

INVESTMENT COMMITTEE CHAIR REPORT

BOARD MEETING

Yibing Wu

24-25 July 2025, Geneva, Switzerland



Portfolio Performance

Annex A

| Exposure Vs. Benchmark | 5 Yrs ¹ | YTD | 2024 | 2023 | 2022 | 2021 | 2020 |
|----------------------------------|--------------------|---------------|---------------|--------------|----------------|---------------|--------------|
| Fixed Income | 4.9% | 2.7% | 6.0% | 9.6% | (8.1%) | 5.4% | 6.5% |
| High Quality | 1.0% | 2.4% | 2.3% | 5.7% | (8.7%) | 1.0% | 7.3% |
| Yield Seeking | 8.7% | 2.8% | 8.8% | 13.9% | (7.2%) | 10.2% | 9.8% |
| <i>Bloomberg Multiverse</i> | <i>(1.1%)</i> | <i>5.3%</i> | <i>(1.3%)</i> | <i>6.1%</i> | <i>(16.0%)</i> | <i>(4.5%)</i> | <i>9.0%</i> |
| Equity | 11.9% | 4.4% | 14.2% | 19.7% | (17.7%) | 15.6% | 21.4% |
| <i>MSCI ACWI IMI</i> | <i>13.1%</i> | <i>5.1%</i> | <i>16.4%</i> | <i>21.6%</i> | <i>(18.4%)</i> | <i>18.2%</i> | <i>16.3%</i> |
| Diversifiers | 4.7% | (4.4%) | 4.2% | 8.8% | 3.2% | 4.2% | 8.0% |
| <i>CS Multi-Strategy</i> | <i>7.6%</i> | <i>3.9%</i> | <i>8.7%</i> | <i>8.0%</i> | <i>1.3%</i> | <i>7.0%</i> | <i>5.6%</i> |
| Private Assets | N/A | (1.2%) | 23.3% | 22.9% | N/A | N/A | N/A |
| <i>Private Markets Benchmark</i> | <i>N/A</i> | <i>3.3%</i> | <i>11.1%</i> | <i>N/A</i> | <i>N/A</i> | <i>N/A</i> | <i>N/A</i> |
| Long-term portfolio | 7.4% | 2.1% | 9.4% | 13.2% | (8.3%) | 7.8% | 10.4% |
| Policy Index | 5.3% | 5.0% | 7.8% | 11.8% | (12.4%) | 4.0% | 9.9% |
| Difference | 2.1% | (2.9%) | 1.6% | 1.4% | 4.1% | 3.8% | 0.5% |

Data as of 31 May 2025.

(1) Annualised

Portfolio Overview

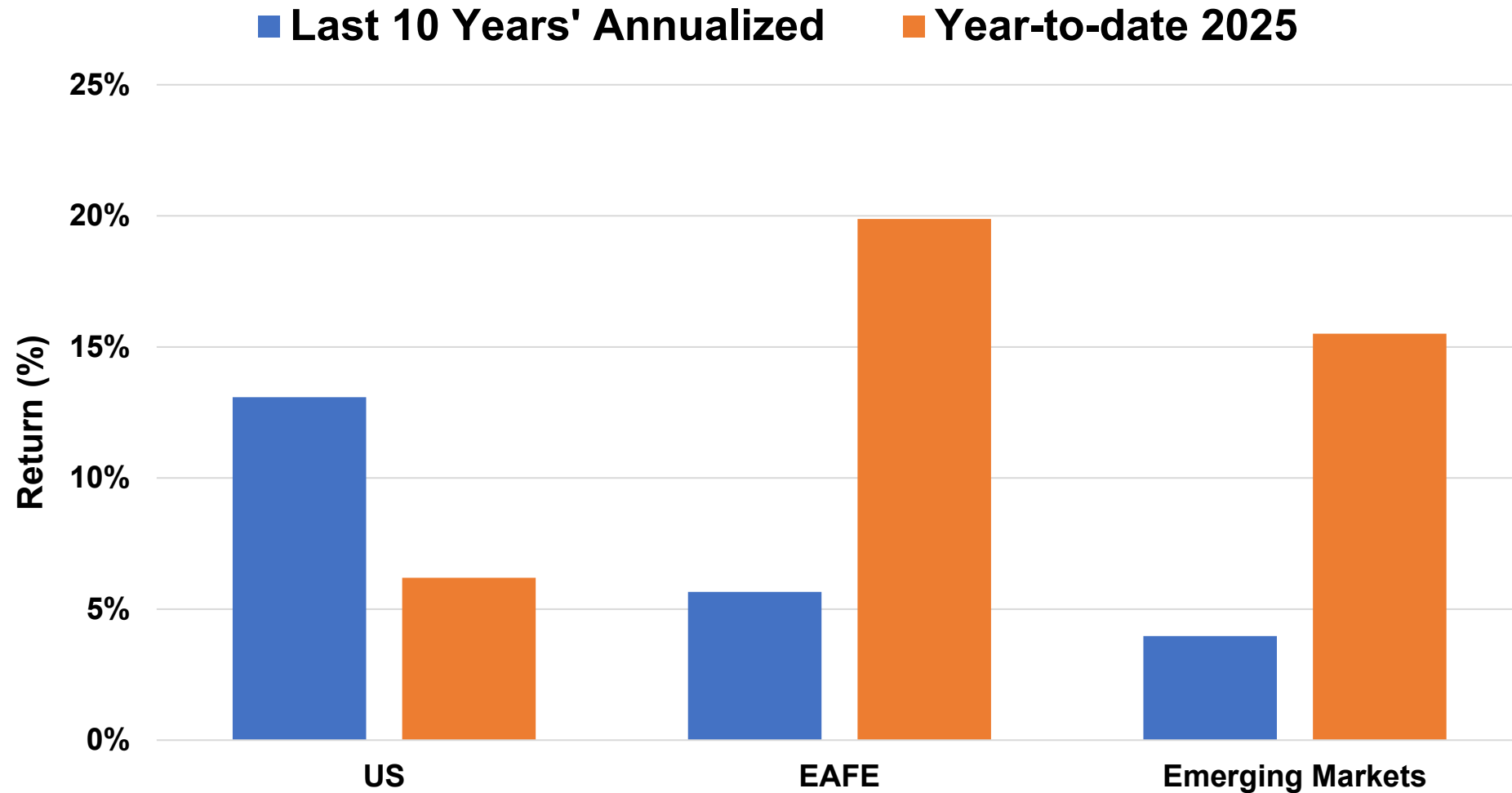
- **Performance:** The long-term portfolio has generated 2.1% annualised alpha over its policy benchmark over the last 5 years. The outperformance is strong historically, although year-to-date performance suffered with an underperformance of -2.9% through May.
- **Portfolio Allocation:** The asset allocation of the long-term portfolio aligns closely with the benchmark targets. The Investment Committee discusses the relative asset class attractiveness, target weights, private assets pacing, and liquidity on a regular basis.
- **Performance Attribution:** Concerns about US tariffs and deficits ignited market volatility. Two strategies in the Diversifiers allocation are ill-equipped to manage sudden market reversals across a range of asset classes and due diligence on additional managers is underway. The US dollar decline also negatively impacted the Fixed Income allocation relative to its benchmark.
- **Action Plan:** The Investments team is actively conducting fund searches in global discretionary macro strategies that have expertise in trading a range of markets, including currencies. The team is also conducting due diligence on non-US fixed income and geographically diverse strategies to broaden sources of returns.

Continued Market Volatility Ahead

- **Tariff shocks:** Uncertainty in tariff implementation keeps investors on edge. Some corporations delayed major capital expenditure plans.
- **Geopolitical flashpoints:** Non-traditional diplomacy leaves door open for a broader array of political outcomes and high stakes gamesmanship.
- **Government deficits:** Recent passage of the US budget reconciliation bill (also known as One Big Beautiful Bill Act) increases uncertainty of the magnitude of the deficit outlook.
- **Market volatility:** US equity has outperformed the rest of the world after the Great Financial Crisis (2008) until this year. US exceptionalism is rooted in technology, innovation, unprecedented fiscal stimulus and AI optimism. Global capital flows into the US provided tailwinds to US assets and the dollar. There is a reversal of global capital flows from the US amid geopolitical and macro headwinds.
- **Currency volatility:** US dollar depreciation¹ in the 1H2025 may continue into 2H2025.

(1) Using U.S. Dollar Index, a basket of six foreign currencies (EUR, CHF, JPY, CAD, GBP and SKK), 1H2025 depreciation was –10.7%.

Comparative Performance: Diversification Matters



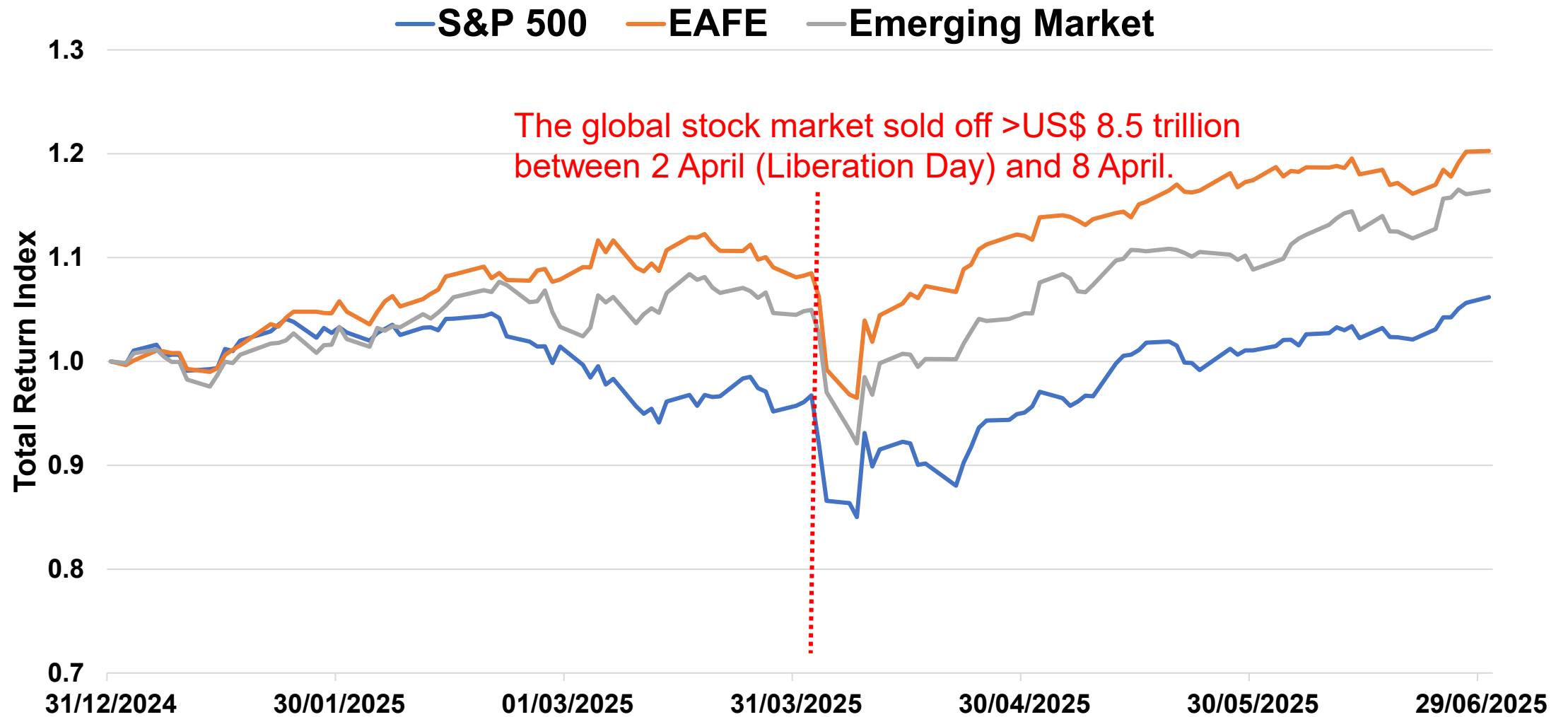
Source: Bloomberg data through 30 June 2025. EAFE is developed markets ex-North America. US is S&P 500

AI Dominates Most Funded Private Companies

| Company | Sector | Est. Valuation (\$ B) | Funding Raised (\$ B) |
|---------------------------|----------------------|-----------------------|-----------------------|
| OpenAI | AI | 324.61 | 46.90 |
| Databricks | Data, AI | 75.63 | 14.43 |
| Scale AI | AI | 29.18 | 14.30 |
| xAI | AI | 91.59 | 12.14 |
| Anthropic | AI | 64.69 | 11.47 |
| Stripe | Financial Services | 94.88 | 8.44 |
| Redwood Materials | Energy | 4.95 | 8.29 |
| SpaceX | Space | 426.47 | 8.17 |
| Epic Games | Media, Entertainment | 16.87 | 7.53 |
| Anduril Industries | Defense | 30.49 | 6.46 |

Source: Yahoo Finance. Date is as of 30 June 2025.

Market Volatility Driven By Tariffs



Source: Bloomberg data through 30 June 2025. EAFE represents developed markets ex-North America. All data is MSCI.

Fixed Income Allocation: Underweight Foreign Currency

The Fixed Income benchmark includes major currencies that appreciated in 2025, and Gavi's underweight hurt performance on a relative basis. After significant outperformance of US assets and recent political uncertainty, investors are rebalancing with new opportunities.

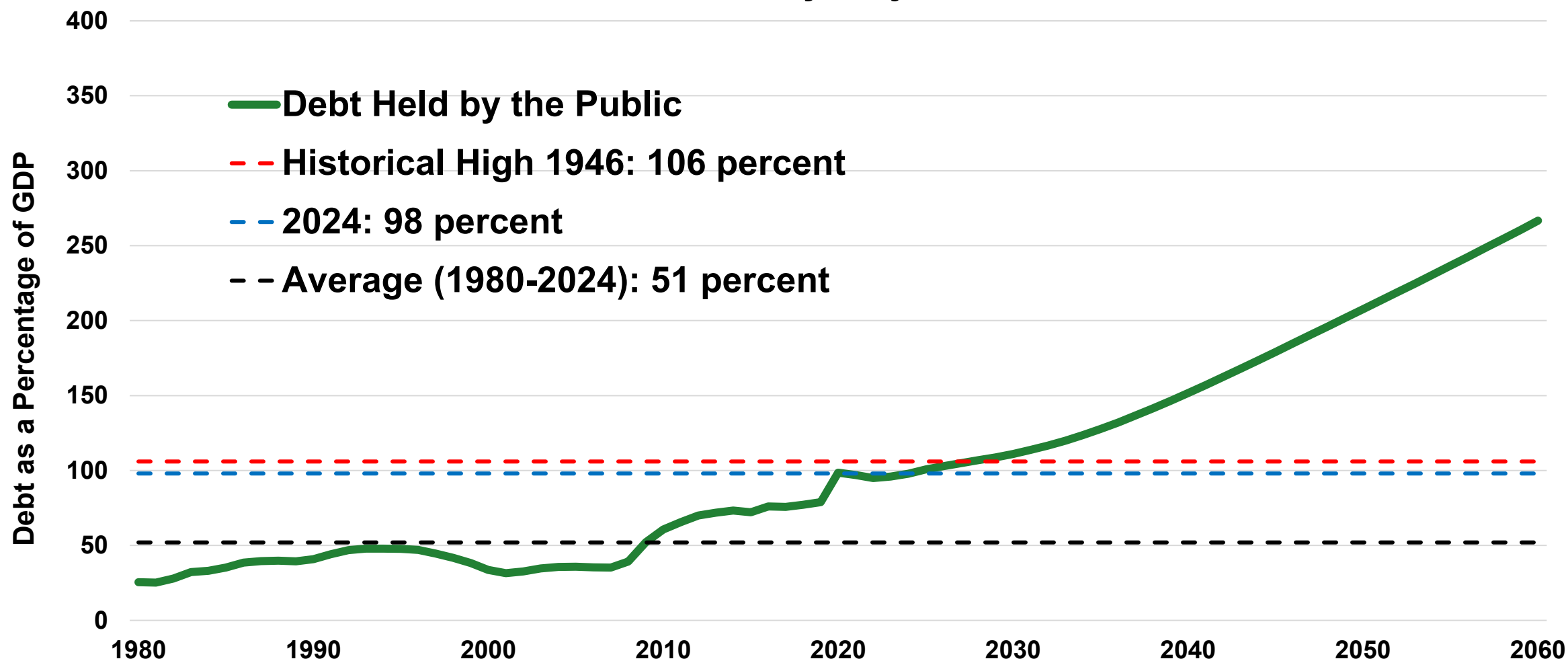
| Currency Name | Bloomberg Multiverse Benchmark Weight | Fixed Income Currency Exposure | Fixed Income Active Currency Exposure |
|-----------------|---------------------------------------|--------------------------------|---------------------------------------|
| US Dollar | 47% | 98% | 51% |
| European Euro | 23% | 0% | -23% |
| Japanese Yen | 9% | 1% | -9% |
| Chinese Yuan | 8% | 0% | -8% |
| Pound Sterling | 4% | 0% | -4% |
| Canadian Dollar | 3% | 0% | -3% |
| Other | 5% | 1% | -4% |

**Underweight
currency
exposure**

Data as of 31 May 2025

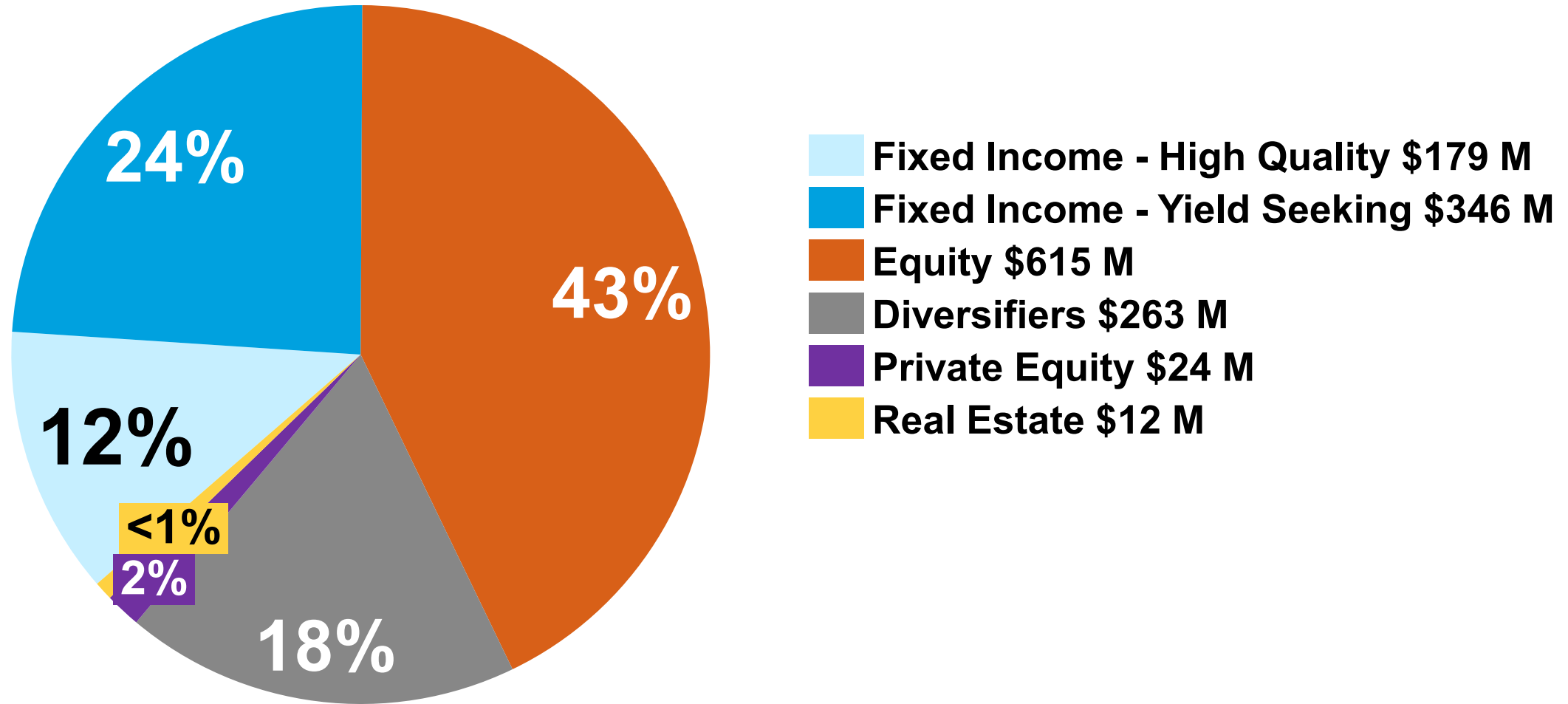
US Debt Acceleration Is Unsustainable

Historical and Current Policy Projections for US Debt



Source: www.fiscal.treasury.gov

Gavi Portfolio Allocation (US\$ 1.5 billion)¹

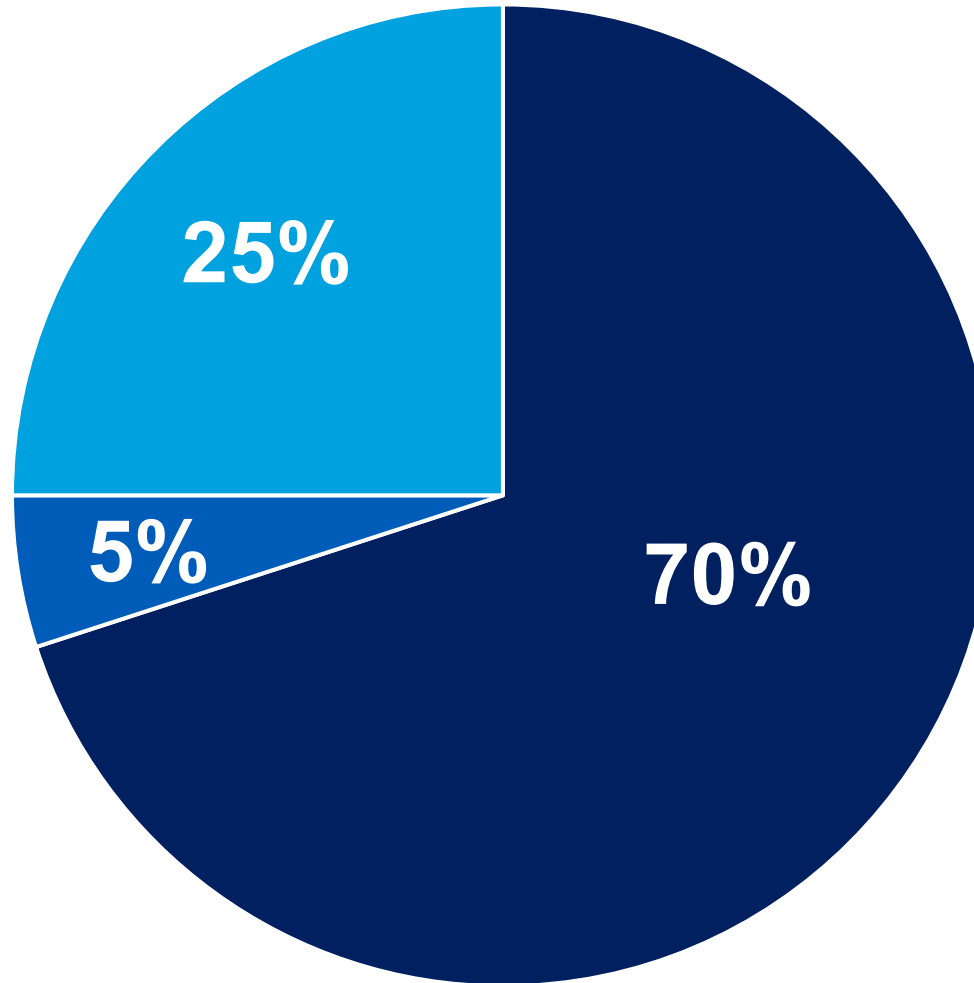


Data as of 31 May 2025.

(1) Excludes LODH cash US\$ 9 million and US\$ 43 million Advanced Contributions

Long-Term Portfolio Liquidity (US\$ 1.5 B)

Trade off liquidity
for a broader
opportunity set →



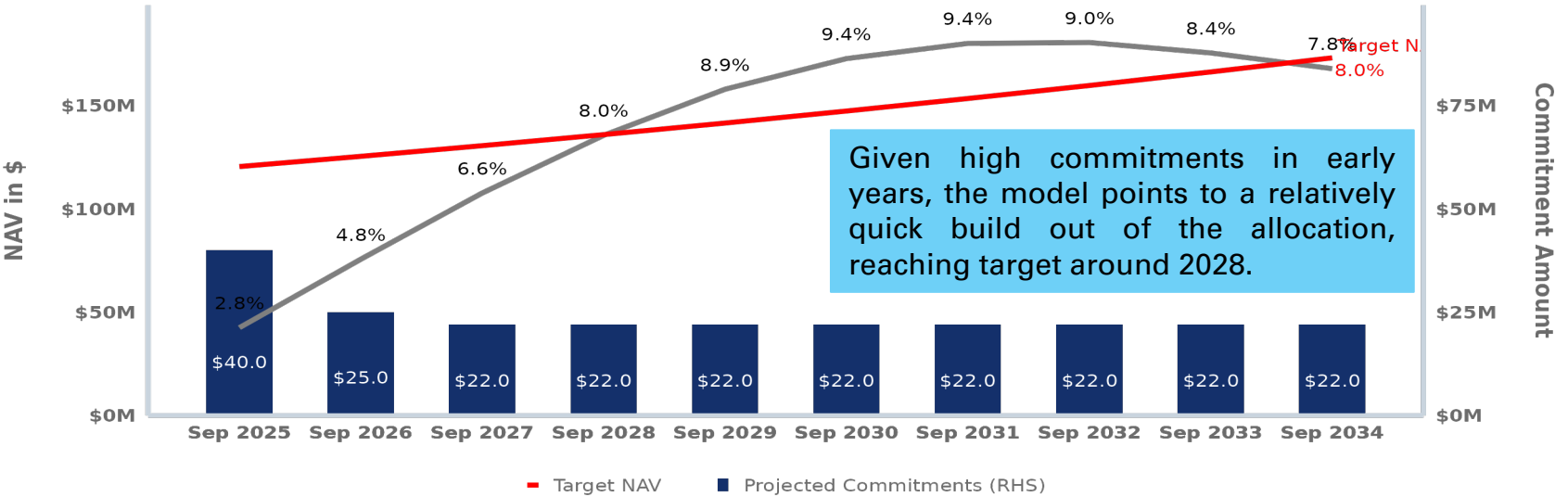
- 1 - 90 Days
- 91 Days - 1 Year
- > 1 Year

Data as of 31 May 2025.

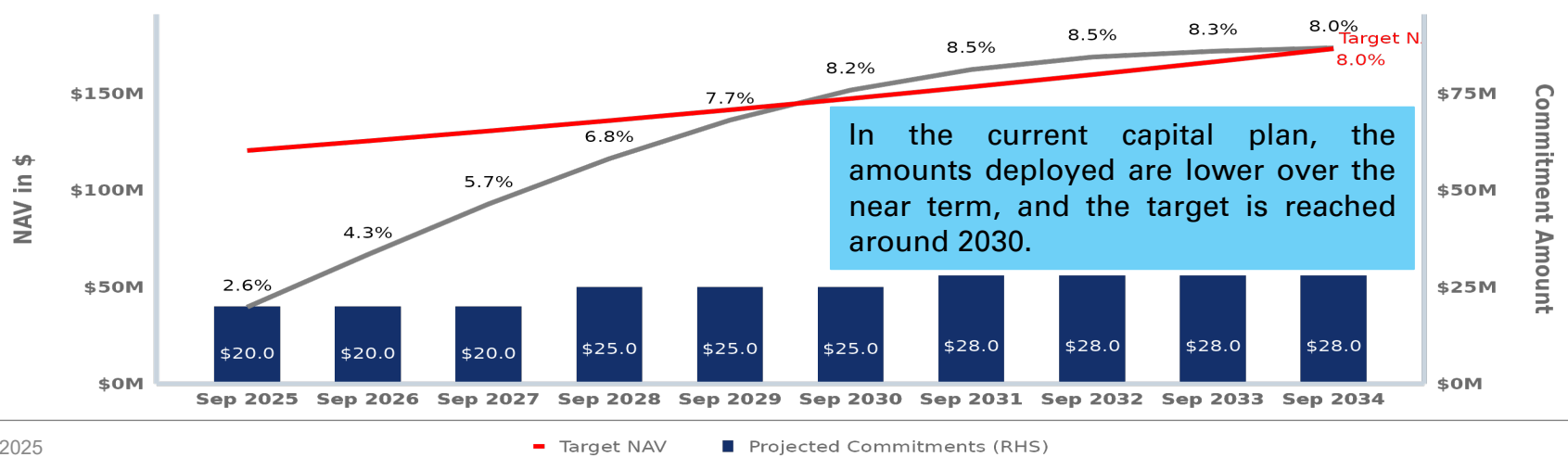
Private Markets: More Cautious Approach

Private Markets Commitments by Vintage

ORIGINAL CAPITAL PACING PROJECTIONS



CURRENT CAPITAL PACING PROJECTIONS



Transformation Brings Opportunities and Risks

- **Major Structural Shifts Underway:** Big themes of shifting geopolitics, fiscal discipline and AI will drive where capital flows. Periods of volatility will be the norm.
- **Rapid Speed of Change:** From trough to peak U.S. equity markets recovered in 4 years from the Great Financial Crisis and in 4 months from the initial stages of the COVID-19 pandemic; market reversals are moving faster.
- **Manager Selection:** In a period of fast shifts in financial markets, investment managers will need to adapt. The Investments team will maintain and improve diversification across asset class, implementation, and geography (e.g. currency) and onboard additional managers who are skilled at tactically taking advantage of market opportunities.

Conclusion: Gavi should be prepared to be nimble when deploying assets. Gavi will lean into its mission to partner with best-in-class managers.

Appendix

2025 Priorities

Lean team's focus on strategic issues

- Cost of team is <0.06% for each portfolio dollar.
- Transition 4-person team to 3-person team.
- Expand use of AI and low-cost services for repetitive tasks.

Enhance long-term portfolio performance

- Broaden network of prospective managers with non-US expertise.
- Onboard tactical managers to take advantage of market opportunities.
- Increase diversification of investment strategies.

Investment policy review

- Accelerate schedule for comprehensive asset allocation review to ensure consistency with Global Summit outcomes.
- Integrate and/or simplify subordinate policies as part of Gavi's organizational policy hygiene review.

Deepen collaboration across Secretariat

- Lend market expertise and peer network across Gavi (e.g., cryptocurrency donation evaluation, government affairs contacts).
- Deliver updated gift policy with input from Resource Mobilisation and Finance stakeholders.

Long-Term Portfolio Monthly Returns

| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|-----------|--------------------|--------|----------------------|--------|--------|----------------------|--------|--------|-----------------|--------|--------|
| January | 0.64% | -2.01% | 1.47% | 1.33% | 2.77% | 0.76% | -0.71% | -2.36% | 3.13% | 0.68% | 1.48% |
| February | 1.71% | -0.43% | 1.41% | -1.84% | 0.90% | -1.77% | 0.86% | -1.75% | -0.82% | 2.02% | -0.02% |
| March | -0.08% | 3.33% | 0.60% | 0.07% | 1.33% | -9.71% | 0.09% | -0.22% | 0.82% | 1.71% | -1.98% |
| April | 1.02% | 1.24% | 1.14% | -0.01% | 0.88% | 4.56% | 1.94% | -1.90% | 0.74% | -1.46% | 0.06% |
| May | 0.03% | 0.42% | 1.04% | -0.60% | -0.14% | 3.26% | 1.10% | -0.47% | 0.37% | 1.83% | 2.61% |
| June | -1.36% | 0.17% | 0.58% | -0.52% | 2.43% | 2.47% | 1.02% | -3.20% | 2.25% | 1.00% | |
| July | -0.07% | 1.81% | 1.26% | 0.76% | 0.69% | 2.67% | 0.69% | 2.38% | 1.71% | 1.11% | |
| August | -2.79% | 0.65% | 1.00% | 0.06% | -0.36% | 1.84% | 1.31% | -0.94% | -0.67% | 1.11% | |
| September | -1.76% | 0.60% | 0.43% | 0.31% | -0.34% | -0.49% | -0.52% | -3.71% | -1.20% | 1.24% | |
| October | 2.80% | -0.21% | 0.65% | -2.08% | 0.87% | -0.33% | 1.23% | 1.23% | -1.18% | -1.31% | |
| November | -0.28% | -0.52% | 0.58% | -0.19% | 0.96% | 4.28% | -0.93% | 2.46% | 4.32% | 2.07% | |
| December | -1.25% | 1.30% | 0.96% | -0.50% | 1.75% | 3.23% | 1.67% | -0.35% | 3.12% | -1.14% | |
| Year | -1.57% | 6.35% | 11.70% | -3.20% | 12.42% | 10.41% | 7.84% | -8.28% | 13.23% | 9.43% | 2.09% |
| | Greater than +1.5% | | Between 0% and +1.5% | | | Between -1.5% and 0% | | | Less than -1.5% | | |

Data as of 31 May 2025.

Private Assets Implementation

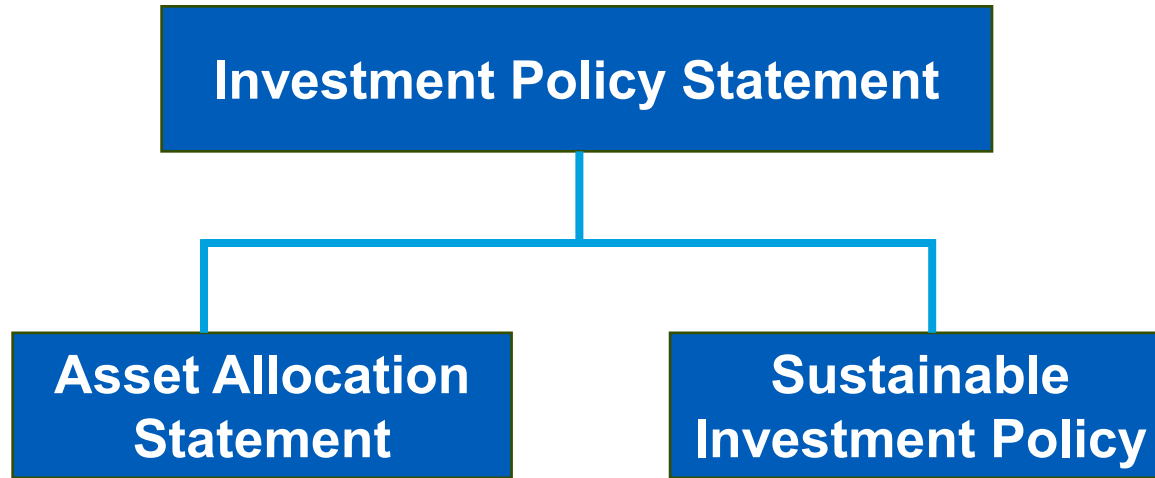
Private Equity (8%)

Real Estate (4%)

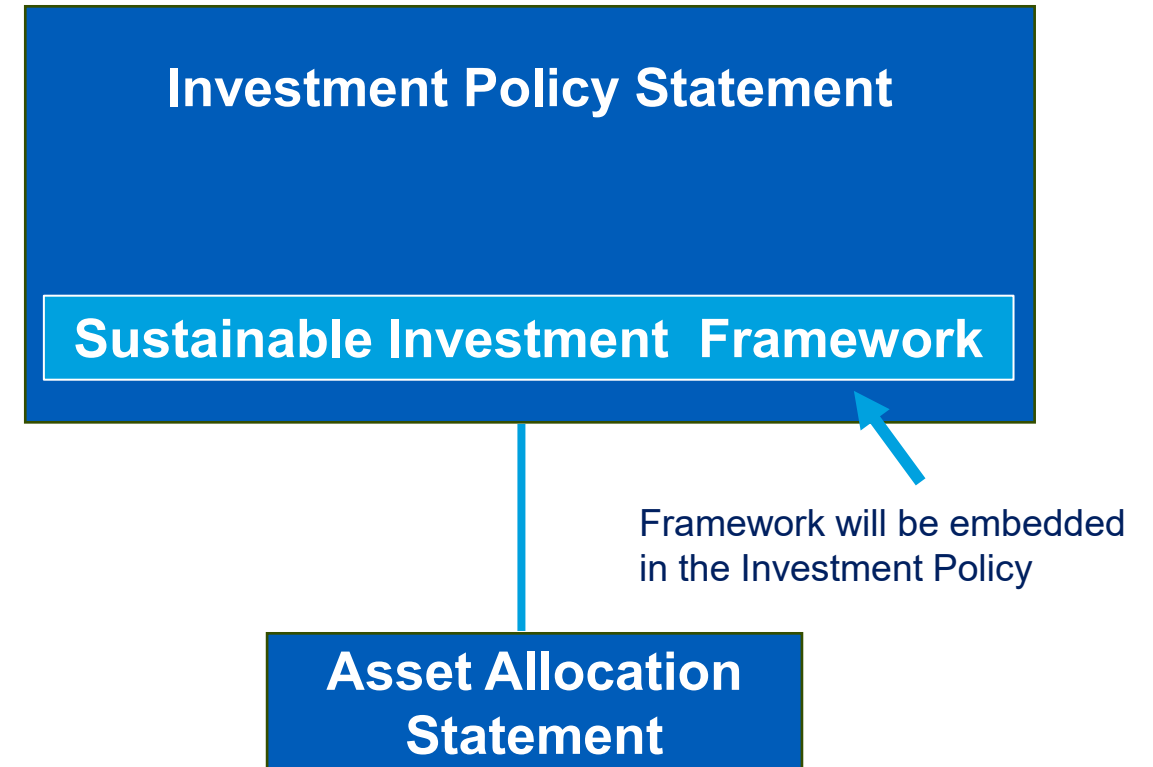
| | | |
|-------------|--|--|
| 2022 | <ul style="list-style-type: none"> Agreed on core-satellite approach Articulated private equity philosophy grid | <ul style="list-style-type: none"> Agreed on core-satellite approach Articulated real estate philosophy grid |
| 2023 | <ul style="list-style-type: none"> Prioritized effort to take advantage of market opportunities. Made total commitments of US\$ 40 million in line with plan projections | <ul style="list-style-type: none"> Delayed commitments given uncertainty of rising rate environment Prioritized review of opportunity set in November 2023 |
| 2024 | <ul style="list-style-type: none"> Approved four commitments with total of US\$ 50 million out of projected US\$ 50 million of commitments | <ul style="list-style-type: none"> Approved two commitments totaling US\$ 35 million out of projected US\$ 40 million of commitments. |
| 2025 | <ul style="list-style-type: none"> N/A | <ul style="list-style-type: none"> Approved one commitment of US\$ 20 million. |

Proposed Investment Policy Update

Current



Dec 2025 ¹



1. Delayed per Investment Committee

Thank you