, Liberia, Madagascar, Malawi, Mali, Mauritania, Moldova, Mongolia, Mozambique, Myanmar, Nepal, Nicaragua, Niger, Papua New Guinea, Rwanda, Sao Tome and Principe, Senegal, Sierra Leone, Solomon Islands, Somalia, Sri Lanka, Tajikistan, Tanzania, Timor-Leste, Togo, Uganda, Ukraine, Uzbekistan, Yemen Republic, Zambia, Zimbabwe	1%	61%
Vietnam	3%	3%
Bangladesh, Democratic Republic of the Congo, Ethiopia, India, Indonesia, Nigeria, Pakistan	5%	35%

The fair values of contributions receivable from the IFFIm Donors are estimated using a discounted cash flow method. Each expected future cash flow is reduced by an estimated reduction amount due to the GPC, except when an IFFIm Donor irrevocably commits to make grant payments in full without applying any reduction due to the GPC. The GPC reduction amounts are calculated using a probabilistic model that estimates the likelihood and duration that any recipient member country might fall into arrears with the IMF. The probabilistic model uses inputs that are both unobservable and significant to the overall fair value of the contributions receivable. This model yielded reductions in expected future cash flows of 6.8% and 7.2% as of 31 December 2023 and 2022, respectively. In 2023 and 2022, fair value losses on contributions receivable reported in the Consolidated Statements of Activities include gains of US\$ 39 million and US\$ 37 million, respectively, attributable to the GPC fair value adjustment.

The reduced expected future cash flows are then discounted to present value using observable donor-specific risk-adjusted interest rates. Each IFFIm Donor’s promise to give is discounted using the donor’s sovereign government borrowing rate, which considers both market risk and the donor’s credit risk.

The fair values of future cash flows from IFFIm Donors were US\$ 2.8 billion and US\$ 3.0 billion as of 31 December 2023 and 2022, respectively. These fair values were estimated using observable donor-specific risk adjusted annual discount rates ranging from 1.9% to 6.6% for 2023, and from 1.8% to 7.1% for 2022.

- **Other Contributions Receivable:** Contributions receivable other than those from IFFIm Donors are estimated using a discounted cash flow method. The fair values of future cash flows as of 31 December 2023 and 2022 were US\$ 1.5 billion and US\$ 2.0 billion, respectively. This fair value was estimated using observable donor-specific risk adjusted annual discount rates ranging from 2.0% to 13.9% for 2023, and from 1.8% to 14.1% for 2022.

- Other Receivables: Advance payment due from a vaccine manufacturer, included in other receivables, are estimated using a discounted cash flow method and the expected probability weighted cash flows that take into consideration various scenarios including the risk of default and/or insolvency.
- Programme Grants Payable: The fair value of each country programme grants payable is the estimated cost of the vaccine and supplies to be procured plus shipping, or the actual cash value to be paid to the country.
- Procurement Accounts Payable: The fair value of each procurement accounts payable is the estimated cost of the vaccine and supplies to be procured plus shipping, or the actual cash value to be paid to the country.
- Bonds and Other Borrowings: The fair value of IFFIm's bonds and other borrowings is determined using a discounted cash flow method, which relies on market observable inputs such as yield curves, foreign exchange rates, basis spreads and funding spreads.
- Derivatives: The fair values of derivatives are estimated using a discounted cash flow method. All model inputs are based on readily observable market parameters such as yield curves, foreign exchange rates, and credit spreads. A credit valuation adjustment and a debit valuation adjustment are included in the valuation of derivatives to account for counterparty credit risk and IFFIm's own credit risk, respectively.

Interest Rate Benchmark Reform: Specific interest rate benchmarks, including LIBOR, were discontinued and replaced with alternative benchmark rates that meet new regulatory and market requirements. Accordingly, IFFIm currently has no exposure to LIBOR or any other interest rate benchmarks that were discontinued.

With respect to IFFIm's investments in the Pool, all IFFIm liquidity is now linked to the Secured Overnight Financing Rate ("SOFR") and all new funding is executed against a SOFR benchmark. With the transition to SOFR, IFFIm's investments portfolio continued to outperform its benchmark. For the years ended 31 December 2023 and 2022, the return on IFFIm's investments portfolio was 5.8% and 1.9%, respectively, outperforming its benchmark by 61 basis points and 27 basis points, respectively.

With respect to IFFIm's legacy swap contracts, all positions that had LIBOR fixings after 30 June 2023 were transitioned automatically to the SOFR upon the discontinuation of the United States three-month LIBOR on 30 June 2023 in accordance with the International Swaps and Derivatives Association ("ISDA") 2020 IBOR Fallbacks Protocol ("Protocol"), which IFFIm and its swap counterparties adhered to.

Besides the exposure to SOFR in IFFIm's investments portfolio and legacy swap contracts, the Gavi Group has no other exposure to interest rate benchmarks.

Income Taxes: The Gavi Group is exempt from income taxes in each of the jurisdictions in which it has operations. US GAAP requires that financial statements reflect the expected future tax consequences of uncertain tax positions that an entity has taken or expects to take on a tax return, presuming the tax authorities' full knowledge of the position and all relevant facts. US GAAP also requires that an entity recognises the benefit of tax positions when it is more likely than not that the provision will be sustainable based on the merits of the position. The Gavi Group performed an evaluation of uncertain tax positions for the years ended 31 December 2023 and 2022 and determined that there were no matters that would require recognition in the financial statements or which may have any effect on its tax-exempt status. As of 31 December 2023, the statutes of limitations for tax years 2018 through 2022 remain open with the United States Federal jurisdiction or the various states and local jurisdictions in which the Gavi Group files tax returns. It is the Gavi Group's policy to recognise interest or penalties related to uncertain tax positions, if any, in income tax expense. As of 31 December 2023 and 2022, the Gavi Group had no accrued interest or penalties.

Contingencies: The Gavi Group's programmes include investment cases. An investment case is a proposal that is prepared jointly by Gavi and one or more partners to fund a special vaccine-related programme, such as rapid response to outbreaks through stockpiling vaccines or prevention campaigns. Due to uncertainty around when or where outbreaks will occur and how much Gavi will be required to fund, it is difficult to estimate the costs involved with such programmes. Therefore, such costs are recorded at the time they are incurred, and there will be future costs associated with investment case programmes.

Foreign Currency Transactions: These consolidated financial statements are presented in United States dollars, which is the reporting currency of the Gavi Group. The assets and liabilities held in foreign currency are converted to United States dollars at the prevailing average interbank exchange rate as of 31 December 2023 and 2022. Foreign currency transactions are translated at the prevailing average interbank exchange rates on the date of the transaction. The resulting foreign exchange gains and losses are recognised in the Consolidated Statements of Activities.

Classification of Net Assets: Net assets are reported as follows:

- Net Assets Without Donor Restrictions: Net assets that are not subject to donor-imposed stipulations.
- Net Assets With Donor Restrictions: Net assets subject to donor-imposed stipulations that are expected to be met by actions of the Gavi Group, the passage of time or both.

Revenue Recognition: Contributions are reported as revenue in the year in which payments are received, unconditional promises are made or barriers on conditional promises are met. Contributions received prior to the date that the conditions are substantially met are reported as deferred revenue. Gavi reports gifts of cash and other assets as donor-restricted support if they are received with donor stipulations that limit the use of the contributed assets for specific purposes or use in future years. When a donor restriction expires, that is, when the time or purpose of the restriction is met, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Consolidated Statements of Activities as net assets released from restrictions.

Revenue from cost-reimbursable contracts and grants is recognised as the related costs are incurred, or as the related activities occur and any conditions stipulated in the grant agreements are met, on the basis of direct costs plus allowable indirect costs.

Contributed goods and services are reported as contributed non-financial assets in the Consolidated Statements of Activities at their estimated fair value at the date of their receipt.

Expenses: The Gavi Group records expenses in the periods to which the transactions, events and circumstances relate.

The Gavi Group's major classes of programmes are New and Underused Vaccine Support ("NVS") programmes, HSS programmes, COVID-19 vaccine programmes and Investment Cases. NVS programmes provide funding to Gavi implementing countries for the introduction of vaccines and associated vaccine technology. HSS programme funding is used to achieve and sustain increased immunisation coverage, through strengthening the capacity of countries' systems to provide immunisation and other health services. COVID-19 vaccine programme funding is used for pooled procurement and equitable distribution of COVID-19 vaccines under the Facility. The Gavi Group records these programme expenses in the periods to which the grants are approved, and barriers or conditions are met. Investment Cases, which includes research and development of new vaccines, are one-time tactical investments in disease prevention and control. These investments are made through Gavi Group partners such as UNICEF, WHO and CEPI.

Allocation of Functional Expenses: The Gavi Group's expenses are summarised by their functional classification in the Consolidated Statements of Activities. Certain costs have been allocated among the respective functional classes of expenses, on the basis of time and effort of full-time employees, as shown in the Consolidated Statements of Functional Expenses.

Use of Estimates and Judgements: The preparation of the consolidated financial statements, in accordance with US GAAP, requires management to make estimates, judgements and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Estimates and judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated financial statements include:

- the determination of the fair values of contributions receivable, other receivables, and bonds and other borrowings as described in Note 2 to the consolidated financial statements;
- the valuation of IFFIm's derivative financial instruments as described in Note 6 to the consolidated financial statements;
- the recoverability of advances to vaccine manufacturers and procurement agents as described in Note 7 to the consolidated financial statements;
- the recognition of any loss contingency on Gavi's commitments under the advance purchase agreements ("APA") as described in Note 24 to the consolidated financial statements;
- the recognition of any loss contingency on Gavi COVAX AMC unspent funds as described in Note 25 to the consolidated financial statements;
- the recognition of donated COVID-19 vaccine doses as contributed non-financial assets. Gavi recognises contributed non-financial assets when there is certainty that the donated doses accepted by Gavi can be utilised in vaccine programmes and received by Gavi COVAX AMC-eligible economies;

- the recognition of commitment agreements between SFPs or cost-sharing participants and Gavi under the Facility. Under the commitment agreements or cost-sharing approach, Gavi acts as an agent based on the following factors: (a) Gavi does not have control over the vaccines or have inventory risk before the vaccines are transferred to the participants; (b) Gavi does not have control over the pricing of the actual procurement price of the vaccines; (c) the vaccines purchased are directly between the manufacturer and the SFPs, cost-sharing participants or their procurement agent; and (d) the agreements are constructed to eliminate any risks to Gavi; and
- the cessation of the commitment agreements with SFPs when the termination agreement is signed. At this point, SFPs may opt to irrevocably release their surplus pro-rata share of doses for the benefit of the Gavi COVAX AMC and provide a cash consideration to support the funding of these doses. Gavi recognises the cash consideration provided as unconditional contributions.

Reclassification: Certain reclassifications have been made to prior year amounts in the Consolidated Statements of Cash Flows to conform to current year presentation.

### 3. RESTRICTED CASH AND PROCUREMENT ACCOUNTS PAYABLE

The Gavi Group established separate bank accounts into which it transfers cash as needed for the benefit of UNICEF to procure vaccines and other supplies on the Gavi Group's behalf ("Procurement Accounts"). All cash deposited into the Procurement Accounts is irrevocable and may only be withdrawn by UNICEF, with the exception of investment income, which may be remitted to the Gavi Group. As collateral security for the prompt payment and performance when due of Gavi Group's obligations, the Gavi Group has granted UNICEF a security interest in all of Gavi Group's rights, titles, interests in, and proceeds from, the Procurement Accounts and all financial assets credited thereto. As of 31 December 2023 and 2022, US\$ 676 million and US\$ 2.0 billion, respectively, were available to UNICEF in the Procurement Accounts.

Amounts committed to UNICEF for the procurement of vaccines were US\$ 602 million and US\$ 1.0 billion as of 31 December 2023 and 2022, respectively. These amounts are presented as procurement accounts payable in the Consolidated Statements of Financial Position.

### 4. INVESTMENTS

The fair values of the Gavi Group's investments were:

In Thousands of US\$	2023	2022
Money market funds	6,009,156	4,740,376
Registered investment companies	580,582	325,742
Limited liability companies and limited partnerships <sup>1</sup>	720,874	702,448
Pooled investments	522,091	1,005,115
Total investments	7,832,703	6,773,681

<sup>1</sup> The Gavi Group invests a portion of its assets in limited liability companies and limited partnerships. The fair value of these investments is estimated using their calculated net asset value per share ("NAVPS") as a practical expedient, and they are redeemable at their current net asset value upon written notice by the Gavi Group.

Money market funds disclosed in the table above included funds related to Gavi's role as administrator of the Facility of US\$ 5.1 billion and US\$ 4.0 billion as of 31 December 2023 and 2022, respectively.

Gavi had US\$ 35 million and US\$ 22 million outstanding capital commitments as of 31 December 2023 and 2022, respectively.

The following table summarises the redemption frequencies, redemption notice periods and fair values of the Gavi Group's investments in funds, which are valued based on NAVPS as a practical expedient:

<b>As of 31 December 2023, In Thousands of US\$</b>	<b>Redemption Frequency</b>	<b>Redemption Notice Period</b>	<b>Fair Value</b>
Limited liability companies and limited partnerships <sup>1</sup>	Daily	2-day notice	57,487
Limited liability companies and limited partnerships <sup>2</sup>	Daily	5-day notice	68,269
Limited liability companies and limited partnerships <sup>4</sup>	Monthly	3-day notice	68,185
Limited liability companies and limited partnerships <sup>5</sup>	Monthly	30-day notice	221,162
Limited liability companies and limited partnerships <sup>6</sup>	Monthly	60-day notice	35,761
Limited liability companies and limited partnerships <sup>7</sup>	Monthly	90-day notice	32,820
Limited liability companies and limited partnerships <sup>8</sup>	Quarterly	45-day notice	39,924
Limited liability companies and limited partnerships <sup>9</sup>	Quarterly	60-day notice	66,955
Limited liability companies and limited partnerships <sup>10</sup>	Quarterly	90-day notice	27,128
Limited liability companies and limited partnerships <sup>11</sup>	Semi-Annually	90-day notice	47,374
Limited liability companies and limited partnerships <sup>12</sup>	Annually	90-day notice	38,114
Limited liability companies and limited partnerships <sup>13</sup>	None	None	17,695
<b>Total</b>			<b>720,874</b>

<b>As of 31 December 2022, In Thousands of US\$</b>	<b>Redemption Frequency</b>	<b>Redemption Notice Period</b>	<b>Fair Value</b>
Limited liability companies and limited partnerships <sup>1</sup>	Daily	2-day notice	86,012
Limited liability companies and limited partnerships <sup>2</sup>	Daily	5-day notice	65,460
Limited liability companies and limited partnerships <sup>3</sup>	Daily	10-day notice	63,683
Limited liability companies and limited partnerships <sup>4</sup>	Monthly	3-day notice	56,854
Limited liability companies and limited partnerships <sup>5</sup>	Monthly	30-day notice	193,820
Limited liability companies and limited partnerships <sup>6</sup>	Monthly	60-day notice	34,689
Limited liability companies and limited partnerships <sup>7</sup>	Monthly	90-day notice	27,301
Limited liability companies and limited partnerships <sup>8</sup>	Quarterly	45-day notice	18,917
Limited liability companies and limited partnerships <sup>9</sup>	Quarterly	60-day notice	56,176
Limited liability companies and limited partnerships <sup>10</sup>	Quarterly	90-day notice	24,840
Limited liability companies and limited partnerships <sup>11</sup>	Semi-Annually	90-day notice	43,870
Limited liability companies and limited partnerships <sup>12</sup>	Annually	90-day notice	13,260
Limited liability companies and limited partnerships <sup>13</sup>	None	None	17,566
<b>Total</b>			<b>702,448</b>

<sup>1</sup> This category comprises one underlying fund. This fund seeks to outperform the Barclays Capital 1-3 Year US Treasury index by investing in fixed rate, floating rate or variable interest fixed income securities.

<sup>2</sup> This category comprises one underlying fund. This fund seeks to provide investors with above average absolute returns primarily through investing and trading in equities and equity related instruments. Short-term volatility will be managed through the use of various hedging and risk management techniques.

<sup>3</sup> This category comprises one underlying fund. This fund seeks to maximise long-term total return, consistent with prudent investment management and identify relative value opportunities that offer attractive risk-adjusted returns through sector, country, currency and security selection, while addressing a set of environmental social and governance objectives.

<sup>4</sup> This category comprises one underlying fund. This fund seeks to invest in transferable securities and/or in other liquid financial assets in accordance with the Regulations with the aim of spreading investment risk.

<sup>5</sup> This category comprises four underlying funds. One fund seeks long-term capital appreciation by investing primarily in common stocks of emerging markets small capitalisation issuers. The other fund seeks to generate absolute return on a period-by-period basis by investing in liquid derivative markets for commodities. Another fund seeks to invest all of its assets in ordinary shares to achieve long-term appreciation in the value of its assets. Another fund seeks to outperform the MSCI World ex USA Micro Cap Index over full market cycles. This fund will principally invest in equity securities issued by micro capitalisation non-US corporations. In 2022, this category comprised five underlying funds. The other fund seeks to achieve long-term capital appreciation that is uncorrelated or negatively correlated with global equity markets.

<sup>6</sup> This category comprises one underlying fund. The fund's investment objective is to monetise or benefit from the equity index correlation risk premium through buying single-name equity volatility and selling equity index volatility. This fund seeks to achieve its investment objective through an active correlation risk premium monetisation program that utilises both single name and index, listed and OTC options, among other strategies.

- <sup>7</sup> This category comprises one new underlying fund. The fund aims to achieve an array of investment objectives while spreading investment risks through investment in transferable securities, liquid financial assets, collective investment schemes or other permitted investments in accordance with the Undertakings for Collective Investment in Transferable Securities ("UCITS") Regulations.
- <sup>8</sup> This category comprises two underlying funds. One fund's investment objective is to provide consistently superior, risk adjusted returns. This fund seeks to achieve this objective primarily by investing both long and short in equity securities and related instruments of publicly traded issuers, with a focus on issuers in the global technology, media and telecommunication ("TMT") sectors. The other fund's investment objective is superior risk-adjusted returns. The fund implements a diversified range of alternative investment trading strategies.
- <sup>9</sup> This category comprises one underlying fund. This fund seeks to invest opportunistically mainly in stressed, distressed and special situations debt obligations with varying terms as to collateralisation, relative seniority or subordination, interest requirements and maturity and occasionally in post-reorganisation equity products of corporate issuers incorporated or significantly carrying out business in Europe.
- <sup>10</sup> This category comprises two underlying funds. One underlying fund invests primarily in other offshore hedge fund vehicles. The other fund's investment objective is to achieve attractive absolute total returns with a low correlation to traditional indices. In 2022, this category comprises one underlying fund.
- <sup>11</sup> This category comprises one underlying fund. This fund seeks to achieve its target return by investing principally in (or otherwise gaining exposure to) performing, stressed or distressed securities and loans of any type and within any sector across the global fixed income markets.
- <sup>12</sup> This category comprises two new underlying funds. One underlying fund aims to achieve superior risk-adjusted returns following periods of market dislocation in the US and European credit markets. The fund will invest opportunistically across multiple asset classes, seeking to invest in securities positions and credit-related instruments. The other fund is an infrastructure debt fund focused on performing investments in the US only and seeking to deliver attractive absolute returns with a favourable risk-adjusted profile, low correlation to other asset classes and an ESG focus.
- <sup>13</sup> This category comprises one underlying fund. This fund seeks capital preservation and the generation of superior, risk-adjusted absolute returns over a multi-year period. Due to a three-year lock-up period, redemptions of shares in these funds are restricted until the three-year anniversary of the subscription payment.

## 5. NET CONTRIBUTIONS RECEIVABLE

The Gavi Group's net contributions receivable consisted of the following unconditional promises to give:

In Thousands of US\$	2023	2022
Unconditional promises due in less than one year	1,293,169	1,168,618
Unconditional promises due in two to five years	2,767,506	3,326,914
Unconditional promises due thereafter	820,084	1,144,317
Contributions receivable before unamortised discount and grant payment condition	4,880,759	5,639,849
Reduction due to grant payment condition and unamortised discount: <sup>1</sup>		
Due in less than one year	(56,379)	(52,207)
Due in more than one year	(520,344)	(675,777)
Total net contributions receivable	4,304,036	4,911,865

<sup>1</sup> The grant payment condition is described in Note 2 to the consolidated financial statements.

As of 31 December 2023 and 2022, nil and US\$ 660 million, respectively, of the net contributions receivable in the table above is from Gavi COVAX AMC donors, including grant agreements assigned to IFFIm, and related to Gavi's role as administrator of the Facility.

## 6. DERIVATIVE FINANCIAL INSTRUMENTS

The Gavi Group is exposed to the market risk that its net assets or its ability to meet its objectives may be adversely affected by changes in the level of, or volatility in, market rates or prices. IFFIm's market risk is comprised primarily of foreign exchange rate risk and interest rate risk, while Gavi is exposed to foreign exchange risk only. Each of these is described further below.

**Foreign Exchange Rate Risk:** During the years ended 31 December 2023 and 2022, IFFIm was exposed to foreign exchange risks from currency mismatches as well as timing differences between receipt of donor payments, payment of bonds and other borrowings obligations, disbursements to Gavi and issuance of IFFIm bonds. To mitigate these risks, donor pledges were economically swapped into United States dollar floating rate assets and, at issuance, IFFIm's bonds and other borrowings were economically swapped into United States dollar floating rate liabilities.

The Gavi Group hedges its exposure to currency fluctuations by taking out foreign currency forward contracts. This was done primarily to improve predictability of contribution cash flows that are denominated in foreign currencies, and cash balances that are required in Swiss Francs to pay operating expenses for the Secretariat.

**Interest Rate Risk:** IFFIm was exposed to interest rate risk from differences in the interest rate bases of the bonds and other borrowings and funds held in trust. IFFIm used interest rate swaps to mitigate this exposure.

The notional amounts and fair values of currency and interest rate swaps held by IFFIm were:

In Thousands of US\$	2023		2022	
	Notional Amount	Fair Value	Notional Amount	Fair Value
Currency and interest rate swaps receivable related to contributions receivable	1,716,020	364,326	2,084,136	446,148
Currency and interest rate swaps receivable related to bonds and other borrowings	300,175	12,863	500,000	727
<b>Total currency and interest rate swaps receivable</b>		<b>377,189</b>		<b>446,875</b>
Currency and interest rate swaps payable related to contributions receivable	1,396,284	(128,464)	1,243,767	(147,303)
Currency and interest rate swaps payable related to bonds and other borrowings	1,648,726	(164,988)	1,941,212	(212,233)
<b>Total currency and interest rate swaps payable</b>		<b>(293,452)</b>		<b>(359,536)</b>
<b>Net fair value of currency and interest rate swaps</b>		<b>83,737</b>		<b>87,339</b>

In 2023, net fair value of currency and interest rate swaps comprised of amounts receivable and payable within one year of US\$ 25 million and US\$ 58 million, respectively, and amounts receivable and payable after more than one year of US\$ 352 million and US\$ 235 million, respectively. In 2022, net fair value of currency and interest rate swaps comprised of amounts receivable and payable within one year of nil and US\$ 2 million, respectively, and amounts receivable and payable after more than one year of US\$ 447 million and US\$ 357 million, respectively.

IFFIm maintains a minimum liquidity equivalent to its cumulative contracted debt service payments for the next 12 months. This minimum liquidity level is recalculated and reset on a quarterly basis. As of December 2023, IFFIm's calculated minimum liquidity was US\$ 118 million and the value of IFFIm's cash and pooled investments was US\$ 529 million. As of December 2022, IFFIm's calculated minimum liquidity level was US\$ 576 million and the value of IFFIm's cash and pooled investments was US\$ 1 billion.

In 2023, the US\$ 84 million net receivable on swaps comprised a total amount of US\$ 87 million due from the counterparties on IFFIm's currency and interest rate swap contracts, partially offset by a net credit valuation adjustment of US\$ 3 million. In 2022, the US\$ 87 million net receivable on swaps comprised a total amount of US\$ 91 million from the counterparties on IFFIm's currency and interest rate swap contracts, partially offset by a net credit valuation adjustment of US\$ 4 million.

The World Bank has the right to call for collateral, above a specified threshold amount, to protect against its exposure on IFFIm's derivative positions under the terms of the Credit Support Annex ("CSA") to the ISDA Agreement between IFFIm and the World Bank. The World Bank has not exercised this right and has confirmed that it will not call collateral over at least 12 months from the date of approval of these consolidated financial statements. Instead, in order to mitigate the risk that the World Bank may call collateral, an agreement has been reached between the World Bank and IFFIm to apply an additional buffer ("Risk Management Buffer") to an existing gearing ratio limit that IFFIm uses to manage its liquidity risk. The Risk Management Buffer was applied to manage the World Bank's exposure under the swap contracts and may be adjusted by the World Bank in its sole discretion. In addition, the World Bank, as IFFIm's Treasury Manager, shall continue to monitor IFFIm's funding needs to ensure that at all times IFFIm maintains sufficient available resources to be able to meet its financial obligations, including debt-service payments and obligations under the abovementioned CSA and ISDA Agreement.

As of 31 December 2022, derivative financial instruments include the effects of a swap re-couponsing transaction in the amount of US\$ 200 million, which was executed in May 2020 between IFFIm and the World Bank, as counterparty on all IFFIm's swap contracts. The transaction, which reduced the World Bank's derivative exposure, amended certain swap contracts between IFFIm and the World Bank by modifying their cash flows such that IFFIm made an additional payment of US\$ 200 million to the World Bank in May 2020 and the World Bank will make scheduled repayments to IFFIm in 2023, 2024 and 2025 totalling US\$ 200



million with interest. IFFIm evaluated the transaction and determined that it resulted in a hybrid financial instrument comprising the amended swap contracts as an embedded derivative and the modified cash flows corresponding to a separate financial instrument as the host. IFFIm elected to designate the entire hybrid instrument as a financial instrument through profit or loss. As both components of the hybrid instrument have closely related economic characteristics and risks, they are not separated in the consolidated financial statements and are reported as part of derivative financial instruments, as the principal cash flows are primarily related to the embedded derivative component.

As of 31 December 2023 and 2022, the Risk Management Buffer was 0% of the present value of expected future cash flows from Grantor pledges. The World Bank recalculated and reset the Risk Management Buffer to 0% from the previous value of 12% following the execution of a swap re-couponsing transaction in May 2020 in the amount of US\$ 200 million, which reduced the World Bank's exposure on IFFIm's derivative positions by the same amount and enabled the World Bank to intermediate new swaps for IFFIm.

The notional amounts and fair values of foreign currency forward contracts held by Gavi were:

In Thousands of US\$	2023		2022	
	Notional Amount	Fair Value	Notional Amount	Fair Value
Foreign currency forward contracts receivable	970,546	77,557	1,814,191	144,407
Foreign currency forward contracts payable	(836,056)	(12,187)	(409,650)	(10,388)

In 2023, foreign currency forward contracts comprised of amounts receivable and payable within one year of US\$ 45 million and US\$ 5 million, respectively, and amounts receivable and payable after more than one year of US\$ 32 million and US\$ 7 million, respectively. In 2022, foreign currency forward contracts comprised of amounts receivable and payable within one year of US\$ 61 million and US\$ 4 million, respectively, and amounts receivable and payable after more than one year of US\$ 83 million and US\$ 6 million, respectively.

Gavi uses foreign exchange contracts to reduce the level of foreign exchange risk associated with its contributions receivable and future net cash inflows (usually for up to five years forward). Under its treasury risk management policy, Gavi enters into foreign exchange contracts to economically hedge a portion of the foreign currency exposure on its contributions receivable and future net cash inflows. These foreign exchange contracts, which include option and forward contracts, represent agreements to exchange the currency of one country for the currency of another country at an agreed-upon price on an agreed-upon settlement date. Gavi minimises counterparty credit risk in derivative instruments by entering into transactions with high quality counterparties whose credit rating is not lower than A or A2 as measured by at least two major credit agencies. The maximum exposure with any single bank is limited to 10% of the short-term portfolio or US\$ 250 million (or equivalent in other currencies), whichever is lower. Due to the policy in place and assessment performed, there are no significant concentrations of risk in excess of the limits in place. The exposure comprises cash, short-term investments, and bank guarantees in favor of Gavi's positive mark-to-market on derivatives.

There was no required collateral and held collateral as of 31 December 2023 and 2022.

## 7. RECEIVABLES, PREPAID EXPENSES AND OTHER ASSETS

The Gavi Group's receivables, prepaid expenses and other assets were:

In Thousands of US\$	2023	2022
Advances to vaccine manufacturers and procurement agents	569,064	1,174,664
Prepaid expenses	87,927	83,922
Fixed assets	1,455	2,212
Other receivables	542,215	713,072
Total receivables, prepaid expenses and other assets before provision and present value discount	1,200,661	1,973,870
Provision on advances to vaccine manufacturers and procurement agents	(502,597)	(647,000)
Valuation adjustment on other receivables	(113,941)	(93,300)
Total net receivables, prepaid expenses and other assets	584,123	1,233,570

On 16 February 2024, Gavi entered into a Termination and Settlement Agreement with Novavax, as described in Note 25 to the consolidated financial statements, in ending the arbitration proceedings and releasing both parties of all claims arising from, under or otherwise in connection with APA.

In 2023, in accordance with the Termination and Settlement Agreement, advances to vaccine manufacturers and procurement agents include the additional credit from Novavax of US\$ 220 million, net of US\$ 5 million

procured doses. Other receivables include an advance payment due from Novavax of US\$ 475 million, offset with a valuation adjustment of US\$ 114 million. US\$ 155 million is due in less than one year and US\$ 320 million is due in two to five years. For the year ended 31 December 2023, an additional valuation adjustment of US\$ 21 million was recognised and reported as other fair value losses in the Consolidated Statements of Activities.

In 2022, other receivables include an advance payment due from Novavax of US\$ 695 million. As of 31 December 2022, a valuation adjustment of US\$ 93 million was recognised and reported as other fair value losses in the Consolidated Statements of Activities.

As of 31 December 2023 and 2022, a provision on advances to various vaccine manufacturers to secure COVID-19 vaccine doses for SFPs and AMC-eligible economies was recognised based on management's evaluation of collectability of the advances and demand for certain vaccines. For the year ended 31 December 2023 and 2022, an additional provision of US\$ 240 million and US\$ 647 million, respectively, is included in Note 16 to the consolidated financial statements.

## 8. RECEIVABLE/PAYABLE ON COVAX FACILITY ARRANGEMENTS

As the administrator of the Facility, the Gavi Group records collected funds, not yet distributed to vaccine manufacturers, as cash or receivable on COVAX Facility arrangements and payable on COVAX Facility arrangements.

Self-financing countries joining the Facility had two ways in which they could participate, through a Committed Purchase Arrangement or an Optional Purchase Arrangement. As a pass-through facility, participants paid the amount for the doses that was negotiated by the Facility, plus a speed premium invested in accelerating and scale-up of manufacturing, as well as a very small fee towards the operation of the Facility. As of 31 December 2023, the pro-rata reimbursement towards the Facility's operating costs totalled US\$ 25 million, net of interest income of US\$ 33 million. As of 31 December 2022, the pro-rata reimbursement towards the Facility's operating costs totalled US\$ 3 million, net of interest income and in-kind contributions of US\$ 11 million.

In June 2021, the Facility designed a new model for self-financing participants ("SFP 2.0") under a single purchase arrangement. SFPs noted the total indicative non-binding number of doses they wished to procure. Payment for doses was not required until they entered a decision window to opt into specific deals. Under SFP 2.0 arrangements, participants submitted the full financial commitment for confirmed doses before the Facility entered into agreements with manufacturers for the committed doses.

Since inception of the Facility, 30 participants opted for the committed purchase arrangement and committed to procure 98 million doses; 71 participants (including "Team Europe" – the European Commission on behalf of 27 European Union member states plus Norway and Iceland) opted for the optional purchase arrangement to procure 479 million doses; and two participants migrated to SFP 2.0 and committed to procure 306 thousand doses.

In September 2021, the Gavi Board confirmed the cost-sharing approach. Under the cost-sharing approach, AMC-eligible economies worked with the Facility and multilateral development banks ("MDB"), including the World Bank and regional development banks, as relevant, to allocate cost-sharing funds to purchase supplemental doses. Participants indicated the number of doses they wished to procure via the Facility with cost-sharing funds (subject to dose availability) and, as relevant, worked with MDBs to allocate financing for those doses. As a pass-through facility, participants paid the amount for the doses that was negotiated by the Facility.

In 2023 and 2022, most SFPs expressed interest in winding down their Facility engagement and began the process to close out their Commitment Agreements. As of 31 December 2023 and 2022, Commitment Agreements with 101 and 51 participants, respectively, were terminated. As a result of the close out, remaining upfront payments are either donated to Gavi COVAX AMC, repaid or retained by Gavi as termination payment. For the year ended 31 December 2023, vaccine doses of US\$ 199 million were donated by SFPs to Gavi COVAX AMC, repayments of US\$ 250 million were disbursed to the participants, procurement agents or private fund and termination payments of US\$ 154 million were retained by Gavi to be utilised to satisfy any liabilities arising from APA with vaccine manufacturers. For the year ended 31 December 2022, vaccine doses of US\$ 483 million were donated by SFPs to Gavi COVAX AMC, repayments of US\$ 59 million were disbursed to the participants, procurement agents or private fund and termination payments of US\$ 64 million were retained by Gavi to be utilised to satisfy any liabilities arising from APA with vaccine manufacturers.

The Gavi Group's receivable on COVAX Facility arrangements were:

<b>In Thousands of US\$</b>	<b>2023</b>	<b>2022</b>
Committed purchase arrangements	184	-
Optional purchase arrangements	-	4,349
Cost-sharing approach	-	756
Self-financing participant 2.0 arrangements	401	570
<b>Total receivable on COVAX Facility arrangements</b>	<b>585</b>	<b>5,675</b>

Following the end of the Facility, receivable on COVAX Facility arrangements are expected to be settled in 2024.

The Gavi Group's payable on COVAX Facility arrangements, which were the amounts received from SFPs and cost-sharing participants, were:

<b>In Thousands of US\$</b>	<b>2023</b>	<b>2022</b>
Committed purchase arrangements	89,626	180,854
Optional purchase arrangements	422,027	799,546
Cost-sharing approach	-	7,601
Self-financing participant 2.0 arrangements	-	570
<b>Total payable on COVAX Facility arrangements before valuation adjustment</b>	<b>511,653</b>	<b>988,571</b>
Valuation adjustment on committed and optional purchase arrangements	(8,124)	-
<b>Total payable on COVAX Facility arrangements</b>	<b>503,529</b>	<b>988,571</b>

## 9. ACCOUNTS PAYABLE AND OTHER LIABILITIES

The Gavi Group's accounts payable and other liabilities were:

<b>In Thousands</b>	<b>2023</b>	<b>2022</b>
Refundable advance	61,602	161,420
Deferred revenue	921,450	739,385
Trade creditors	33,664	9,315
Accrued expenses	27,489	41,483
Other liabilities	169,897	266
<b>Total accounts payable and other liabilities</b>	<b>1,214,102</b>	<b>951,869</b>

Refundable advance refers to the funding received in 2020 from the Gates Foundation in the amount of US\$ 300 million to fund the COVID-19 vaccine (principally being the Covovax vaccine) procurement prepayment to Serum Institute of India Private Limited ("SII").

Gavi and the Gates Foundation agreed that the repayment of the US\$ 300 million funding under the 2020 agreement would be solely governed pursuant to a funding agreement signed on 29 April 2021, whereby the Gates Foundation funding is subject to repayment by Gavi on a quarterly basis, starting with the quarter in which the first SII procurement credit is applied, reduced or offset by SII. For each quarter, Gavi will repay to the Gates Foundation (within 60 days after quarter-end) an amount equal to one third of such SII procurement credit, representing the proportion of the Gates Foundation's US\$ 300 million funding amount to Gavi's US\$ 900 million aggregate prepayment amount to SII, during such quarter. As SII delivers vaccine doses to Gavi (via UNICEF or any other agent designated by Gavi), Gavi will repay its equivalent obligation to the Gates Foundation.

The aggregate amount repayable by Gavi to the Gates Foundation will be subject to a proportional reduction by the amount of any procurement credit reduction, which relates to reductions to the amount repayable by Gavi in the event of product failures that may be incurred by SII. Repayment commenced in May 2022, and US\$ 100 million and US\$ 139 million were repaid in 2023 and 2022, respectively.

In 2023, other liabilities include exit costs of \$170 million payable to a vaccine manufacturer.

## 10. NET PROGRAMME GRANTS PAYABLE

The Gavi Group's committed but unpaid grants were:

In Thousands of US\$	2023	2022
Grants payable due in less than one year	463,447	36,793
Total net programme grants payable	463,447	36,793

The payment term with a procurement agent was extended from 10 business days to 90 calendar days.

As of 31 December 2023 and 2022, programme grants payable of US\$ 20 million and US\$ 16 million, respectively, were written off based on management's evaluation of existence and validity of the related programmes.

## 11. BONDS AND OTHER BORROWINGS

IFFIm borrows in the worldwide capital markets by offering its bonds to fund the Gavi Group's programmes. IFFIm's outstanding bonds and other borrowings were all bonds as of 31 December 2023 and 2022.

In December 2020, the European Commission ("EC") committed support to the Facility with €400 million in guarantees, representing an SFP upfront payment, a risk-sharing guarantee and a loan for vaccine purchases, provided through the European Investment Bank ("EIB"), as part of its Global Coronavirus Response. This amount was received on 31 March 2021. It consists of an SFP upfront payment of US\$ 150 million (€130 million), a risk-sharing guarantee of US\$ 35 million (€30 million) and loan proceeds of US\$ 283 million (€240 million). For the year ended 31 December 2022, US\$ 69 million (€58 million) of the SFP upfront payment was donated to Gavi COVAX AMC and reported as contributions from government and private donors in the consolidated statement of activities.

In October 2021, the EIB provided an additional €200 million loan for the Gavi COVAX AMC. This amount was received on 26 November 2021 and the loan proceeds were US\$ 226 million (€200 million).

In June 2022, the risk-sharing guarantee of US\$ 35 million (€30 million) was released and added to loan proceeds in accordance with the terms of the EIB loan facility agreement.

The loan facilities have a fixed rate of 0% per annum and mature on 11 December 2025. Gavi repaid US\$ 498 million (€470 million) in December 2022, net of the SFP upfront payment of US\$ 139 million (€130 million) which is expected to be paid directly by the EC to the EIB under the terms of the European Fund for Sustainable Development Guarantee between the EC and the EIB.

In 2022, Gavi entered into various financing facilities and in 2023, Gavi did not enter into any new finance agreements. The outstanding borrowings from these facilities were nil as of 31 December 2023 and 2022.

- On 16 December 2022, Gavi and the United States International Development Finance Corporation ("DFC") entered into a financing facility, which provides up to US\$ 1 billion to accelerate COVID-19 vaccine and ancillary supply purchase and delivery on behalf of developing countries participating in the Gavi COVAX AMC.
- On 19 December 2022, Gavi and the EIB entered into a financing facility, which provides Gavi a credit of up to €500 million for the purpose of supporting the financing of the purchase of COVID-19 vaccines and equipment required for immunisation campaigns and the financing of the purchase of vaccines and equipment required for immunisation campaigns for all vaccines approved by the Gavi Board. In December 2023, the financing facility was amended for a credit of up to €1 billion.
- On 19 December 2022, EIB entered into an amended letter of credit facility for Gavi in an amount equivalent to US\$ 320 million in order to support Gavi's obligations to pay amounts for multi-year vaccine procurement contracts entered into by UNICEF.

Bonds and other borrowings summarised by year of maturity were:

Year of Maturity, In Thousands of US\$	2023		2022	
	Nominal Amount	Fair Value	Nominal Amount	Fair Value
2023	-	-	575,691	554,348
2024	117,640	114,306	122,069	112,652
2025	892,837	827,687	875,681	775,886
2026	1,024,849	927,232	1,025,482	883,291
Thereafter	107,080	87,307	112,101	87,060
Total bonds and other borrowings <sup>1</sup>	2,142,406	1,956,532	2,711,024	2,413,237

<sup>1</sup> Fair value includes accrued interest of US\$ 10.5 million and US\$ 9.5 million as of 31 December 2023 and 2022, respectively.

Bonds and other borrowings as of 31 December 2023 and 2022, include both United States dollar and foreign currency denominated fixed and variable rate debt as presented below.

Currency	Coupon Rate	Fair Value as of 31 December 2023, in Thousands of US\$	Fair Value as of 31 December 2022, in Thousands of US\$
United States dollars	Fixed	1,433,180	1,879,823
Pounds sterling	Fixed	314,845	291,575
South African rand	Fixed	63,026	63,632
Norwegian krone	Fixed	145,481	178,207
Total bonds and other borrowings		1,956,532	2,413,237

In order to diversify its investors and raise its profile in the Middle East capital markets, IFFIm issued US\$ 50 million in Sukuk certificates through IFFImSC III on 9 April 2019. The Sukuk certificates entitled the holders to pro-rata interests in commodity transactions with IFFIm under which IFFIm purchased and immediately on-sold commodities on a recognised commodities exchange as part of the Sukuk issuance. The purchase and on-sale of the commodity transactions offset each other and were recorded on a net basis. In April 2022, IFFImSC III made the final payment of US\$ 50 million to the holders of its certificates and, in September 2023, IFFImSC III was dissolved.

As of 31 December 2023, the weighted average coupon interest rate for fixed rate bonds was 1.3%, with actual rates ranging from 0.0% to 4.8%.

As of 31 December 2022, the weighted average coupon interest rate for fixed rate bonds was 1.2%, with actual rates ranging from 0.0% to 4.8%.

The impact on interest rate benchmark reform is described in Note 2 to the consolidated financial statements.

## 12. NET ASSETS WITH DONOR RESTRICTIONS

The Gavi Group's net assets with donor restrictions consisted of the following:

In Thousands of US\$	2023	2022
Due to time restriction	4,075,082	4,701,175
Due to programme restriction:		
Gavi – Core programmes	146,249	83,691
Gavi COVAX AMC	4,163,053	4,195,733
Total net assets with donor restrictions	8,384,384	8,980,599

## 13. NET INVESTMENT INCOME (EXPENSE)

Net investment income (expense) was as follows:

In Thousands of US\$	2023	2022
Investment income (expense) on investments held by Gavi	488,291	(19,540)
Investment fees on investments held by Gavi	(4,344)	(3,178)
Direct internal investment expenses	(913)	(874)
Net investment income (expense) on investments held by Gavi	483,034	(23,592)
Investment income on pooled investments held by IFFIm	47,611	11,340
Total net investment income (expense)	530,645	(12,252)

For the year ended 31 December 2023, investment income on investments held by Gavi included realised and unrealised net gain of US\$ 139 million and interest and dividend of US\$ 350 million. US\$ 137 million of net gain was unrealised during the period.

For the year ended 31 December 2022, investment income on investments held by Gavi included realised and unrealised net loss of US\$ 113 million and interest and dividend of US\$ 93 million. US\$ 115 million of net loss was unrealised during the period.

## 14. NET FAIR VALUE GAINS (LOSSES) ON DERIVATIVES

Net gains (losses) on the fair values of derivatives, which have been recognised in the Consolidated Statements of Activities, include the following:

In Thousands of US\$	2023	2022
Net (losses) gains from swaps related to contributions receivable	(52,624)	393,174
Net losses from swaps related to bonds and other borrowings	(19,797)	(123,852)
Net (losses) gains from other derivatives	(5,292)	66,556
Net fair value (losses) gains on derivatives	(77,713)	335,878

Net losses from swaps related to contributions receivable were primarily due to foreign currency movement. The United States dollar weakened against the British pound, euro, and most of the other currencies in 2023.

## 15. NET FINANCING INCOME (EXPENSE)

Net financing income (expense) were as follows:

In Thousands of US\$	2023	2022
Interest expense on bonds and other borrowings	(44,153)	(19,645)
Net fair value (losses) gains on bonds and other borrowings	(72,707)	152,336
Other financing charges	(1,302)	(2,183)
Net financing (expense) income	(118,162)	130,508

Net fair value losses on bonds and other borrowings were primarily due to the amortisation of previously applied discounted amounts as the duration to maturity of outstanding bonds decreased. Furthermore, some of IFFIm's bonds are denominated in British pound, South African rand, and Norwegian krone. The United

States dollar weakened against these currencies during 2023, which resulted in foreign currency losses on bonds and other borrowings.

## 16. PROGRAMME EXPENSES

Programme expenses were as follows:

In Thousands of US\$	2023	2022
Cash and vaccine programmes	2,890,760	5,657,564
Provision on advances to vaccine manufacturers and procurement agents	239,692	647,000
Reversal of provision on advances to vaccine manufacturers and procurement agents	(423,000)	-
Exit costs	305,113	441,137
Cost of expired doses and raw materials	423,520	308,193
Others	142,635	128,059
<b>Total programme expenses</b>	<b>3,578,720</b>	<b>7,181,953</b>

In 2022, a provision on advances to a vaccine manufacturer of US\$ 423 million was recognised for expected costs of expired doses. The actual costs of expired doses of US\$ 424 million was incurred in 2023, with a net effect to programme expenses of US\$ 520 thousand.

## 17. CONTRIBUTED NON-FINANCIAL ASSETS

Gavi's policy is to use contributed non-financial assets for programmatic or other purposes consistent with Gavi's mission. Revenues from contributions of non-financial assets were as follows:

In Thousands of US\$	2023	2022	Usage in programmes/ activities	Donor-imposed restrictions	Fair value technique and inputs
COVID-19 vaccine doses	309,628	1,308,272	Gavi COVAX AMC	Use for AMC-eligible economies	Estimates based on price per dose in the APA with vaccine manufacturers
Consultant services	668	1,569	Vaccine and immunisation	None	Estimates based on current rates for similar consultant services
<b>Total contributed non-financial assets</b>	<b>310,296</b>	<b>1,309,841</b>			

The Gavi Group received pledges from Gavi COVAX AMC donors in the form of COVID-19 vaccine doses under a dose-sharing arrangement. See Schedule 1.7: *Gavi COVAX AMC Donated Doses* on page 73 for a complete list of donated doses received by the Gavi Group during 2023 and 2022. There were no outstanding donated doses receivable as of 31 December 2023 and 2022.

## 18. LEASES

Gavi classified the following leases as operating leases. These leases generally contain renewal options that Gavi is not reasonably certain to exercise.

**Geneva, Switzerland leases:** Gavi entered into a ten-year lease agreement, with a five-year option to renew, for office space in Geneva, Switzerland which commenced in February 2018 and ends in February 2028.

**Washington, DC leases:** In September 2016, Gavi entered into a 15-year lease agreement for office space in Washington, DC, which commenced in August 2017 and ends in July 2032. In June 2023, Gavi terminated the lease effective as of 31 July 2024. In July 2023, Gavi entered into a 12-year lease agreement for a new office space in Washington, DC, which will commence in August 2024 and ends in July 2036 with a five-year option



to renew and a one-time option to terminate on the 108<sup>th</sup> month of the lease term. The lease commitment on the new office space is US\$ 5.1 million.

As of 31 December 2023, the right-of-use asset and lease obligations of US\$ 9 million and US\$ 11 million, respectively, are reported in the Consolidated Statements of Financial Position. The right-of-use asset and lease obligations were measured using risk-free annual discount rates ranging from 0% to 2.7% for 2023.

As of 31 December 2022, the right-of-use asset and lease obligations of US\$ 16 million and US\$ 19 million, respectively, are reported in the Consolidated Statements of Financial Position. The right-of-use asset and lease obligations were measured using risk-free annual discount rates ranging from 0.0% to 2.7% for 2022.

Gavi's minimum future lease principal and interest payments are as follows:

In Thousands of US\$	Principal	Interest	Total
Year ending 31 December 2024	3,640	83	3,723
Year ending 31 December 2025	2,106	4	2,110
Year ending 31 December 2026	2,040	4	2,044
Year ending 31 December 2027	1,912	-	1,912
Year ending 31 December 2028	319	-	319
<b>Total</b>	<b>10,017</b>	<b>91</b>	<b>10,108</b>

Rent expense for these leases is recognised on a straight-line basis over the term of the leases. Rental expense was US\$ 4.9 million and US\$ 3.1 million for the years ended 31 December 2023 and 2022, respectively, and reported as facility and office costs in the Consolidated Statements of Functional Expenses.

## 19. RETIREMENT PLANS

The Gavi Group sponsors the following retirement plans:

**Employees Based in Geneva, Switzerland:** Gavi sponsors a defined contribution term savings plan with Zurich International Life Limited ("Geneva Plan"). Membership in the Geneva Plan is for all employees with Gavi employment contracts. The Geneva Plan is funded by both Gavi and employees' contributions, based on the employees' gross annual salaries. Gavi makes monthly employer contributions to the Geneva Plan at 16% of the employee gross salary. Each employee has a compulsory 5% contribution. The total amount expensed for Gavi's contributions was US\$ 11.6 million and US\$ 9.9 million for the years ended 31 December 2023 and 2022, respectively.

**Employees Based in Washington, DC:** Gavi sponsors a 401(k) defined contribution plan ("Washington Plan"), which is a United States retirement savings plan under the United States Internal Revenue Code, for all eligible employees. Employees become eligible upon being hired and may participate starting on the first day of any month. Employees may contribute voluntary salary deferrals to the Washington Plan, subject to United States Internal Revenue Service limitations. Gavi's annual matching contributions equal 1% of each vested participant's compensation and a 3% contribution due to a safe harbour provision. Participants are fully vested upon employment. In addition, the Gavi Board approved discretionary spending equalling 12% of each participant's compensation in order to better align the Washington Plan with the Geneva Plan. The amounts expensed for Gavi's contributions were US\$ 355 thousand and US\$ 320 thousand for the years ended 31 December 2023 and 2022, respectively.

## 20. CONCENTRATIONS OF CREDIT RISK

Financial instruments that potentially subject the Gavi Group to concentrations of credit risk consist of deposits in banks in excess of deposit insurance limits in Switzerland, the United Kingdom and the United States. Bank deposits in these countries are insured up to limits guaranteed by the Swiss Banks' and Securities Dealers' Depositor Protection Association, the United Kingdom's Financial Services Compensation Scheme ("FSCS") and the United States Federal Deposit Insurance Corporation ("FDIC"), respectively. The Gavi Group also invests its excess cash in money market and debt instruments and has established guidelines relative to diversification and maturities aimed at maintaining safety and liquidity.

The deposit insurance limits in Switzerland and the United Kingdom are SFr 100 thousand and £85 thousand, respectively, per depositor, per insured depository institution. In the United States, the standard maximum FDIC deposit insurance amount per depositor, per insured depository institution for each account ownership category is US\$ 250 thousand. While amounts in the Gavi Group's demand deposit accounts at times exceed

the amounts guaranteed in the respective jurisdictions and therefore bear some risk, the Gavi Group has not experienced, nor does it anticipate, credit losses on these financial instruments.

IFFIm's derivative assets are excluded from its credit exposure as they would be netted against its derivative liabilities. As of 31 December 2023, the counterparties on IFFIm's swaps had credit ratings of AAA and AA-. To manage credit risk related to investments, the World Bank invests the pooled assets in liquid instruments such as money market deposits, government and agency obligations. The World Bank is limited to investments with minimum credit ratings at the time of purchase as follows:

- Money market deposits issued or guaranteed by financial institutions whose senior debt securities are rated at least A- by the major rating agencies.
- Government and agency obligations issued or unconditionally guaranteed by government agencies rated at least AA- by the major rating agencies if denominated in a currency other than the home currency of the issuer, otherwise no rating is required. Obligations issued by an agency or instrumentality of a government, a multilateral organisation or any other official entity require a minimum credit rating of AA-.
- Mortgage-backed securities, asset-backed securities and corporate securities whose minimum rating is AAA.

In order to achieve greater diversification of portfolio risks and generate value, the World Bank has made investments in the short-term domestic debt of new sovereign markets offering potential to generate excess yields, mainly from currency basis arbitrage. Investments in these sovereign markets are subject to specific approvals from the financial governing committees of the World Bank and prudent credit limits.

The Gavi Group's contributions receivable as of 31 December 2023 included US\$ 1.1 billion and US\$ 1.3 billion of pledges received, either directly or through IFFIm, from the United Kingdom and euro zone countries, respectively. This represented 26% and 31%, respectively, of the Gavi Group's total contributions receivable as of 31 December 2023.

As of 31 December 2023, Gavi had entered into foreign currency forward contracts with two counterparties with an aggregate net fair value receivable of US\$ 59 million. This represented 91% of Gavi's foreign currency forward contracts as of 31 December 2023.

## 21. LIQUIDITY AND AVAILABILITY

The Gavi Group's financial assets available to meet cash needs for general expenditures, such as operating expenses and scheduled redemption of bonds and other borrowings, within one year consisted of the following:

In Thousands of US\$	Note	2023	2022
Cash		143,767	229,053
Investments	4	7,310,612	5,768,566
Pooled investments	4	522,091	1,005,115
Contributions receivable	5	1,236,790	1,116,411
Foreign currency forward contracts receivable	6	45,147	60,888
Currency and interest rate swaps receivable	6	24,617	-
Total financial assets available within one year		9,283,024	8,180,033
Less those unavailable for general expenditure within one year due to:			
Redemption of bonds and other borrowings	11	(1,842,226)	(1,858,889)
Payable on COVAX Facility arrangements	8	(503,529)	(988,571)
Donor-imposed programme restrictions on contributions	12	(146,249)	(83,691)
Financial assets available to meet cash needs for general expenditures within one year		6,791,020	5,248,882

The Gavi Group has put policies in place to ensure that they maintain sufficient liquidity to meet their obligations to implementing countries, IFFIm investors and all other creditors. These policies are summarised below:

- Gavi cash reserve policy: At all times, Gavi maintains at a minimum unrestricted cash and investment reserve equivalent to eight months of Gavi's expected annual cash expenditures.
- Gavi programme funding policy: As a prerequisite to Board approval or endorsement of any new programmes, Gavi designates an amount of Qualifying Resources sufficient to fully cover all its commitments for the period from the start of the current year through the next two calendar years.

Qualified Resources are defined as the aggregate of Gavi cash and investments on hand, in excess of the reserve policy, and expected future cash inflows for the next two years. Expected future cash flows comprise: (1) expected cash receipts from Gavi – Core and Gavi COVAX AMC donors; (2) expected funding from IFFIm; and (3) projected investment income.

- **IFFIm liquidity policy:** IFFIm maintains an adequate level of liquidity to meet its operational requirements, provide predictability of programme funding and support its credit rating. Taking these factors into account, IFFIm maintains a minimum balance of pooled investments equivalent to its cumulative contracted debt service payments for the next 12 months. This minimum balance is recalculated and reset on a quarterly basis.

## 22. FAIR VALUES OF FINANCIAL INSTRUMENTS

The following table summarises the Gavi Group's assets measured at fair value along with their valuation hierarchy:

<b>As of 31 December 2023, in Thousands of US\$</b>	<b>Investments measured at Net Asset Value</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Investments:					
Money market funds	-	6,009,156	-	-	6,009,156
Registered investment companies	-	580,582	-	-	580,582
Limited liability companies and limited partnerships	720,874	-	-	-	720,874
Pooled investments	-	-	522,091	-	522,091
Net contributions receivable	-	-	1,506,164	2,797,872	4,304,036
Foreign currency forward contracts receivable	-	-	77,557	-	77,557
Currency and interest rate swaps receivable	-	-	377,189	-	377,189
Other receivables	-	-	-	361,059	361,059
<b>Total assets at fair value</b>	<b>720,874</b>	<b>6,589,738</b>	<b>2,483,001</b>	<b>3,158,931</b>	<b>12,952,544</b>

<b>As of 31 December 2022, in Thousands of US\$</b>	<b>Investments measured at Net Asset Value</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Investments:					
Money market funds	-	4,740,376	-	-	4,740,376
Registered investment companies	-	325,742	-	-	325,742
Limited liability companies and limited partnerships	702,448	-	-	-	702,448
Pooled investments	-	-	1,005,115	-	1,005,115
Net contributions receivable	-	-	1,961,057	2,950,808	4,911,865
Foreign currency forward contracts receivable	-	-	144,407	-	144,407
Currency and interest rate swaps receivable	-	-	446,875	-	446,875
Other receivables	-	-	-	601,700	601,700
<b>Total assets at fair value</b>	<b>702,448</b>	<b>5,066,118</b>	<b>3,557,454</b>	<b>3,552,508</b>	<b>12,878,528</b>

The following table summarises the Gavi Group's liabilities measured at fair value along with their valuation hierarchy:

As of 31 December 2023, in Thousands of US\$	Level 1	Level 2	Level 3	Total
Programme grants payable	-	463,447	-	463,447
Foreign currency forward contracts payable	-	12,187	-	12,187
Currency and interest rate swaps payable	-	293,452	-	293,452
Bonds and other borrowings	-	1,956,532	-	1,956,532
Total liabilities at fair value	-	2,725,618	-	2,725,618

As of 31 December 2022, in Thousands of US\$	Level 1	Level 2	Level 3	Total
Programme grants payable	-	36,793	-	36,793
Foreign currency forward contracts payable	-	10,388	-	10,388
Currency and interest rate swaps payable	-	359,536	-	359,536
Bonds and other borrowings	-	2,413,237	-	2,413,237
Total liabilities at fair value	-	2,819,954	-	2,819,954

The following table provides a summary of changes in the fair value of Level 3 financial assets:

In Thousands of US\$	2023	2022
Fair value as of beginning of year	3,552,508	3,436,565
Net realised fair value gains	100,738	101,336
Net unrealised fair value gains (losses)	115,238	(668,612)
New pledges and receivables	141,701	1,236,226
Contributions received/redemptions	(531,254)	(553,007)
Reclassification	(220,000)	-
Fair value as of end of year	3,158,931	3,552,508

There were no transfers of assets and liabilities between levels of the fair value hierarchy in 2023 and 2022.

The techniques applied in determining the fair values of financial instruments are described in the *Fair Values of Financial Instruments* section of Note 2 to the consolidated financial statements.

## 23. NOTES TO CONSOLIDATED STATEMENTS OF CASH FLOWS

The following table reconciles cash and restricted cash in the Consolidated Statements of Financial Position to the total shown in the Consolidated Statements of Cash Flows:

In Thousands of US\$	2023	2022
Cash	143,767	229,053
Restricted cash	676,471	1,956,041
Total cash and restricted cash in the Consolidated Statements of Cash Flows	820,238	2,185,094

## 24. COMMITMENTS

Gavi entered into advance purchase agreements ("APA") with vaccine manufacturers to secure COVID-19 vaccine doses.

- On 31 July 2020, Gavi signed an APA with SII for supply of 100 million doses of a then unnamed COVID-19 vaccine with an option for up to an additional 450 million doses. This agreement became the Covishield APA. On 28 September 2020, Gavi signed an amendment for supply of 100 million doses of a then second unnamed COVID-19 vaccine with options for up to an additional 450 million doses. This amendment was ultimately superseded by the Covovax APA signed by Gavi on 30 April 2021 as described below. On 16 January 2021, Gavi exercised an option for 140 million doses of Covishield, increasing the Firm Order Commitment ("FOC") to 240 million doses, and on 21 July 2021, Gavi, in agreement with SII, cancelled 80 million doses of the FOC, leaving 160 million doses.

- On 18 December 2020, Gavi signed an APA with AstraZeneca for 170 million doses of the AstraZeneca/Oxford COVID-19 vaccine candidate. On 22 July 2022, the committed volume was amended to 168.5 million doses.
- On 15 January 2021, an APA was signed with Pfizer for up to 40 million doses of the Pfizer-BioNTech vaccine. On 9 August 2023, a supplemental APA with Pfizer was signed for up to 12 million doses.
- On 30 April 2021, Gavi signed an APA with SII for supply of 300 million doses of Covovax with options for up to 700 million additional doses. This agreement became the Covovax APA and superseded the Covishield APA amendment signed on 28 September 2020 as described above. During 2022, Gavi issued two Hindrance Event notices to SII and mutually agreed to cancel the remaining FOC obligation for Covovax. The balance of the advance payments paid by Gavi is available to use for the purchase of any future vaccines from SII. US\$ 181 million and US\$ 110 million of the advance payment to SII was utilised to procure other vaccines in the Gavi – Core programmes in 2023 and 2022, respectively.
- On 30 April 2021, Gavi signed an APA with Moderna for 34 million doses of the Moderna vaccine with options for up to 466 million additional doses. On 30 June 2021, Gavi exercised its first option for supply of an additional 116.5 million doses, and on 28 October 2021, Gavi exercised its second option for supply of an additional 116.5 million doses. On 23 November 2021, Gavi signed an amendment to the APA with Moderna increasing the FOC by 20 million doses and increasing options by an additional 130 million doses. On 28 January 2022, Gavi exercised options for 40 million doses. On 30 September 2022, the committed volume was amended to 104.7 million doses.
- On 5 May 2021, Gavi signed an APA with Novavax for supply of 350 million doses of the Novavax vaccine. On 16 November 2022, Gavi was served by a notice of termination in connection with the APA with Novavax to procure COVID-19 vaccines for AMC-eligible economies and SFPs. In the notice of termination, Novavax stated its intention to retain the advance payments paid by Gavi to Novavax of which US\$ 695 million had not been utilised. Gavi refuted the validity of the notice of termination and Novavax's right to retain the advance payments and on 22 November 2022, Gavi issued a notice of termination and asserted a claim to a full refund of the advance payments. Gavi formally commenced arbitration proceedings on 24 January 2023. On February 16, 2024, Gavi entered into a Termination and Settlement Agreement with Novavax as described in Note 25 to the consolidated financial statements.
- On 19 May 2021, Gavi signed an APA with Johnson & Johnson ("J&J") for supply of 200 million doses of the J&J vaccine. In November 2023, an amendment to the APA was entered between Gavi and J&J. Doses continued to be supplied under this APA in the first quarter of 2024. The agreement was terminated on 30 April 2024.
- On 29 June 2021, Gavi signed an APA with Clover Biopharmaceuticals for 64 million doses of the Clover vaccine with options for up to an additional 350 million doses. On 12 September 2022, Gavi signed an amendment to convert the FOC of 64 million doses into an option, and to cancel the previous option doses.
- On 7 July 2021, Gavi signed an APA with Sinopharm for 60 million doses of Sinopharm vaccine with options for up to an additional 110 million doses. On 17 September 2021, Gavi exercised an option for 58 million doses.
- On 8 July 2021, Gavi signed an APA with Sinovac for 50 million doses of Sinovac vaccine with options for up to an additional 330 million doses. On 17 September 2021, Gavi exercised an option for 83 million doses.

In 2023 and 2022, Gavi entered into agreements with manufacturers with payments to, or receipts from manufacturers to reduce or rephase committed volumes. These changes occurred following the decline in demand for vaccines from participant countries and to enable Gavi to resize its purchase commitments in line with updated country demand projections and dose donations. As a result of the negotiations, Gavi incurred exit costs of US\$ 305 million and US\$ 441 million and cost of expired doses and raw materials of US\$ 424 million and US\$ 308 million for the year ended 31 December 2023 and 2022, respectively. These costs are reported as direct programme expenses in the Consolidated Statements of Functional Expense.

Outstanding commitments on these APAs amounted to approximately US\$ 6.1 million and US\$ 961.8 million as of 31 December 2023 and 31 December 2022, respectively.

## 25. SUBSEQUENT EVENTS

In preparing these consolidated financial statements, the Gavi Group evaluated subsequent events through 19 June 2024, which represents the date that the consolidated financial statements were issued. The Gavi Group identified the following significant subsequent events requiring disclosure:

- On 16 February 2024, Gavi entered into a Termination and Settlement Agreement with Novavax, ending the arbitration proceedings and releasing both parties of all claims arising from, under or otherwise in connection with the APA.

Pursuant to the Settlement Agreement, Novavax has paid to Gavi an initial settlement payment of US\$ 75 million, which was received on 20 February 2024, and agreed to make deferred payments of US\$ 400 million which shall be paid in variable quarterly instalments and will be equal to US\$ 80 million in each calendar year for a term ending 31 December 2028. Such deferred payments may be reduced through Gavi's use of an annual vaccine credit equivalent to the unpaid balance of such deferred payments each year, which may be applied to the procurement of any of Novavax's vaccines by procurement agencies acting on behalf of Gavi.

In addition, Novavax granted Gavi an additional credit of up to US\$ 225 million that may be applied against procurement of Novavax vaccines beyond the US\$ 80 million deferred payment amount in any calendar year during the deferred payment term. Gavi and Novavax also entered into a security agreement pursuant to which Novavax granted Gavi a security interest in certain accounts receivable from SII under the License and Supply Agreement dated as of 10 March 2020, by and between SII and Novavax related to the licensure and supply of Novavax's Matrix-M adjuvant for SII's production of a malaria vaccine including the R21 antigen, which will continue for the deferred payment term of the Settlement Agreement.

As of 31 December 2023, advances to vaccine manufacturers and procurement agents include the additional credit from Novavax of US\$ 220 million, net of US\$ 5 million procured doses, and other receivables include an advance payment due from Novavax of US\$ 475 million, offset with a valuation adjustment of US\$ 114 million, as reported in Note 7 to the consolidated financial statements.

- On 10 May 2024, Novavax entered into a licensing agreement with Sanofi which includes a cash upfront payment to Novavax and a potential for further milestone and royalty payments. This development may have a beneficial impact on the valuation adjustment described above.
- Following the end of the Facility, the balance of COVAX funds of US\$ 5.3 billion as of 31 December 2023 will cover the following:
  - a. outstanding commitments to vaccine manufacturers under APA as described in Note 24 of the consolidated financial statements;
  - b. phased in-country delivery (CDS) as approved by the Gavi Board;
  - c. potential commitments under the No-Fault Compensation Programme which runs through 2027; and
  - d. any operating costs to fully close the Facility.

For any remaining funds on behalf of SFPs, Gavi will continue the close-out process beyond 2023 to return remaining funds where relevant to SFPs according to their Termination Agreements.

For any remaining funds for Gavi COVAX AMC, Gavi and Gavi COVAX AMC donors have started a process to amend grants to extend permitted uses of unspent Gavi COVAX AMC funds toward other Gavi programmes, including the COVID-19 Programme, Regional Manufacturing (African Vaccine Manufacturing Accelerator), the Day Zero Financing Facility First Response Fund, the Big Catch-up, and the Pandemic Prevention, Preparedness, Response Coalition Network and others. Gavi is reviewing and monitoring the amendments and as of the date of the issuance of the consolidated financial statements, the amendments have not resulted in a significant change or adjustment to the consolidated financial statements as of 31 December 2023.

## **Statutory Auditor's Report**

To the GAVI Alliance Board of  
**GAVI Alliance, Grand-Saconnex – Geneva**

## **Report on the Audit of the Consolidated Financial Statements**

### *Opinion*

We have audited the consolidated financial statements of GAVI Alliance and its subsidiaries (the Foundation), which comprise the consolidated statements of financial position as at 31 December 2023 and the consolidated statements of activities, cash flows and functional expenses for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Foundation as at 31 December 2023, and its results of operations and its consolidated cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America (US GAAP) and comply with Swiss law, the statutes and by-laws of the Foundation.

### *Basis for Opinion*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), Swiss law and Swiss Standards on Auditing Standards (SA-CH). Our responsibilities under those provisions and standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Foundation in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, as well as the International Code of Ethics for Professional Accountants (including International Independence Standards) of the International Ethics Standards Board for Accountants (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

### *Responsibilities of the GAVI Alliance Board and the Secretariat for the Consolidated Financial Statements*

The GAVI Alliance Board and Secretariat are responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America (US GAAP) and the provisions of Swiss law, the statutes and the by-laws of the Foundation, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.



In preparing the consolidated financial statements, the GAVI Alliance Board and Secretariat are required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern for a period of at least twelve months from when the consolidated financial statements are authorised for issue.

#### *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, Swiss law and SA-CH will always detect a material misstatement when it exists. 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. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, Swiss law and SA-CH we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- 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 GAVI Alliance's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about GAVI Alliance's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

#### *Other Information in the Annual Report*

The GAVI Alliance Board and Secretariat are responsible for the other information in the annual report. The other information comprises all information included in the annual report, but does not include the consolidated financial statements of the Foundation and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information in the annual report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information in the annual report and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Report on Other Legal and Regulatory Requirements**

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

In accordance with article 728a paragraph 1 item 3 CO and ISA-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of consolidated financial statements according to the instructions of the GAVI Alliance Board.

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

**Deloitte SA**

Fabien Bryois  
Licensed Audit Expert  
Auditor in Charge

Lisa Watson  
Licensed Audit Expert

Geneva, Switzerland, 19 June 2024

SUPPLEMENTARY  
INFORMATION

## PLEDGES AND CONTRIBUTIONS SCHEDULES

Schedules 1.1 to 1.7 provide details of the Gavi Group's pledges and contributions from the following sources:

- **Multi-Year Pledges:** The Gavi Group receives upfront written commitments from donors that do not include any conditions and are payable over multiple years ("Multi-Year Pledges"). In accordance with its accounting policy, the Gavi Group records each Multi-Year Pledge as contribution revenue and contributions receivable at fair value on the date the recognition criteria are met and the pledge becomes unconditional. The recorded contributions receivable balances are then reduced over time as cash payments are received from the donors, and are adjusted for changes in fair value.

The Gavi Group's methodology for valuing its contributions receivable, including details of IFFIm's grant payment condition, is described in the *Fair Values of Financial Instruments* section of Note 2 to the consolidated financial statements. Multi-Year Pledges in foreign currency are converted to United States dollars at the prevailing average interbank exchange rate as of 31 December 2023. See *Foreign Currency Transactions* section of Note 2 to the consolidated financial statements for further information.

Multi-Year Pledges balances presented in the currencies of the pledges, in Schedules 1.3 and 1.4, are not adjusted for reductions due to discounting. Discounting the Gavi Group's contributions receivable is described in Note 2 to the consolidated financial statements.

Multi-Year Pledges to IFFIm presented in the currencies of the pledge, in Schedule 1.4, are not adjusted for reductions due to the grant payment condition ("GPC"). The GPC is described in Note 2 to the consolidated financial statements.

- **Annual Contributions:** The Gavi Group receives contributions from donors that are committed and paid annually ("Annual Contributions"). In accordance with its accounting policy, the Gavi Group records Annual Contributions as contribution revenue when payments are received from the donors.
- **Gavi COVAX AMC Donated Doses:** Various countries had secured sufficient doses to enable sharing a portion of those doses with other countries. In accordance with its accounting policy on initial recognition, the Gavi Group records each donated dose as contributed non-financial assets at fair value on the date the recognition criteria are met and the pledge becomes unconditional (i.e. when donated doses accepted by Gavi can be utilised in vaccine programmes and received by Gavi COVAX AMC-eligible economies).

The Gavi Group's methodology for recognising and valuing its contributed non-financial assets is described in Note 17 to the consolidated financial statements.

Schedules 1.8 to 1.9 provide details of cash receipts from donors, in United States dollars and in currencies of receipts. Cash receipts in foreign currencies are converted to United States dollars at the prevailing interbank exchange rate at the date cash is received.

## SCHEDULE 1.1: MULTI-YEAR PLEDGES FROM DONORS, IN UNITED STATES DOLLARS

The following table presents the nominal amounts of Multi-Year Pledges from all Gavi Group's donors, in United States dollars:

In Thousands of US\$	Balance as of 31 December 2023	Balance as of 31 December 2022
<u>Multi-Year Pledges to Gavi from sovereign governments:</u>		
Australia, Commonwealth of	109,012	183,989
Belgium, Kingdom of	-	3,212
Cameroon, Republic of	1,000	1,000
China, People's Republic of	8,000	12,000
France, Republic of	183,214	-
Germany, Federal Republic of	264,888	385,344
India, Republic of	6,000	9,000
Italy, Republic of	57,392	77,069
Japan	-	10,000
Monaco, Principality of	276	401
Norway, Kingdom of	255,458	374,067
Qatar, State of	6,000	8,000
Uganda, Republic of	605	605
<b>Total Multi-Year Pledges to Gavi from sovereign governments</b>	<b>891,845</b>	<b>1,064,687</b>
<u>Multi-Year Pledges to Gavi from corporations, foundations and private individuals:</u>		
Alwaleed Philanthropies	2,000	2,000
Bill & Melinda Gates Foundation	665,000	990,000
The Church of Jesus Christ of Latter-Day Saints	3,000	-
Other	887	-
<b>Total Multi-Year Pledges to Gavi from corporations, foundations and private individuals</b>	<b>670,887</b>	<b>992,000</b>
<u>Multi-Year Pledges to IFFIm:</u>		
Australia, Commonwealth of <sup>1</sup>	69,010	78,857
Australia, Commonwealth of <sup>4</sup>	48,953	55,064
Brazil, Federative Republic of	14,000	15,000
Canada	90,538	-
France, Republic of <sup>3</sup>	263,766	326,130
France, Republic of <sup>2</sup>	99,692	128,112
Italy, Republic of	227,079	248,217
Netherlands, State of the	193,847	213,520
Norway, Kingdom of	510,450	595,610
Norway, Kingdom of <sup>4</sup>	68,980	81,312
South Africa, Republic of	3,000	4,000
Spain, Kingdom of	120,684	131,769
Spain, Kingdom of	83,078	-
Sweden, Kingdom of	19,982	21,683
Sweden, Kingdom of <sup>4</sup>	157,357	173,466
United Kingdom <sup>4</sup>	407,872	481,560
United Kingdom	939,739	1,021,301
<b>Total Multi-Year Pledges to IFFIm</b>	<b>3,318,027</b>	<b>3,575,601</b>
<u>Multi-Year Pledges from Gavi COVAX AMC donors:</u>		
<u>Sovereign governments</u>		
Australia, Commonwealth of	-	5,100
Belgium, Kingdom of	-	2,461
<b>Total Multi-Year Pledges from Gavi COVAX AMC donors</b>	<b>-</b>	<b>7,561</b>
<b>Total Multi-Year Pledges from donors</b>	<b>4,880,759</b>	<b>5,639,849</b>

<sup>1</sup> Acting through the Australian Agency for International Development.

<sup>2</sup> Acting through Agence Française de Développement.

<sup>3</sup> Acting through the Ministry of Economy, Industry and Employment.

<sup>4</sup> The funding from these pledges supported the Gavi COVAX AMC. Following the end of the Facility, Gavi and Gavi COVAX AMC donors have started a process to amend grants to extend permitted uses of unspent funds towards other Gavi programmes.

## SCHEDULE 1.2: RECONCILIATION OF MULTI-YEAR PLEDGES TO CONTRIBUTIONS RECEIVABLE

The following table reconciles Multi-Year Pledges from donors, per Schedule 1.1 above, to the contributions receivable balances reported in the Consolidated Statements of Financial Position on page 35:

In Thousands of US\$	2023	2022
Total Multi-Year Pledges from donors	4,880,759	5,639,849
Grant payment reduction on Multi-Year Pledges to IFFIm	(208,987)	(243,099)
Unamortised discount on Multi-Year Pledges to Gavi	(56,567)	(103,192)
Unamortised discount on Multi-Year Pledges to IFFIm	(311,169)	(381,693)
Total recorded contributions receivable	4,304,036	4,911,865

## SCHEDULE 1.3: MULTI-YEAR PLEDGES TO GAVI, IN CURRENCIES OF PLEDGES

The following table presents the activity of Multi-Year Pledges to Gavi, for the year ended 31 December 2023, in the currencies of the pledges:

In Thousands, in Currencies of Pledges	Currency of Pledge	Balance as of 31 December 2022	New Pledges	Payments Received	Balance as of 31 December 2023
<u>Multi-Year Pledges to Gavi from sovereign governments:</u>					
Australia, Commonwealth of	A\$ (AUD)	270,000	-	(109,947)	160,053
Belgium, Kingdom of	€ (EUR)	3,000	-	(3,000)	-
Cameroon, Republic of	US\$ (USD)	1,000	-	-	1,000
China, People's Republic of	US\$ (USD)	12,000	-	(4,000)	8,000
France, Republic of	€ (EUR)	-	250,000	(84,000)	166,000
Germany, Federal Republic of	€ (EUR)	360,000	-	(120,000)	240,000
India, Republic of	US\$ (USD)	9,000	-	(3,000)	6,000
Italy, Republic of	€ (EUR)	72,000	-	(20,000)	52,000
Japan	US\$ (USD)	10,000	5,300	(15,300)	-
Monaco, Principality of	€ (EUR)	375	-	(125)	250
Norway, Kingdom of	kr (NOK)	3,664,813	-	(1,069,753)	2,595,060
Qatar, State of	US\$ (USD)	8,000	-	(2,000)	6,000
Uganda, Republic of	US\$ (USD)	605	-	-	605
<u>Multi-Year Pledges to Gavi from corporations, foundations and private individuals:</u>					
Alwaleed Philanthropies	US\$ (USD)	2,000	-	-	2,000
Bill & Melinda Gates Foundation	US\$ (USD)	990,000	791	(325,791)	665,000
The Church of Jesus Christ of Latter-day Saints	US\$ (USD)	-	3,000	-	3,000
Other contributions	£ (GBP)	-	1,267	(767)	500
Other contributions	US\$ (USD)	-	500	(250)	250
<u>Multi-Year Pledges from Gavi COVAX AMC donors:</u>					
<u>Sovereign governments</u>					
Australia, Commonwealth of	A\$ (AUD)	7,500	-	(7,500)	-
Belgium, Kingdom of	€ (EUR)	2,300	-	(2,300)	-

## SCHEDULE 1.4: MULTI-YEAR PLEDGES TO IFFIm, IN CURRENCIES OF PLEDGES

The following table presents the activity of Multi-Year Pledges assigned to IFFIm, for the year ended 31 December 2023, in the currencies of the pledges:

In Thousands, In Currencies of Pledges	Currency of Pledge	Balance as of 31 December 2022	GPC Adjustments	New Pledges	Payments Received	Balance as of 31 December 2023
<u>Multi-Year Pledges to IFFIm:</u>						
Australia, Commonwealth of	A\$ (AUD)	197,000	-	-	(23,500)	173,500
Brazil, Federative Republic of	US\$ (USD)	15,000	-	-	(1,000)	14,000
Canada	C\$ (CAD)	-	-	125,000	-	125,000
France, Republic of	€ (EUR)	305,480	-	-	(67,360)	238,120
France, Republic of	€ (EUR)	120,000	-	-	(30,000)	90,000
Italy, Republic of	€ (EUR)	232,500	-	-	(27,500)	205,000
Netherlands, State of the	€ (EUR)	200,000	-	-	(25,000)	175,000
Norway, Kingdom of	kr (NOK)	6,660,000	-	-	(780,000)	5,880,000
South Africa, Republic of	US\$ (USD)	4,000	-	-	(1,000)	3,000
Spain, Kingdom of	€ (EUR)	123,425	-	75,000	(14,475)	183,950
Sweden, Kingdom of	kr (SEK)	2,025,000	-	-	(250,000)	1,775,000
United Kingdom	£ (GBP)	1,248,301	-	-	(191,020)	1,057,281

## SCHEDULE 1.5: ANNUAL CONTRIBUTIONS FROM DONORS

The following schedule details annual contributions received from donors during the years ended 31 December 2023 and 2022, in both the currencies of the contributions and United States dollars:

In Thousands	Currency of Contribution	2023	2022	2023, in US\$	2022, in US\$
<u>Annual Contributions from sovereign governments:</u>					
Canada	C\$ (CAD)	95,000	100,000	70,685	78,855
China, People's Republic of	US\$ (USD)	-	247	-	247
Denmark, Kingdom of	kr (DKK)	25,000	-	3,686	-
European Union	€ (EUR)	-	30,000	-	29,115
Finland, Republic of	€ (EUR)	2,000	-	2,141	-
France, Republic of	€ (EUR)	-	55,284	-	57,078
Ireland, Republic of <sup>1</sup>	€ (EUR)	4,000	3,000	4,288	3,272
Japan	US\$ (USD)	-	30,000	-	30,000
Japan	SFr (CHF)	-	293	-	311
Korea, Republic of	₩ (KRW)	6,430,000	13,150,000	4,920	10,394
Luxembourg, Grand Duchy of	€ (EUR)	1,000	1,000	1,057	985
Netherlands, State of the	€ (EUR)	14,625	12,175	15,459	11,997
Portuguese Republic	€ (EUR)	150	-	165	-
Spain, Kingdom of	€ (EUR)	500	-	529	-
Sweden, Kingdom of	kr (SEK)	332,500	350,000	32,402	33,943
United Kingdom	£ (GBP)	229,045	-	284,873	-
United Kingdom	US\$ (USD)	8	-	8	-
United States of America	US\$ (USD)	290,000	290,000	290,000	290,000
Total Annual Contributions from sovereign governments				710,213	546,197
<u>Annual Contributions from corporations, foundations and private individuals:</u>					
Bill & Melinda Gates Foundation	US\$ (USD)	12,053	6,975	12,053	6,975
Fondation Marie de la Providence	SFr (CHF)	1,000	1,000	1,126	1,006
The "la Caixa" Foundation	€ (EUR)	1,000	1,000	1,106	996
The "la Caixa" Foundation	US\$ (USD)	2,193	2,585	2,193	2,585

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Continued from page 70

In Thousands	Currency of Contribution	2023	2022	2023, in US\$	2022, in US\$
Other contributions	€ (EUR)	-	250	-	265
Other contributions	£ (GBP)	-	333	-	440
Other contributions	US\$ (USD)	4,648	7,303	4,648	7,303
Total Annual Contributions from corporations, foundations and private individuals				21,126	19,570
<u>Annual Contributions from Gavi COVAX AMC donors:</u>					
<u>Sovereign governments</u>					
Australia, Commonwealth of	US\$ (USD)	-	56,087	-	56,087
Brazil, Federative Republic of	US\$ (USD)	120,917	22,780	120,917	22,780
Canada	US\$ (USD)	37,351	-	37,351	-
Canada	C\$ (CAD)	-	210,220	-	159,306
China, People's Republic of	US\$ (USD)	-	100,000	-	100,000
Denmark, Kingdom of	kr (DKK)	-	75,000	-	10,695
Estonia, Republic of	€ (EUR)	-	40	-	42
European Union	US\$ (USD)	-	68,578	-	68,578
Finland, Republic of	€ (EUR)	-	2,000	-	2,032
Germany, Federal Republic of	€ (EUR)	-	400,314	-	429,714
Iceland, Republic of	US\$ (USD)	-	8	-	8
Iceland, Republic of	kr (ISK)	-	250,000	-	1,873
Ireland, Republic of	€ (EUR)	-	5,000	-	5,451
Italy, Republic of	€ (EUR)	-	100,000	-	98,190
Japan	US\$ (USD)	300,000	800,000	300,000	800,000
Korea, Republic of	US\$ (USD)	70,000	100,000	70,000	100,000
Liechtenstein, Principality of	€ (EUR)	-	400	-	437
Luxembourg, Grand Duchy of	€ (EUR)	-	1,000	-	1,055
Malta, Republic of	€ (EUR)	-	40	-	42
Monaco, Principality of	US\$ (USD)	66	-	66	-
Netherlands, State of the	€ (EUR)	-	30,000	-	31,834
New Zealand <sup>3</sup>	US\$ (USD)	-	3,434	-	3,434
Philippines, Republic of	US\$ (USD)	100	-	100	-
Portuguese Republic	€ (EUR)	-	150	-	160
Saudi Arabia, Kingdom of	US\$ (USD)	41,000	-	41,000	-
Spain, Kingdom of <sup>2</sup>	€ (EUR)	-	890	-	957
Swiss Confederation	SFr (CHF)	-	60	-	61
United Kingdom	US\$ (USD)	3	62,547	3	62,547
Vietnam, Socialist Republic of	US\$ (USD)	-	500	-	500
<u>Corporations, foundations and private individuals</u>					
Anonymous	SFr (CHF)	-	751	-	747
Bill & Melinda Gates Foundation	US\$ (USD)	-	1,450	-	1,450
Fondation Marie de la Providence	SFr (CHF)	-	1,000	-	1,089
National Philanthropic Trust	US\$ (USD)	-	31,875	-	31,875
Sergey Brin Family Foundation	US\$ (USD)	-	28,125	-	28,125
Vaccine Forward Initiative	kr (SEK)	639	2,620	62	273
WHO Foundation	US\$ (USD)	2,957	7,429	2,957	7,429
Other contributions	C\$ (CAD)	-	136	-	106
Other contributions	€ (EUR)	-	457	-	507
Other contributions	£ (GBP)	-	200	-	230
Other contributions	US\$ (USD)	142	6,235	142	6,235
Total Annual Contributions from Gavi COVAX AMC donors				572,598	2,033,849
Total Annual Contributions				1,303,937	2,599,616

<sup>1</sup> Through the Department of Foreign Affairs

<sup>2</sup>Through the Catalan Agency for Development Cooperation

<sup>3</sup> Gavi COVAX AMC donor that opts to donate doses and ancillary costs, if any, in the form of cash. This was reported as contributions from government and private donors in the consolidated statement of activities.

## SCHEDULE 1.6: RECONCILIATION OF ANNUAL CONTRIBUTIONS TO CONTRIBUTION REVENUE

The following table reconciles Annual Contributions per Schedule 1.5 above to contribution revenue reported in the Consolidated Statements of Activities on page 36 of the consolidated financial statements:

In Thousands of US\$	2023	2022
Total Annual Contributions	1,303,937	2,599,616
Contributed non-financial assets <sup>1</sup>	310,296	1,309,841
Initial fair value of new Multi-Year Pledges received during the year <sup>2</sup>	420,556	561,932
Total recorded contribution revenue <sup>3</sup>	2,034,789	4,471,389

<sup>1</sup>In accordance with its accounting policy, the Gavi Group recorded the fair value of each in-kind contribution as contributed non-financial assets on the date the recognition criteria are met. Therefore, this amount is included in the total recorded contribution revenue amount in the Gavi Group's Consolidated Statement of Activities.

<sup>2</sup>In accordance with its accounting policy, the Gavi Group recorded the fair value of each new Multi-Year Pledge as contribution revenue on the date the recognition criteria are met. Therefore, this amount is included in the contribution revenue amount in the Gavi Group's Consolidated Statement of Activities.

<sup>3</sup>This amount represents the aggregate of unrestricted and donor-restricted contribution revenue as presented in the Gavi Group's Consolidated Statement of Activities. Annual Contributions in foreign currency are translated to United States dollars in accordance with the Gavi Group's methodology described in the *Foreign Currency Transactions* section of Note 2 to the consolidated financial statements.

Total recorded contribution revenue comprised of:

In Thousands of US\$	2023	2022
Contributions from governments and private donors without donor restrictions	393,872	450,202
Contributions from governments and private donors with donor restrictions	1,330,621	2,711,346
Contributed non-financial assets with donor restrictions	310,296	1,309,841
Total recorded contribution revenue	2,034,789	4,471,389

## SCHEDULE 1.7: GAVI COVAX AMC DONATED DOSES

In accordance with Gavi's accounting policy on initial recognition, the Gavi Group records each donated dose as contributed non-financial assets at fair value on the date the recognition criteria are met and the pledge becomes unconditional.

The following table presents the fair value of Gavi COVAX AMC donated doses from all Gavi Group's donors, in United States dollars:

In Thousands of US\$	2023	2022
Australia, Commonwealth of	-	9
Austria, Republic of	4,510	19,885
Belgium, Kingdom of	9,390	10,881
Canada	-	86,492
Croatia, Republic of	2,955	756
Czech Republic	7,504	3,384
Denmark, Kingdom of	-	18,495
Finland, Republic of	1,341	10,584
France, Republic of	16,660	103,349
Germany, Federal Republic of	20,257	157,290
Hellenic Republic (Greece)	2,702	10,092
Iceland, Republic of	-	32
Ireland, Republic of	-	16,700
Italy, Republic of	33,788	128,185
Japan	-	12,924
Latvia, Republic of	894	540
Lithuania, Republic of	2,022	1,692
Luxembourg, Grand Duchy of	136	2,484
Monaco, Principality of	-	19
Netherlands, State of the	9,156	8,355
New Zealand	-	11,741
Norway, Kingdom of	-	1,459
Portuguese Republic	1,361	12,770
Slovak Republic	3,946	7,002
Slovenia, Republic of	-	2,082
Spain, Kingdom of	53,933	66,673
Sweden, Kingdom of	15,934	27,634
Swiss Confederation	24,955	7,613
United Kingdom	46,944	133,775
United States of America	51,240	445,375
<b>Total Gavi COVAX AMC Donated Doses<sup>1</sup></b>	<b>309,628</b>	<b>1,308,272</b>

<sup>1</sup> These were reported as contributed non-financial assets in the consolidated statement of activities. Other Gavi COVAX AMC donors opt to donate doses in the form of cash. These were excluded in the table above and reported as contributions from government and private donors in the consolidated statement of activities and included in Schedule 1.5: *Annual Contributions from Donors* on page 70.

Certain doses from the above donor countries were donated to the Gavi COVAX AMC through umbrella Dose-Sharing Tripartite Agreements: (a) Janssen doses through Belgium's agreement; (b) Pfizer doses through France's agreement; and (c) AstraZeneca and Moderna doses through Sweden's agreement.

## SCHEDULE 1.8: CASH RECEIPTS FROM DONORS, IN UNITED STATES DOLLAR

The following schedule details Gavi's cash received from donors during the year ended 31 December 2023, in United States dollar:

In Thousands of US\$	Contribution Payments Received in 2023		
	For 2023 Pledges <sup>1</sup>	For Multi-Year Pledges <sup>2</sup>	Total Received
<u>Sovereign governments:</u>			
Australia, Commonwealth of	-	74,834	74,834
Belgium, Kingdom of	-	3,227	3,227
Canada	70,685	-	70,685
China, People's Republic of	-	4,000	4,000
Denmark, Kingdom of	3,686	-	3,686
Finland, Republic of	2,141	-	2,141
France, Republic of	-	91,872	91,872
Germany, Federal Republic of	-	129,315	129,315
India, Republic of	-	3,000	3,000
Ireland, Republic of	4,288	-	4,288
Italy, Republic of	-	22,452	22,452
Japan	-	15,300	15,300
Korea, Republic of	4,920	-	4,920
Luxembourg, Grand Duchy of	1,057	-	1,057
Monaco, Principality of	-	132	132
Netherlands, State of the	15,459	-	15,459
Norway, Kingdom of	-	102,849	102,849
Portuguese Republic	165	-	165
Qatar, State of	-	2,000	2,000
Spain, Kingdom of	529	-	529
Sweden, Kingdom of	32,402	-	32,402
United Kingdom	284,881	-	284,881
United States of America	290,000	-	290,000
<b>Total cash receipts from sovereign governments</b>	<b>710,213</b>	<b>448,981</b>	<b>1,159,194</b>
<u>Corporations, foundations and private individuals:</u>			
Bill & Melinda Gates Foundation	12,053	325,791	337,844
Fondation Marie de la Providence	1,126	-	1,126
The "la Caixa" Foundation	3,299	-	3,299
Other contributions	4,648	1,211	5,859
<b>Total cash receipts from corporations, foundations and private individuals</b>	<b>21,126</b>	<b>327,002</b>	<b>348,128</b>
<u>Gavi COVAX AMC donors:</u>			
<u>Sovereign governments</u>			
Australia, Commonwealth of	-	5,230	5,230
Belgium, Kingdom of	-	2,474	2,474
Brazil, Federative Republic of	120,917	-	120,917
Canada	37,351	-	37,351
Japan	300,000	-	300,000
Korea, Republic of	70,000	-	70,000
Monaco, Principality of	66	-	66
Philippines, Republic of	100	-	100
Saudi Arabia, Kingdom of	41,000	-	41,000
United Kingdom	3	-	3
<u>Corporations, foundations and private individuals</u>			
Vaccine Forward Initiative	62	-	62
WHO Foundation	2,957	-	2,957
Other contributions	142	-	142
<b>Total cash receipts from Gavi COVAX AMC donors</b>	<b>572,598</b>	<b>7,704</b>	<b>580,302</b>
<b>Total cash receipts</b>	<b>1,303,937</b>	<b>783,687</b>	<b>2,087,624</b>

<sup>1</sup> Amounts received in 2023 to fulfil pledges for 2023.

<sup>2</sup> Amounts received in 2023 to fulfil pledges for multi-years.

## SCHEDULE 1.9: CASH RECEIPTS FROM DONORS, IN CURRENCIES OF RECEIPTS

The following schedule details Gavi's cash received from donors during the year ended 31 December 2023, in currencies of receipts:

In Thousands, in Currencies of Receipts	Currency of Receipt	Contribution Payments Received in 2023		
		For 2023 Pledges <sup>1</sup>	For Multi-Year Pledges <sup>2</sup>	Total Received
<u>Sovereign governments:</u>				
Australia, Commonwealth of	A\$ (AUD)	-	109,947	109,947
Belgium, Kingdom of	€ (EUR)	-	3,000	3,000
Canada	C\$ (CAD)	95,000	-	95,000
China, People's Republic of	US\$ (USD)	-	4,000	4,000
Denmark, Kingdom of	kr (DKK)	25,000	-	25,000
Finland, Republic of	€ (EUR)	2,000	-	2,000
France, Republic of	€ (EUR)	-	84,000	84,000
Germany, Federal Republic of	€ (EUR)	-	120,000	120,000
India, Republic of	US\$ (USD)	-	3,000	3,000
Ireland, Republic of	€ (EUR)	4,000	-	4,000
Italy, Republic of	€ (EUR)	-	20,000	20,000
Japan	US\$ (USD)	-	15,300	15,300
Korea, Republic of	₩ (KRW)	6,430,000	-	6,430,000
Luxembourg, Grand Duchy of	€ (EUR)	1,000	-	1,000
Monaco, Principality of	€ (EUR)	-	125	125
Netherlands, State of the	€ (EUR)	14,625	-	14,625
Norway, Kingdom of	kr (NOK)	-	1,069,753	1,069,753
Portuguese Republic	€ (EUR)	150	-	150
Qatar, State of	US\$ (USD)	-	2,000	2,000
Spain, Kingdom of	€ (EUR)	500	-	500
Sweden, Kingdom of	kr (SEK)	332,500	-	332,500
United Kingdom	£ (GBP)	229,045	-	229,045
United Kingdom	US\$ (USD)	8	-	8
United States of America	US\$ (USD)	290,000	-	290,000
<u>Corporations, foundations and private individuals:</u>				
Bill & Melinda Gates Foundation	US\$ (USD)	12,053	325,791	337,844
Fondation Marie de la Providence	SFr (CHF)	1,000	-	1,000
The "la Caixa" Foundation	€ (EUR)	1,000	-	1,000
The "la Caixa" Foundation	US\$ (USD)	2,193	-	2,193
Other contributions	£ (GBP)	-	767	767
Other contributions	US\$ (USD)	4,648	250	4,898
<u>Gavi COVAX AMC donors:</u>				
<u>Sovereign governments</u>				
Australia, Commonwealth of	A\$ (AUD)	-	7,500	7,500
Belgium, Kingdom of	€ (EUR)	-	2,300	2,300
Brazil, Federative Republic of	US\$ (USD)	120,917	-	120,917
Canada	US\$ (USD)	37,351	-	37,351
Japan	US\$ (USD)	300,000	-	300,000
Korea, Republic of	US\$ (USD)	70,000	-	70,000
Monaco, Principality of	US\$ (USD)	66	-	66
Philippines, Republic of	US\$ (USD)	100	-	100
Saudi Arabia, Kingdom of	US\$ (USD)	41,000	-	41,000
United Kingdom	US\$ (USD)	3	-	3
<u>Corporations, foundations and private individuals</u>				
Vaccine Forward Initiative	kr (SEK)	639	-	639
WHO Foundation	US\$ (USD)	2,957	-	2,957
Other contributions	US\$ (USD)	142	-	142

<sup>1</sup> Amounts received in 2023 to fulfil pledges for 2023.

<sup>2</sup> Amounts received in 2023 to fulfil pledges for multi-years.

## EXPENSES SCHEDULES

Schedules 2.1 to 2.4 provide details of the following categories of Gavi Group's expenses:

- **Country Programme Expenses:** Gavi directly incurs expenses to procure and distribute vaccines to countries (e.g. the cost of vaccines, freight and insurance) and related to vaccine and cash programmes and investment cases of Gavi – Core and Gavi – Facility.
- **Partner Programme Expenses:** Gavi incurs expenses to provide funding to partners through the Partners' Engagement Framework ("PEF"). In June 2015, the Board approved the structure for the PEF, which came into force in 2016. Through PEF, Gavi provides funding to partners and allows the partners to support countries' immunisation programmes. Support under PEF is divided into three areas: targeted country assistance, strategic focus areas, and foundational support. Most PEF funding is allocated to targeted country assistance. The amount of funding allocated to countries is differentiated based on institutional priorities and objectives.
- **Professional Fees:** The Gavi Group incurs expenses to engage external technical and expert advisers and consultants as needed.

### SCHEDULE 2.1: COUNTRY PROGRAMME EXPENSES, BY RECIPIENT COUNTRY

The following schedule details country programme expenses, by recipient country, incurred by the Gavi Group during the years ended 31 December 2023 and 2022:

In Thousands of US\$	2023					2022		
	Gavi-Core Vaccine Support <sup>1</sup>	Gavi-Facility Vaccine Support <sup>2</sup>	Gavi-Core Cash Grants	Gavi-Facility Cash Grants	Total	Vaccine Support <sup>1</sup>	Cash Grants	Total
Afghanistan, Islamic Republic of	31,154	33,413	10,090	12,692	87,349	89,739	26,709	116,448
Algeria, People's Democratic Republic of	-	-	-	-	-	143	-	143
Angola, Republic of	4,905	12,264	5,684	2,752	25,605	15,870	-	15,870
Azerbaijan, Republic of	34	-	-	-	34	589	-	589
Bangladesh, People's Republic of	73,314	33,113	16,830	3,866	127,123	699,717	13,008	712,725
Benin, Republic of	10,965	513	1,288	4,786	17,552	21,546	807	22,353
Bhutan, Kingdom of	75	1,017	-	-	1,092	3,529	-	3,529
Bolivia, Plurinational State of	1,086	3,908	1,450	-	6,444	6,111	-	6,111
Burkina Faso	25,863	6,171	8,922	3,909	44,865	42,741	10,297	53,038
Burundi, Republic of	7,172	-	688	3,717	11,577	7,232	5,060	12,292
Cabo Verde, Republic of	-	284	-	-	284	1,291	-	1,291
Cambodia, Kingdom of	8,261	5,150	6,173	2,041	21,625	18,739	2,095	20,834
Cameroon, Republic of	29,968	-	3,682	11,842	45,492	21,860	5,623	27,483
Central African Republic	2,934	-	806	3,969	7,709	18,192	1,433	19,625
Chad, Republic of	45,152	-	18,079	6,560	69,791	62,818	10,992	73,810

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In Thousands of US\$	2023					2022		
	Gavi-Core Vaccine Support <sup>1</sup>	Gavi-Facility Vaccine Support <sup>2</sup>	Gavi-Core Cash Grants	Gavi-Facility Cash Grants	Total	Vaccine Support <sup>1</sup>	Cash Grants	Total
Comoros, Union of the	95	1,592	1,020	288	2,995	1,883	560	2,443
Congo, Republic of the	163,407	18,201	45,877	4,485	231,970	184,597	55,755	240,352
Congo, Democratic Republic of the	419	-	262	1,638	2,319	210	2,850	3,060
Côte d'Ivoire, Republic of	20,977	9,962	4,122	6,160	41,221	53,398	4,262	57,660
Cuba, Republic of	173	-	-	-	173	117	-	117
Djibouti, Republic of	282	692	188	2,341	3,503	2,118	1,562	3,680
Egypt, Arab Republic of	-	10,266	-	-	10,266	63,779	-	63,779
El Salvador, Republic of	-	-	-	-	-	3,145	-	3,145
Eritrea, State of	4,246	-	382	-	4,628	5,967	3,710	9,677
Eswatini, Kingdom of	-	-	-	-	-	1,010	-	1,010
Ethiopia, Federal Democratic Republic of	148,610	10,031	79,143	7,617	245,401	280,574	17,791	298,365
Fiji, Republic of	-	633	-	-	633	96	-	96
Gambia, Republic of the	1,614	5,314	1,498	602	9,028	3,256	548	3,804
Ghana, Republic of	22,615	-	4,535	2,744	29,894	55,130	12,325	67,455
Grenada	-	46	-	-	46	64	-	64
Guinea, Republic of	2,511	5,278	5,522	6,345	19,656	34,714	5,675	40,389
Guinea Bissau, Republic of	2,172	321	161	-	2,654	2,927	312	3,239
Guyana, Co-operative Republic of	38	475	-	-	513	974	-	974
Haiti, Republic of	4,630	4,577	1,528	4,412	15,147	12,103	2,300	14,403
Honduras, Republic of	549	15,738	8,000	-	24,287	23,591	-	23,591
India, Republic of	774	-	43,470	2,967	47,211	691,036	15,378	706,414
Indonesia, Republic of	-	-	15,000	-	15,000	110,251	4,611	114,862
Iran, Islamic Republic of	-	-	-	-	-	80	-	80
Kenya, Republic of	63,572	17,066	241	1,630	82,509	50,614	12,700	63,314
Kiribati, Republic of	13	451	-	-	464	613	-	613
Korea, Democratic People's Republic of	2,829	-	-	-	2,829	1,617	-	1,617
Kosovo, Republic of	40	-	-	-	40	5,033	-	5,033
Kyrgyz, Republic of	2,466	32	504	2,200	5,202	4,306	3,840	8,146

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In Thousands of US\$	2023					2022		
	Gavi-Core Vaccine Support <sup>1</sup>	Gavi-Facility Vaccine Support <sup>2</sup>	Gavi-Core Cash Grants	Gavi-Facility Cash Grants	Total	Vaccine Support <sup>1</sup>	Cash Grants	Total
Lao People's Democratic Republic	1,730	441	2,391	1,269	5,831	2,013	2,286	4,299
Lesotho, Kingdom of	645	1,550	1,318	984	4,497	3,718	602	4,320
Lebanon, Republic of	2,115	-	-	-	2,115	-	-	-
Liberia	5,600	1,990	567	-	8,157	23,415	2,627	26,042
Madagascar, Republic of	13,366	591	9,181	6,742	29,880	33,336	3,700	37,036
Malawi, Republic of	15,964	11,034	4,735	5,815	37,548	67,176	14,840	82,016
Maldives, Republic of	-	202	-	-	202	3,583	-	3,583
Mali, Republic of	29,718	15,687	10,371	8,819	64,595	27,841	8,170	36,011
Mauritania, Islamic Republic of	2,722	5,611	67	1,082	9,482	12,604	4,366	16,970
Moldova, Republic of	82	65	-	-	147	1,954	-	1,954
Mongolia	-	-	-	-	-	2,076	-	2,076
Mozambique, Republic of	48,929	2	7,519	9,323	65,773	102,884	17,117	120,001
Morocco, Kingdom of	-	-	-	-	-	653	-	653
Micronesia, Federated States of	-	-	-	-	-	9	-	9
Myanmar, Republic of the Union of	9,383	9,326	47	-	18,756	12,130	-	12,130
Nepal, Federal Democratic Republic of	14,738	19,841	2,220	2,592	39,391	120,528	7,842	128,370
Nicaragua, Republic of	643	1,324	-	1,428	3,395	11,216	1,018	12,234
Niger, Republic of the	28,786	16,549	8,852	5,200	59,387	72,234	14,516	86,750
Nigeria, Federal Republic of	217,650	-	29,583	23,542	270,775	160,459	63,146	223,605
Pakistan, Islamic Republic of	98,987	1,810	-	1,027	101,824	414,046	24,355	438,401
Palestine, State of	-	-	-	-	-	4,228	-	4,228
Papua New Guinea, Independent State of	193	2,299	13,998	1,320	17,810	4,350	5,632	9,982
Philippines, Republic of the	-	-	-	-	-	30,272	-	30,272
Rwanda, Republic of	7,746	12,994	794	2,521	24,055	33,410	2,486	35,896
Saint Lucia	-	222	-	-	222	-	-	-

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In Thousands of US\$	2023					2022		
	Gavi-Core Vaccine Support <sup>1</sup>	Gavi-Facility Vaccine Support <sup>2</sup>	Gavi-Core Cash Grants	Gavi-Facility Cash Grants	Total	Vaccine Support <sup>1</sup>	Cash Grants	Total
Saint Vincent and the Grenadines	-	112	-	-	112	165	-	165
Samoa, Independent State of	92	59	-	-	151	219	-	219
Sao Tome and Principe	79	173	942	990	2,184	117	140	257
Senegal, Republic of	7,415	5,720	-	6,783	19,918	18,501	1,881	20,382
Serbia, Republic of	-	-	-	-	-	6	-	6
Sierra Leone, Republic of	14,057	14,791	1,959	227	31,034	31,639	2,523	34,162
Solomon Island	201	765	637	636	2,239	1,755	64	1,819
Somalia, Federal Republic of	11,211	36,650	164	5,479	53,504	54,799	19,427	74,226
Sri Lanka, Democratic Socialist Republic of	5,415	-	-	-	5,415	216	-	216
South Sudan, Republic of	7,138	-	10,110	6,493	23,741	26,339	7,193	33,532
Sudan, Republic of the	29,654	22,711	14,117	3,743	70,225	176,113	29,484	205,597
Swiss Confederation	4	-	-	-	4	-	-	-
Syria	17,901	2,757	7,581	16,105	44,344	11,599	15,855	27,454
Tajikistan, Republic of	7,629	3,924	728	3,088	15,369	23,245	3,541	26,786
Tanzania, United Republic of	64,170	4,149	34,510	-	102,829	288,257	15,156	303,413
Timor-Leste, Democratic Republic of	97	1,134	-	917	2,148	1,456	-	1,456
Togolese Republic	6,735	-	781	-	7,516	9,472	2,919	12,391
Tonga, Kingdom of	-	50	-	-	50	-	-	-
Tunisia, Republic of	-	-	-	-	-	7,265	-	7,265
Tuvalu	-	62	-	-	62	62	-	62
Uganda, Republic of	60,844	300	7,936	4,814	73,894	139,960	22,885	162,845
Ukraine	-	24	-	-	24	257	-	257
Uzbekistan, Republic of	12,437	70,020	-	3,383	85,840	119,879	5,792	125,671
Vanuatu, Republic of	-	-	-	-	-	341	-	341
Venezuela, Bolivarian Republic of	25,340	-	-	-	25,340	-	-	-
Vietnam, Socialist Republic of	-	-	-	-	-	113,330	2,276	115,606
Yemen, Republic of	23,646	-	8,733	5,807	38,186	19,323	3,724	23,047

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In Thousands of US\$	2023					2022		
	Gavi-Core Vaccine Support <sup>1</sup>	Gavi-Facility Vaccine Support <sup>2</sup>	Gavi-Core Cash Grants	Gavi-Facility Cash Grants	Total	Vaccine Support <sup>1</sup>	Cash Grants	Total
Zambia, Republic of	24,496	7,360	1,457	5,239	38,552	101,907	3,497	105,404
Zimbabwe, Republic of	8,606	-	6,007	-	14,613	12,999	1,044	14,043
Total country programme expenses	1,509,079	468,807	472,450	234,931	2,685,267	4,906,676	530,307	5,436,983

<sup>1</sup> Vaccine support includes support for new vaccine, excluding COVID-19 vaccines, and cold chain equipment.

<sup>2</sup> Vaccine support includes support for COVID-19 vaccines.

## SCHEDULE 2.2: PARTNER PROGRAMME EXPENSES

The following schedule details partner programme expenses during the years ended 31 December 2023 and 2022:

In Thousands of US\$	2023	2022
World Health Organization	98,312	66,437
United Nations Children's Fund	80,465	105,635
UNICEF Supply Division	34,502	-
Acasus	7,212	2,429
JSI Research & Training Institute	6,753	2,757
Global Impact	6,000	-
Clinton Health Access Initiative	5,763	2,690
The World Bank	5,740	7,995
University of Oslo	4,816	4,598
Village Reach	2,885	1,087
PATH	2,883	1,493
Johns Hopkins University	2,711	2,674
Girl Effect	2,032	500
Pan American Health Organization	1,959	949
Imperial College of Science Technology and Medicine	1,956	926
Dalberg Global Development Advisors	1,830	1,751
GroupM Media India	1,381	1,530
Sydani Initiative for International Development	1,331	149
Crown Agents	1,325	668
The Aga Khan University	1,225	885
Centers for Disease Control and Prevention	1,200	2,908
Results for Development Institute	1,072	925
Euro Health Group	1,004	819
Foundation for Innovative Diagnosis	942	449
GaneshAID	940	443
AMP Bureau Regional Afrique	919	450
Agence Européenne pour le Développement et la Santé	917	258
GDI Solutions LLC	864	-
Centre for Infectious Disease Research in Zambia	842	3,098
Mott McDonald	841	1,676
AMREF Health Africa	789	286
IRD Global Limited	725	172
International Organization for Migration	669	-
Campaign for Tobacco-Free Kids	654	-
CDC Foundation	644	140
Freight in Time Ltd.	639	-

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In Thousands of US\$	2023	2022
Orange Côte d'Ivoire	631	446
Solina Health	629	51
African Field Epidemiology – AFENET	608	-
PricewaterhouseCoopers	580	342
International Centre for Diarrhoeal Disease Research, Bangladesh	548	-
Simprints Technology	545	1,103
Infectious Diseases Research Collaboration	530	-
Zenysis Technologies	514	1,044
Epicentre	504	-
Integrate Health	500	-
Khushi Baby	500	-
Save the Children Fund	500	-
Corona Management Systems	483	-
Itad	474	1,166
The Sydney Children's Hospital	459	-
GiftedMom	410	675
Precision Health Consultants Global	408	249
Oasys Sarl	379	269
Mastercard International	379	486
Speak Up Africa	373	-
Consortium of Christian Relief and Development Associations	355	161
Family Health International	340	191
Croix-Rouge Togolaise	330	-
Mannion Daniels Africa	327	282
Captiva Africa	318	262
Parsyl Inc.	300	1,500
The Boston Consulting Group and Cie	299	-
Ginger International	286	-
Expertise France AFETI	261	-
Ipsos (Market research), Ltd.	259	306
Delivery Associates	258	-
Zipline International	250	450
Swiss Tropical and Public Health Institute	242	-
Harvard – President and Fellows of Harvard College	219	113
eHealth Systems Africa Foundation	217	-
Yale University	208	102
mHealth and eHealth Expert Learning Program	207	475
EY Ford Rhodes	207	17
John Snow India Private Limited	204	-
University of Washington	200	200
Others	5,152	6,853
<b>Total partner programme expenses</b>	<b>305,135</b>	<b>233,520</b>

## SCHEDULE 2.3: RECONCILIATION OF COUNTRY AND PARTNER PROGRAMME EXPENSES TO PROGRAMME EXPENSES

The following table reconciles country programme expenses, per Schedule 2.1 above, and partner programme expenses, per Schedule 2.2 above, to programme expenses reported in the Consolidated Statements of Activities on page 36 of the consolidated financial statements:

In Thousands of US\$	2023	2022
Total country programme expenses	2,685,267	5,436,983
Total partner programme expenses	305,135	233,520
Provision for country programme expenses	535,066	1,536,122
Recovery of prior year grants	(52,788)	(113,214)
Allocated operating expenses	106,040	88,542
Total recorded programme expenses	3,578,720	7,181,953

## SCHEDULE 2.4: PROFESSIONAL FEES

The following schedule details professional fees incurred by the Gavi Group during the years ended 31 December 2023 and 2022:

In Thousands of US\$	2023	2022
Consulting services	39,940	31,281
Information technology	12,362	8,680
Temporary staffing	4,629	4,832
IFFIm's treasury management fees	2,759	2,893
Legal services	1,617	2,303
In-kind services	669	1,568
Audit and accounting	1,766	1,401
Total professional fees	63,742	52,958

## PORTFOLIO WEIGHTED AVERAGE COST (VACCINE PROCUREMENT COST) PER DOSE

The Facility procured doses of COVID-19 vaccines on behalf of AMC-eligible economies and also facilitated the donation of doses between donors and AMC-eligible economies and SFPs. These doses were sourced from multiple manufacturers across all four major COVID-19 vaccine platform technologies. While the prices that Gavi negotiated with manufacturers are commercially sensitive, the portfolio weighted average cost (vaccine procurement cost) per dose provides donors with an indication of the value for money that the Facility provided to AMC-eligible economies and information for donors on the cost of doses donated to the Facility.

The portfolio weighted average cost (vaccine procurement cost) of the Gavi COVAX AMC committed portfolio [all doses where APAs have been signed as of 31 December 2023, including post balance sheet events (agreements signed up until March 2024)] was US\$ 6.58 per dose (2022: US\$ 6.58 per dose).

The portfolio weighted average cost (vaccine procurement cost) of the Gavi COVAX AMC doses donated and received (by countries) during 2023 was US\$ 6.91 per dose (2022: US\$ 6.78 per dose).

## Independent Auditors' Report on Supplementary Information

To the GAVI Alliance Board of  
**GAVI Alliance, Grand-Saconnex - Geneva**

We have audited the consolidated financial statements of GAVI Alliance as of and for the year ended 31 December 2023 and have issued our report thereon dated 19 June 2024 which contained an unmodified opinion on those consolidated financial statements. Our audit was performed for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information included in Pledges and Contributions Schedules 1.1 to 1.9 and Expenses Schedules 2.1 to 2.4 is presented for the purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of the Secretariat and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

### *Opinion*

In our opinion, the supplementary information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

### Deloitte SA

Fabien Bryois  
Partner

Lisa Watson  
Director

Geneva, Switzerland, 19 June 2024