

## DOCUMENT ADMINISTRATION

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## 1. Introduction

- 1.1. The purpose of the Asset Allocation Statement (“Statement”) is to assist the Gavi Alliance Investment Committee (“Committee”), the Gavi Alliance Secretariat Investments Team (“Investments team”) and Investment Managers (“Managers”) in effectively supervising and monitoring the Gavi Alliance’s investments.
- 1.2. The Statement identifies the allocation ranges for the major exposures described in the Gavi Alliance Investment Policy (“Policy”), and certain risk management limits such as liquidity and concentration. It also supports the investment objectives identified in the Policy and should be read in conjunction with the Policy. The Committee shall review the ranges on a regular basis.<sup>1</sup>

## 2. Ranges

- 2.1. The allocation ranges identified for each major exposure in the long-term portfolio, and their respective benchmarks are as follows:

	<u>Ranges</u>	<u>Benchmarks<sup>2</sup></u>
<b>Fixed Income:</b>	25% to 50%	Barclays Multiverse Unhedged USD
<b>Equity:</b>	25% to 45%	MSCI ACWI IMI Net USD
<b>Diversifiers:</b>	10% to 25%	Credit Suisse Multi-Strategy Hedge Fund (short and intermediate term performance benchmark) and BofA Merrill Lynch US 3 Month Trsy Bill + 5% (long term performance benchmark)
<b>Private Assets:</b>	0% to 20%	Custom Hybrid Vintage Private Equity and corresponding market index benchmark (short and intermediate term performance benchmark) <sup>3</sup> and MSCI ACWI (long-term performance benchmark), and NCREIF ODCE (Open End Diversified Core Equity)

- 2.2. The Committee shall conduct a periodic review of the allocation ranges and benchmarks, which may be changed if they impede the long-term portfolio from meeting its investment objectives.

## 3. Liquidity

- 3.1. The Investments team shall conduct a regular review of the Portfolio liquidity to ensure timely and adequate support of the organisation’s operational needs.

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<sup>1</sup> Words and expressions used in this Statement shall, unless the context requires otherwise, have the meaning attributed to them in the Board and Committee Operating Procedures, Investment Committee charter or Policy.

<sup>2</sup> For clarity, the benchmarks’ Bloomberg tickers are: Fixed Income benchmark (LF93TRUU), Equity benchmark (MIMUAWON), Diversifiers short and intermediate term benchmark (HEDGMSTR).The ICE benchmark ticker is (GOO1).

<sup>3</sup> Upon reaching the target allocation, the short and intermediate-term benchmark will be replaced by the CA Global Private Equity benchmark.

Liquidity defined as timeframe required for 95% liquidation of investment. The liquidity terms are as follows:

<b>Liquid:</b>	1 day to 30 days
<b>Semi-liquid:</b>	31 to 365 days
<b>Illiquid:</b>	Greater than one year

- 3.2. The maximum illiquid exposure of the long-term portfolio shall be 50% at market value.

#### 4. Concentration

- 4.1. The Investments team shall limit concentration risk in the Portfolio. Any single manager may have a maximum of 20% of investments across the total Portfolio, excluding index managers, who are not limited. Any single active mandate may have a maximum of 10% of the long-term portfolio.
- 4.2. In the event that a mandate exceeds the 10% threshold for two consecutive months, the Investments team, in consultation with the Committee, will rebalance the exposure in line with sections 2.1 and 4.1.

#### 5. Non-US Dollar

- 5.1. The Investments team shall limit non-US dollar investments to mandates tied to specific Gavi Alliance liabilities.

#### 6. Other

- 6.1. The Investments team shall report on additional portfolio characteristics as provided by the Managers that are necessary to effectively monitor the Portfolios. Characteristics may include but are not limited to leverage, top holdings, country and sector active weights, etc .