
Subject **Investment Committee Chair Report**

Category **For Information**

Section A: Introduction

- This report provides the Board with (1) an overview of year-to-date investment performance results through 30 September; and (2) a summary of recent activities.
- The long-term portfolio delivered a year-to-date return +10.1%. While the absolute return is solid, relative to the policy benchmark, the long-term portfolio lagged by –2.1%. The year-to-date net investment income generated by the long-term portfolio is US\$ 143 million.
- The portfolio has four key allocations: Equity, Fixed Income, Diversifiers and Private Assets. Two allocations are major drivers of underperformance: Fixed Income and Diversifiers.
- The Fixed Income allocation underperformed its market benchmark +6.6% versus +8.0%. A weaker U.S. dollar hurt the Fixed Income allocation as the Fixed Income allocation has less non-U.S. exposure relative to its benchmark. A current priority for the Investments team is to find strategies with non-U.S. exposure for the portfolio and access additional fixed income opportunity sets.
- Diversifiers underperformed its market benchmark –0.1% versus +7.0%. Two strategies – trend following and relative value commodities - contributed significantly to the underperformance. The Investment team focused on sourcing additional first-class strategies to broaden sources of returns.
- The Committee brought forward its asset allocation review from February to November in light of the Global Summit outcome and current market conditions. While the long-term allocation targets remain intact, the Committee opted to take a more defensive posture going into 2026.
- The Investment Committee approved an updated Investment Policy (“Policy”) and Asset Allocation Statement (“Statement”). The key change to the Policy is embedding a new sustainable investment framework in conjunction with the retirement of the Sustainable Investment Policy. The Statement includes tighter risk limits, such as lower exposure limits to individual strategies and firms. **Annexes B and C** include the clean copies.

Annexes

Annex A: Investment Committee Chair report

Annex B: Investment Policy

Annex C: Asset Allocation Statement

INVESTMENT COMMITTEE CHAIR REPORT

BOARD MEETING

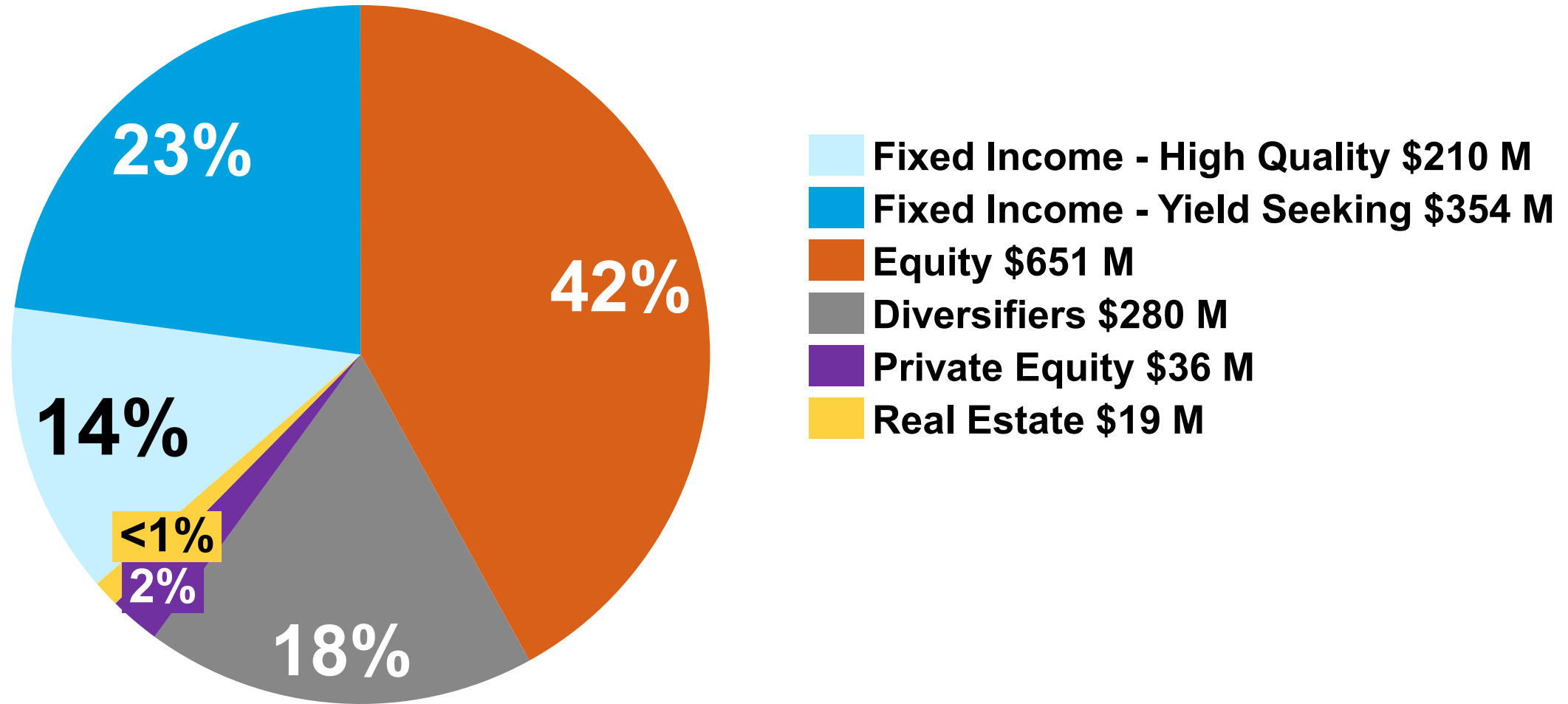
Yibing Wu

3-4 December 2025, Geneva, Switzerland



Gavi Portfolio Allocation (US\$ 1.6 billion)¹

Annex A



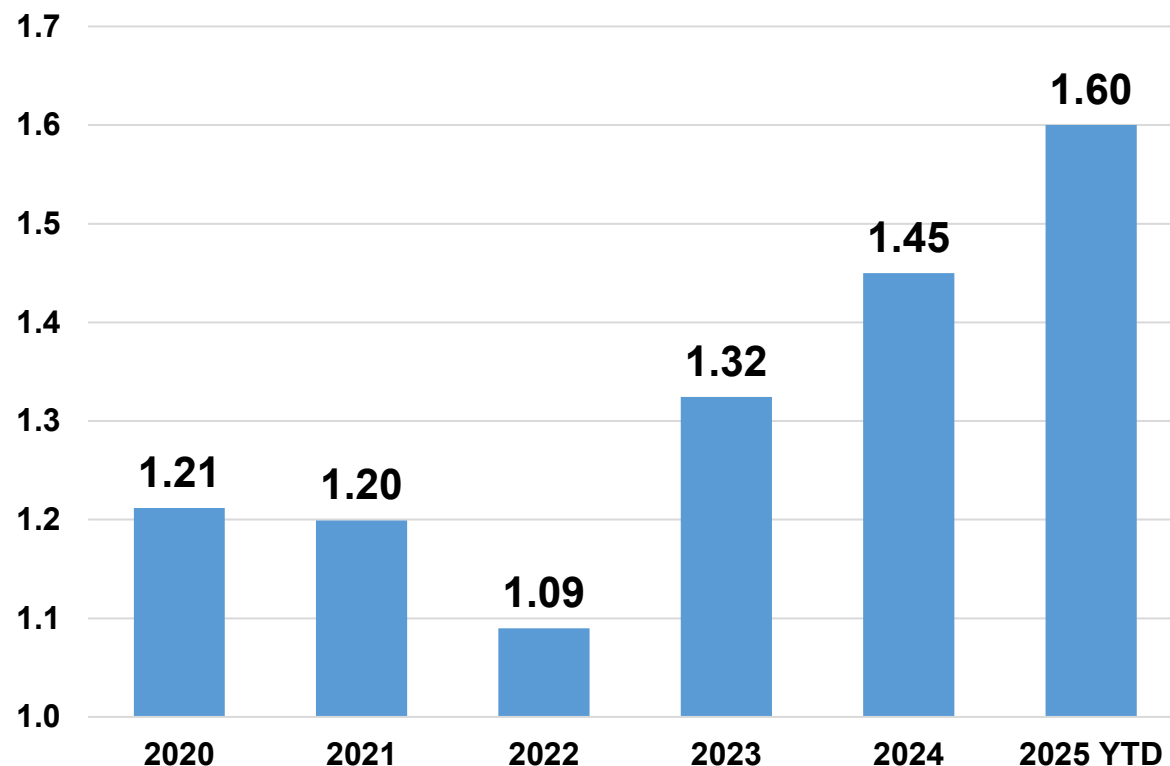
Data as of 30 September 2025.

(1) Excludes LODH cash US\$ 7 million and US\$ 40 million Advanced Contributions.

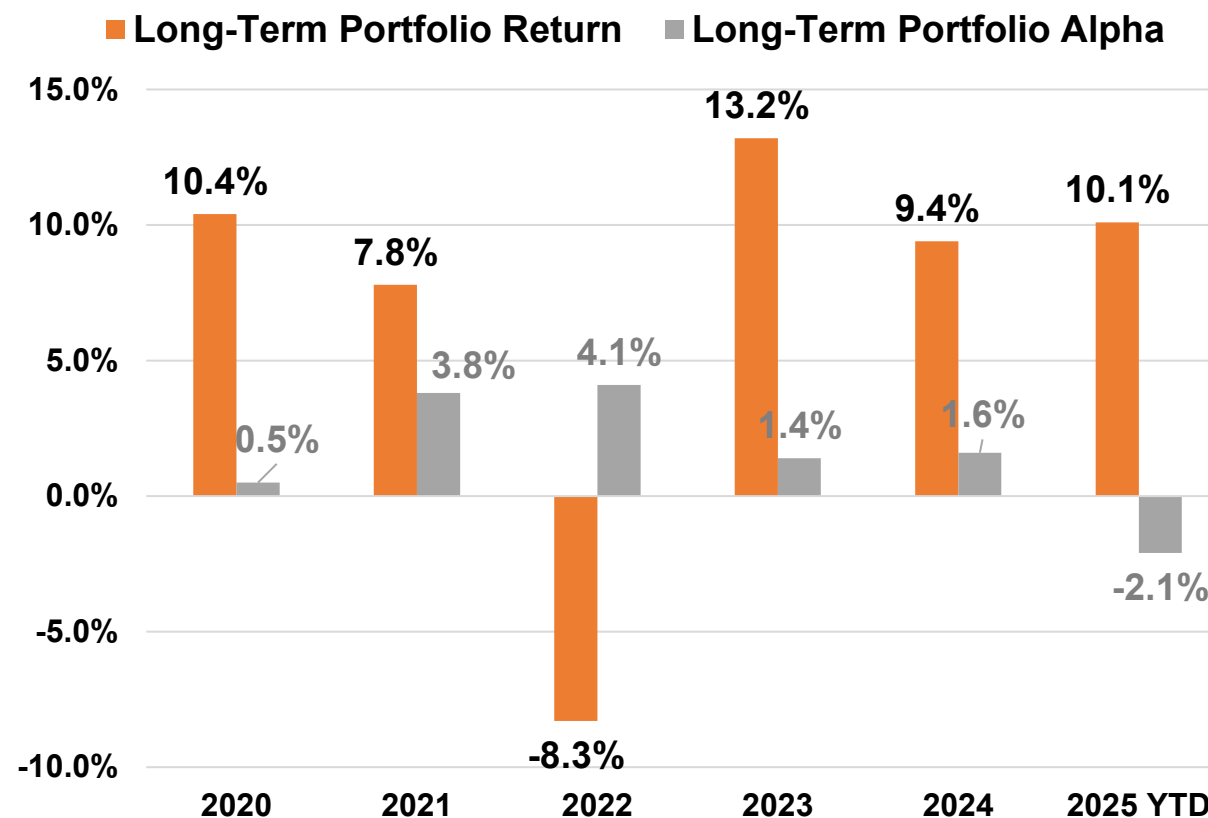
Portfolio Value and Performance

Annex A

Long-Term Portfolio Value (US\$ Billion)



Long-Term Portfolio Performance



Data as of 30 September 2025. Note that the Long-Term Portfolio (LTIP) has cash outflow and merging of short-term portfolio into LTIP over the last 5 years.
LTIP Value includes Advanced Contributions and LODH Cash.

Portfolio Performance

Annex A

Exposure Vs. Benchmark	5 Yrs ¹	YTD	2024	2023	2022	2021	2020
Fixed Income	4.6%	6.6%	6.0%	9.6%	(8.1%)	5.4%	6.5%
High Quality	1.2%	5.5%	2.3%	5.7%	(8.7%)	1.0%	7.3%
Yield Seeking	7.6%	7.2%	8.8%	13.9%	(7.2%)	10.2%	9.8%
<i>Bloomberg Multiverse</i>	<i>(1.3%)</i>	<i>8.0%</i>	<i>(1.3%)</i>	<i>6.1%</i>	<i>(16.0%)</i>	<i>(4.5%)</i>	<i>9.0%</i>
Equity	11.5%	17.4%	14.2%	19.7%	(17.7%)	15.6%	21.4%
<i>MSCI ACWI IMI</i>	<i>13.3%</i>	<i>18.3%</i>	<i>16.4%</i>	<i>21.6%</i>	<i>(18.4%)</i>	<i>18.2%</i>	<i>16.3%</i>
Diversifiers	5.4%	(0.1%)	4.2%	8.8%	3.2%	4.2%	8.0%
<i>CS Multi-Strategy</i>	<i>7.4%</i>	<i>7.0%</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	12.8%	23.3%	22.9%	N/A	N/A	N/A
<i>Private Markets Benchmark</i>	<i>N/A</i>	<i>10.3%</i>	<i>11.1%</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>
Long-term portfolio	7.7%	10.1%	9.4%	13.2%	(8.3%)	7.8%	10.4%
Policy Index	5.6%	12.2%	7.8%	11.8%	(12.4%)	4.0%	9.9%
Difference	2.1%	(2.1%)	1.6%	1.4%	4.1%	3.8%	0.5%

Data as of 30 September 2025.

(1) Annualised

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%	3.04%
July	-0.07%	1.81%	1.26%	0.76%	0.69%	2.67%	0.69%	2.38%	1.71%	1.11%	0.62%
August	-2.79%	0.65%	1.00%	0.06%	-0.36%	1.84%	1.31%	-0.94%	-0.67%	1.11%	1.71%
September	-1.76%	0.60%	0.43%	0.31%	-0.34%	-0.49%	-0.52%	-3.71%	-1.20%	1.24%	1.96%
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%	7.96%	-8.60%	13.22%	9.70%	10.1%
	Greater than +1.5%		Between 0% and +1.5%			Between -1.5% and 0%			Less than -1.5%		

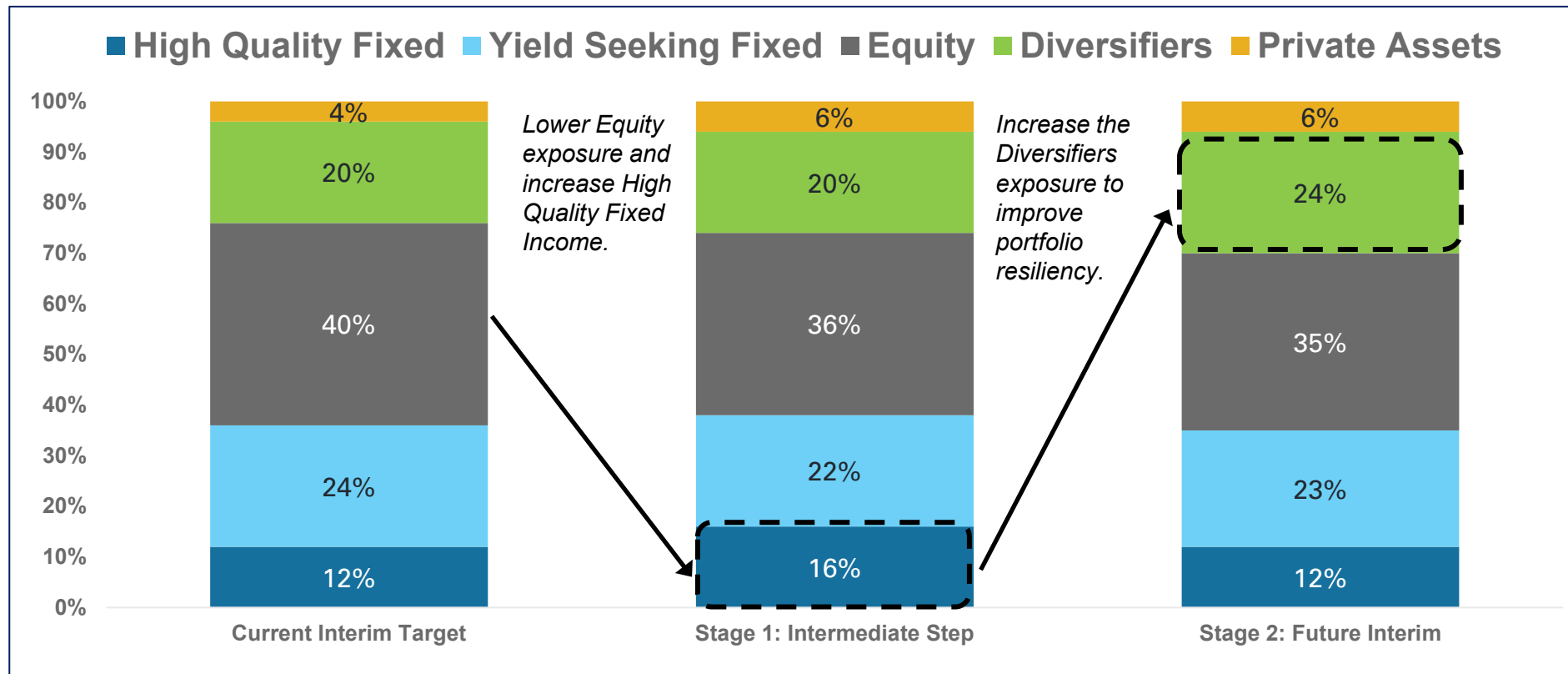
Data as of 30 September 2025.

Portfolio Overview

- **Performance:** The long-term portfolio has generated 2.1% annualised alpha over its policy benchmark over the last 5 years. As reported in July, year-to-date performance lagged its policy benchmark, but the gap shrank over the last several months (-2.9% versus -2.1%). With recent changes to the portfolio, the gap should continue to shrink.
- **Improvements:** The Investments team executed on their action plan to find additional first-class investment managers with deep resources to broaden sources of return. They delivered on the first phase of strengthening the Diversifiers allocation. The impact will be visible starting in Q4 2025. Their next focus is the Fixed Income allocation.
- **U.S. Dollar:** A weaker U.S. dollar contributed to weaker Fixed Income performance in 2025. The team initiated due diligence on non-US fixed income and geographically diverse strategies to better balance currency risk and improve future performance outcomes.
- **Portfolio Allocation:** The Committee holds annual discussions to ensure the interim asset allocation targets, during the buildout of the private assets program, align with long-term targets. In 2025, the discussion was centered on relative asset class attractiveness, target weights, and liquidity. The Committee elected to shift the long-term portfolio to a more ***defensive posture***.

Gavi Asset Allocation Adjustments

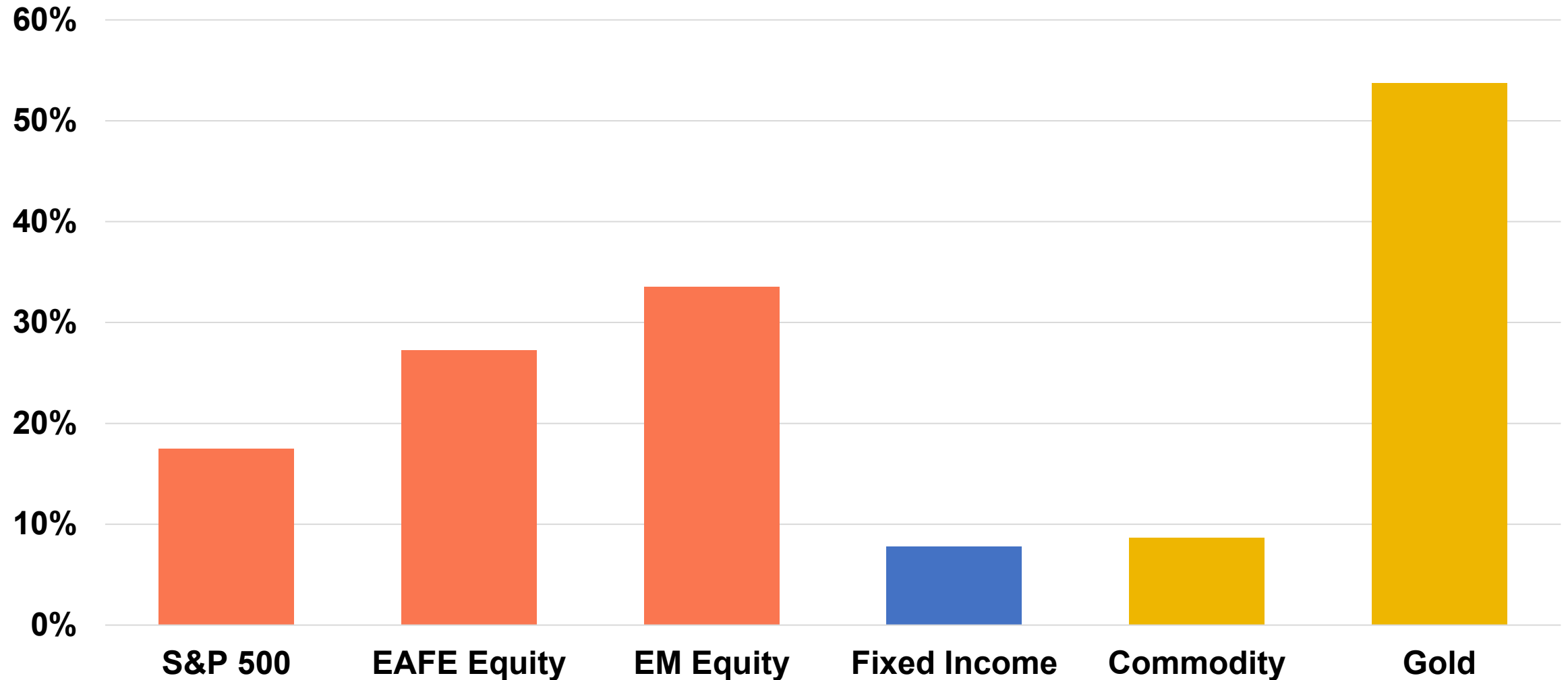
The long-term portfolio will shift to a more **defensive posture** over the next 6 to 9 months. The first step includes lowering Equity exposure in favor of High-Quality Fixed Income. The second step will be to expand the breadth of the Diversifiers allocation.



Global Market Flashpoints

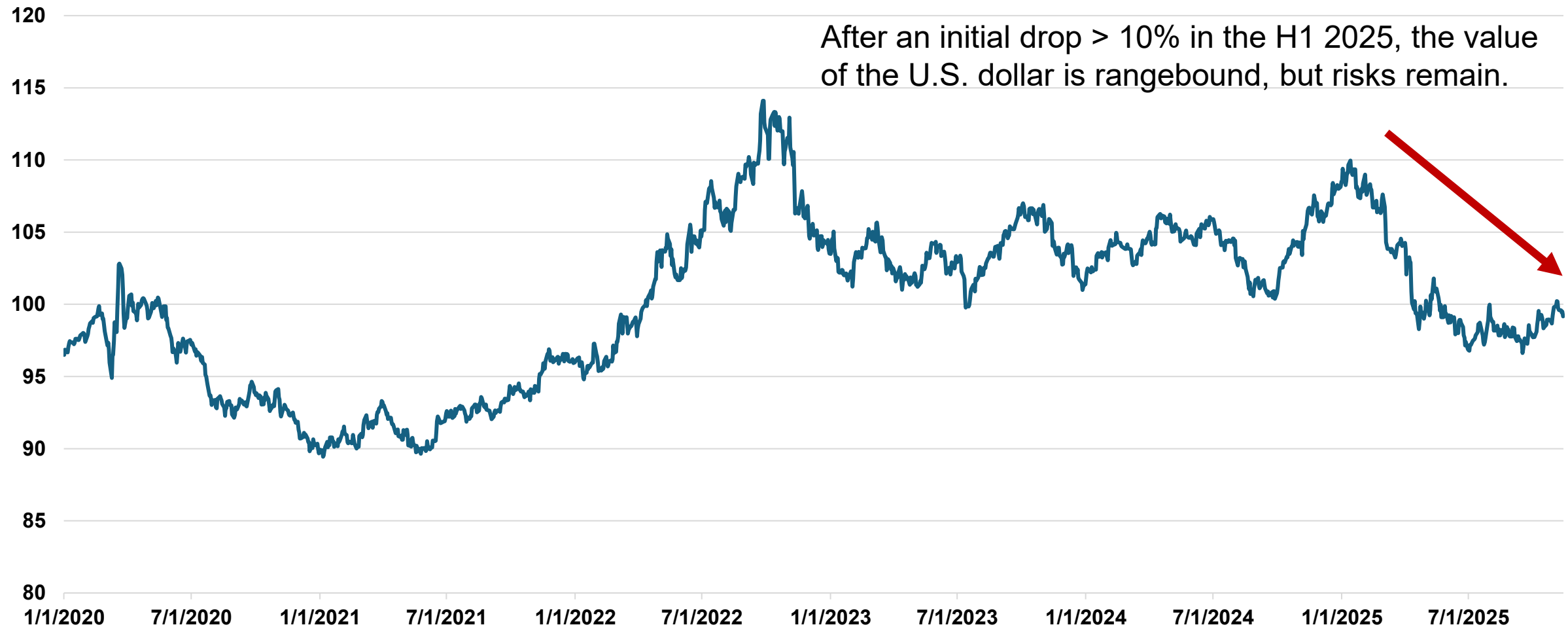
- **Tariff resolution:** Tariff implementation gained additional clarity and the private sector balance sheets withstood the challenge but their ability to endure additional uncertainty will be tested.
- **Geopolitical realignment:** Emerging alliances will rearrange trade flows and security arrangements. These changes will shape future investment opportunities and risks.
- **Government deficits:** The U.S. and other systematically important economies continue to spend at high/unsustainable levels. High debt levels leave less fiscal space in times of crisis and make the global economy more vulnerable to shocks.
- **Artificial intelligence reset:** Questions raised around the validity of the extreme level of investments in artificial intelligence and stretched equity valuations could lead to more volatile financial markets.

Asset Class YTD Return: Diversification Matters ^{Annex A}



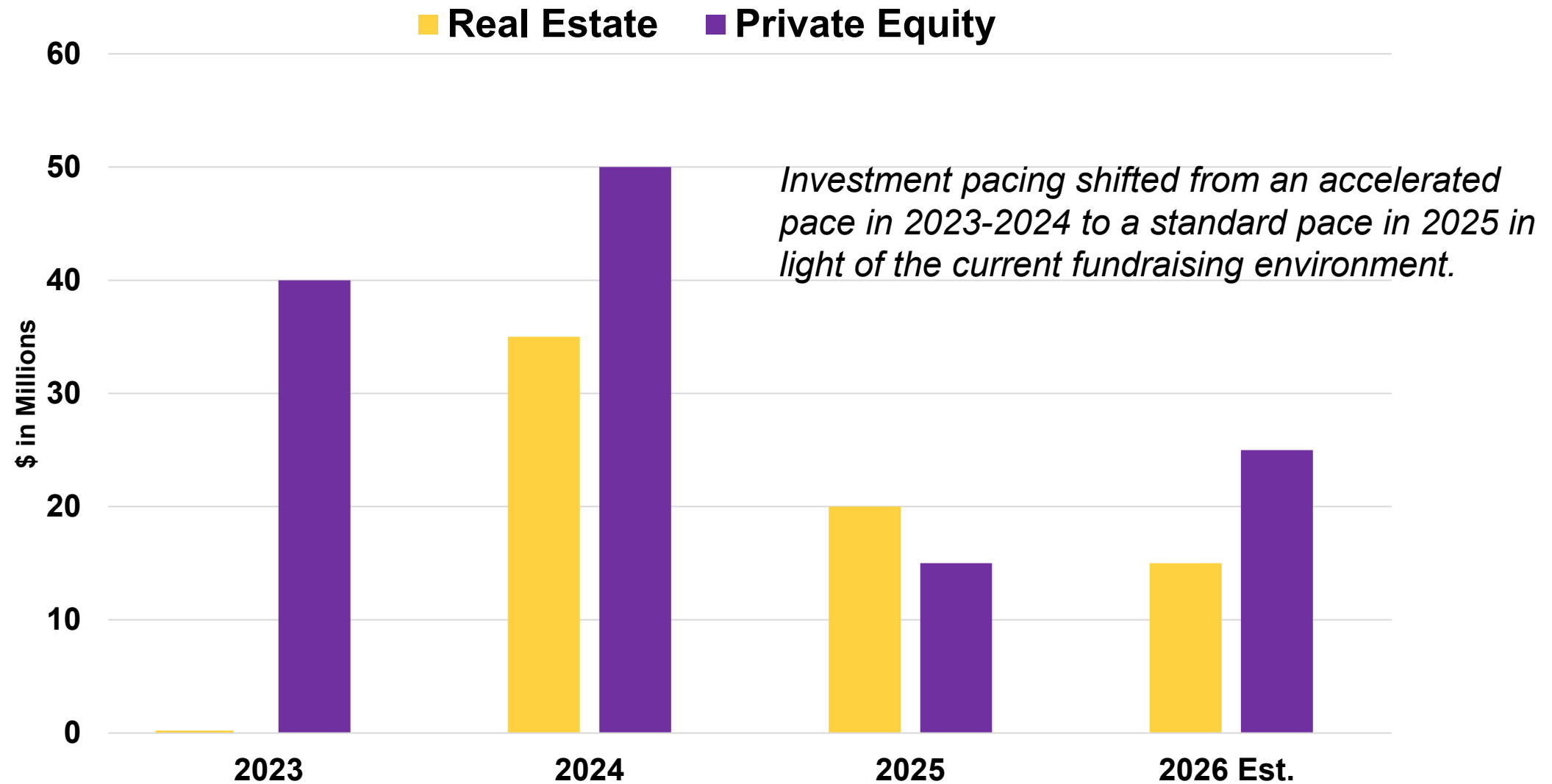
Source: Bloomberg data through 31 October 2025. EAFE is developed markets ex-North America.. Fixed Income is Bloomberg Multiverse Index. Commodity is Bloomberg Commodity Index.

US Dollar Depreciation in 2025



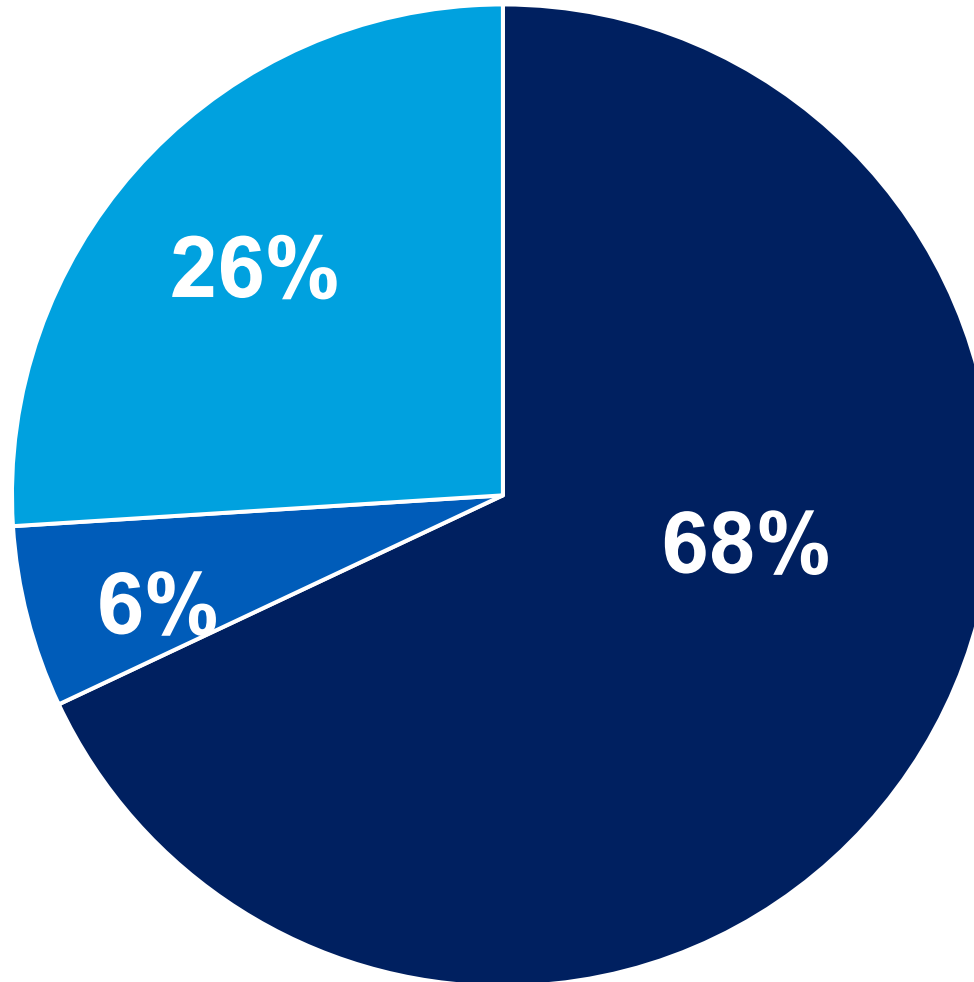
(1) Using U.S. Dollar Index DXY, a basket of six foreign currencies (EUR, CHF, JPY, CAD, GBP and SKK), H1 2025 US dollar depreciation was –10.7%.

Private Assets Commitments



Long-Term Portfolio Liquidity (US\$ 1.6 B)

Trade off liquidity
for a broader
opportunity set →

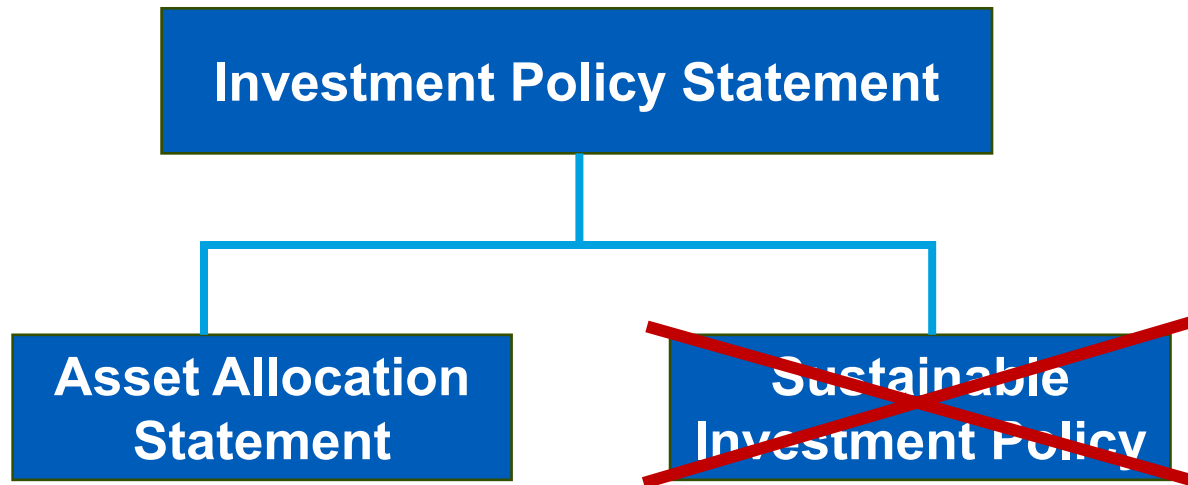


- 1 - 90 Days
- 91 Days - 1 Year
- > 1 Year

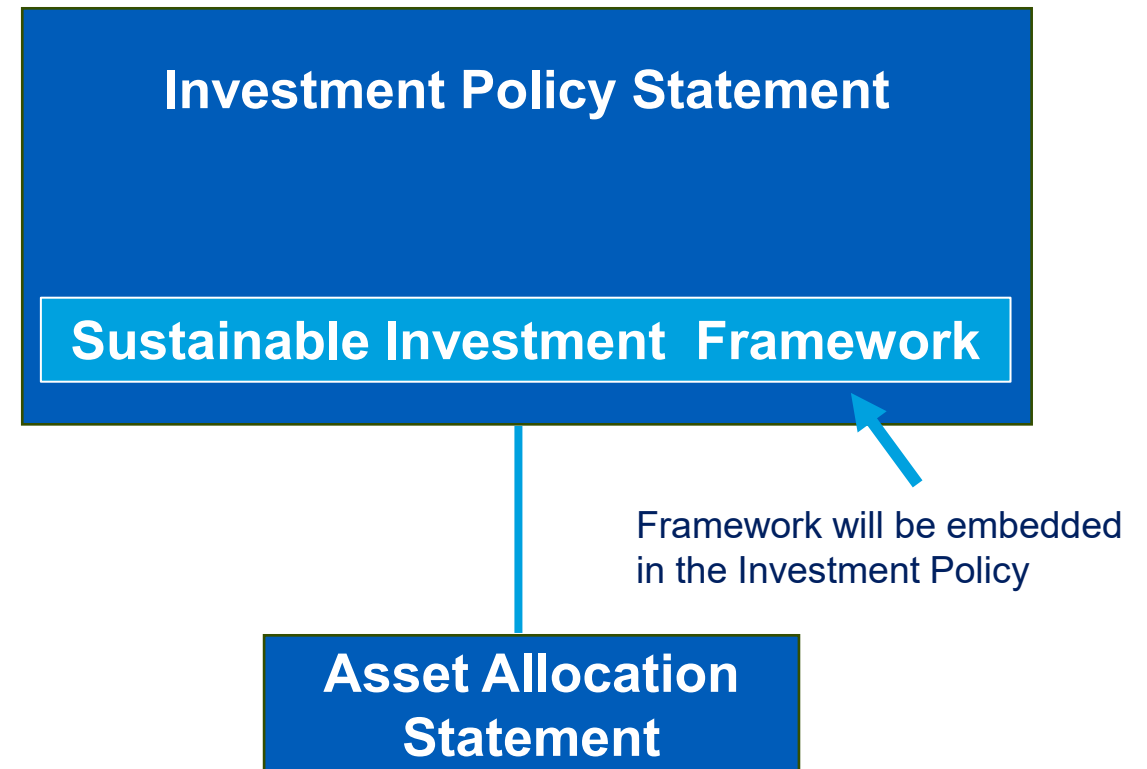
Data as of 30 September 2025.

Investment Policy Update

Current



Dec 2025 ¹



1. Approved by the Investment Committee Meeting in November 2025.

2026 Priorities

Transition Management

- As a result of the re-organization, the team will start the year with a 50% reduction in headcount. Priority is given to core workstreams until the “normal” size is attained.

Opportunistic Diversification

- Diversify by adding top-quartile strategies from current managers, where feasible. A greater balance of the team's time will be spent on monitoring existing strategies.

Streamline Workload

- The team identified ways to streamline their workload in anticipation of the organizational review. Document standardization and adherence to Gavi compliance practices are baseline requirements for future automation projects.

Manage Liquidity

- As the team executes portfolio changes, maintaining adequate liquidity and ensuring alignment to asset allocation targets is a balancing act.
-

Thank you



Gavi Alliance Investment Policy Version 9.0

DOCUMENT ADMINISTRATION

VERSION NUMBER	APPROVAL PROCESS	DATE
1.0	Prepared by: Investments	
	Reviewed by: Gavi Investment Committee	23 February 2009
	Approved by: Gavi Alliance Board	3 June 2009 Effective from: 3 June 2009
2.0	Reviewed by: Gavi Investment Committee	17 September 2009
	Approved by: Gavi Alliance Board	18 September 2009 Effective from: 18 September 2009
3.0	Reviewed by: Gavi Investment Committee	2 November 2011
	Approved by: Gavi Alliance Board	17 November 2011 Effective from: 17 November 2011
4.0	Reviewed by: Gavi Investment Committee	25 February 2014
5.0	Reviewed by: Gavi Investment Committee	12 February 2016 Effective from: 12 February 2016
6.0	Reviewed by: Gavi Investment Committee	15 May 2018 Effective from: 7 June 2018
7.0	Reviewed by: Gavi Investment Committee	8 September 2021 Effective from: 1 December 2021
8.0	Reviewed by: Gavi Investment Committee	12 May 2022 Effective from: 22 June 2022
9.0	Reviewed by: Gavi Investment Committee	13 November 2025 Effective from: 4 December 2025
	Next review:	As and when required

1. Introduction

- 1.1. The purpose of the Investment Policy (“Policy”) is to assist the Investment Committee (“Committee”), the Gavi Alliance Secretariat Investments Team (“Investments Team”) and Investment Managers (the “Managers”) in effectively managing the Gavi Alliance’s investments.
- 1.2. This Policy governs the management of the Gavi Alliance’s long-term portfolio (“portfolio”) and should be read in conjunction with the Asset Allocation Statement. The Committee shall review and set this Policy in accordance with the Investment Committee charter and amend it as appropriate from time to time.¹

2. Investment objectives

- 2.1. The composition of the short-term portfolio will be conservative investments that retain their value over a short-term horizon. The short-term investment objectives are the following:
 - Preserve the value and safety of the principal;
 - Maintain liquidity;
 - Provide diversification of credit and market risk exposure;
 - Generate income
- 2.2. The composition of the long-term portfolio will be predicated on Gavi Alliance’s long-term financial forecasts and spending needs. Under the Committee’s oversight, the Investments Team shall ensure prudent diversification among asset classes and individual investments. The long-term investment objective should be achieved within acceptable risk levels, which shall include mitigating the risk of large short-term declines in market value.
- 2.3. The long-term investment objectives are the following:
 - Provide a prudent degree of growth in assets to support the organisational mission utilising a total return approach;
 - Generate a positive real (after inflation) return;
 - Generate income and capital appreciation;
 - Provide for prudent diversification of investments by minimising correlation among investments strategies;
 - Maintain liquidity to meet operating requirements;
 - Total portfolio volatility will be evaluated regularly as part of the asset allocation and portfolio risk reviews.
- 2.4. Gavi Alliance assets will be managed to ensure compliance at all times with applicable statutes and regulations.
- 2.5. The reporting currency of the Gavi Alliance is the US dollar.

3. Investment management structure

- 3.1. The Managers will manage the Portfolio’s assets according to the investment guidelines reviewed and approved by the Investments Team under the oversight of the Committee. Each Manager has discretion to manage the assets in their particular portfolio to best achieve the investment objectives and requirements,

¹ The words and expressions used in this Policy, unless the context requires otherwise, have the meaning attributed to them in the Board and Committee Operating Procedures, the Investment Committee Charter or Policy.

within the approved guidelines. Gavi's preference is to use pooled investment vehicles when possible in order to manage cost and operational complexity.

- 3.2. All Managers will be reviewed against benchmarks and a set of defined manager criteria for relative performance on a regular basis. The Investments Team shall inform the Committee of all hiring and termination recommendations prior to any binding agreement.

4. Short-term portfolio composition

- 4.1. The core of the short-term portfolio will be liquid, fixed income instruments and strategies such as, low duration fixed income and short duration fixed income.
- 4.2. The following guidelines pertain to low duration and short duration fixed income mandates:
 - A minimum average credit rating of A, as measured by the composite profile of the underlying securities;
 - A maximum duration of 2.5 years;
 - Daily liquidity;
 - The general investment guidelines shall have limits for concentration, maturity and quality.
- 4.3. The low and short duration fixed income mandates may invest in:
 - Securities issued or guaranteed by the US government, its agencies, and instrumentalities;
 - Securities issued or guaranteed by US local, city and state governments and their agencies and instrumentalities;
 - US investment grade corporate debt.

5. Long-term portfolio composition

- 5.1. The core of the long-term portfolio will consist of four major market exposures categorised as: Fixed Income, Equity, Diversifiers and Private Assets. The long-term portfolio has a total return focus, and the composition of the long-term portfolio will shift depending on the relative attractiveness of market exposures. As a result, the long-term portfolio has ranges for each of the major market exposures shown in the Asset Allocation Statement. The Committee shall review the ranges on a regular basis.
- 5.2. **Fixed Income:** This market exposure includes domestic (i.e., US) and international investments. There are two categories of fixed income strategies;
 - a) High quality strategies will serve as a defensive allocation and provide liquidity. In addition, they serve as an anchor during low growth and disinflationary environments. These strategies will generally invest in securities issued or guaranteed by the US government and its agencies and instrumentalities, investment grade corporate debt, and other fixed income securities that possess a liquid secondary market and collectively have an investment grade credit rating on a weighted average basis.
 - b) Yield seeking strategies will offer a differentiated return. They provide higher income and invest across a spectrum of sectors, credit quality, duration, etc. In addition, these strategies are flexible and less constrained. They have a total return focus (income plus capital appreciation).

- 5.3. **Equity:** This market exposure will be used to provide growth to the long-term portfolio and diversify returns. Equity includes both domestic (i.e., United States) and international securities (including emerging markets) and instruments, and the full range of market capitalisations.
- 5.4. **Diversifiers:** This market exposure seeks to capitalise on opportunities with lower sensitivity to broad market performance (i.e., less correlated returns), an esoteric / unique profile or a tactical assessment of current opportunities. These strategies should serve as diversifiers which are not easily replicable within equity, fixed income or private assets. Taken together these strategies will be broadly diversified. Allocations will generally be through hedge funds, macro, relative value, volatility, arbitrage and infrastructure assets.
- 5.5. **Private Assets:** This market exposure will be used to provide long-term capital appreciation. Private assets strategies generally have long lock periods and /or terms to maturity (8-12 years) and will generally be illiquid in nature. There are two categories of private assets.
 - a) Private equity strategies will be invested in various underlying partnerships. This exposure will be actively managed. The total return for private equity strategies shall be expected to post positive absolute returns over an investment cycle. In addition, private equity strategies shall be expected to post returns in excess of public equity over an investment cycle given the illiquid nature of this asset class. A strategic plan shall be developed for private equity and reviewed annually. The plan will consider diversification by vintage year and strategy.
 - b) Real estate strategies include private investments in real property and related debt investments. These strategies are expected to enhance the diversification of the long-term portfolio, generate returns through income and/or capital appreciation, and provide a hedge against unanticipated inflation. The real estate allocation will be primarily to core, core-plus and opportunistic strategies.
- 5.6. Lastly, Investments may be either long-biased, long-short, trading oriented or a blend of all strategies.

6. Review of objectives and performance

- 6.1. All objectives and policies are in effect until modified and approved by the Committee. These objectives and policies will be reviewed annually, or such other time as the Committee deems appropriate. Deviations from the Policy shall be brought to the attention of the next regularly scheduled Committee meeting, or earlier, if deemed significant.
- 6.2. On a monthly basis, the Investments Team shall review performance of the long-term portfolio. The Investments Team shall inform the Committee of the results relative to the objectives and appropriate benchmark indices on a regular basis.
- 6.3. Consistent with the Asset Allocation Statement, the Investments team is authorised to re-balance the long-term portfolio to ensure adherence to the asset allocation targets and ranges approved by the Investment Committee for each market exposure. The Investments team will provide timely updates to the Investments Committee of any re-balancing activities.
- 6.4. The Investments Team shall maintain regular communication with the Managers in order to ascertain key business information such as but not limited to:
 - Stability in retaining and attracting qualified investment professionals;

- Effective management of asset growth;
- Client retention;
- Adherence to relevant regulations for the investment management industry;
- Adherence to the investment style and objectives sought by Gavi Alliance;
- Effective maintenance of operational and investment risk policies;
- Effective maintenance of business continuity and disaster recovery practices.

In addition, the Investments Team will perform regular due diligence of Managers.

7. Sustainable Investment Principles

- 7.1. Gavi Alliance encourages Managers to integrate sustainability into their investment process and consider how sustainability can improve the risk profile of the assets they manage and enhance returns. Gavi recognises that sustainability factors will vary across asset classes and does not mandate a specific approach. On an annual basis, Managers will be evaluated across three levels: firm, strategy and holdings. Gavi's consultant will conduct the evaluations of the firm and strategy. The Investments Team will evaluate the holdings, relying on an outside vendor's sustainability framework. In certain cases, specific line items of holdings are not available or cannot be evaluated (e.g. private assets). At a minimum, each Manager's sustainability practices will be evaluated at the firm and individual strategy.

8. Supplemental Investment Policies

- 8.1. The Committee shall approve any additional subordinate policies as it deems prudent and appropriate, including but not limited to:
- Asset Allocation Statement



Gavi Alliance Asset Allocation Statement Version 10.0

DOCUMENT ADMINISTRATION

VERSION NUMBER	APPROVAL PROCESS	DATE
1.0	Prepared by: Investments	
	Reviewed by: Gavi Investment Committee	25 February 2014 Effective from: 25 February 2014
2.0	Prepared by: Investments	
	Reviewed by: Gavi Investment Committee	12 September 2014 Effective from: 12 September 2014
3.0	Prepared by: Investments	
	Reviewed by: Gavi Investment Committee	12 February 2016 Effective from: 12 February 2016
4.0	Prepared by: Investments	
	Reviewed by: Gavi Investment Committee	2 August 2016 Effective from: 2 August 2016
5.0	Prepared by: Investments	
	Reviewed by: Gavi Investment Committee	15 May 2018 Effective from: 15 May 2018
6.0	Prepared by: Investments	
	Reviewed by: Gavi Investment Committee	8 November 2018 Effective from: 8 November 2018
7.0	Prepared by: Investments	
	Reviewed by: Gavi Investment Committee	7 May 2019 Effective from: 7 May 2019
8.0	Prepared by: Investments	
	Reviewed by: Gavi Investment Committee	11 May 2021 Effective from: 11 May 2021
9.0	Prepared by: Investments	
	Reviewed by: Gavi Investment Committee	12 May 2022 Effective from: 8 June 2022
10.0	Prepared by: Investments	
	Reviewed by: Gavi Investment Committee	13 November 2025 Effective from: 4 December 2025
	Next review:	As and when required

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 long-term portfolio.
- 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.¹

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>Benchmarks²</u>
Fixed Income:	25% to 50%	Barclays Multiverse Unhedged USD
Equity:	25% to 45%	MSCI ACWI IMI Net USD
Diversifiers:	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)
Private Assets:	0% to 20%	Custom Hybrid Vintage Private Equity and corresponding market index benchmark (short and intermediate term performance benchmark) ³ and MSCI ACWI IMI (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.

¹ 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.

² 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 (G001).

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

Liquidity is defined as the timeframe required for 95% or greater liquidation of a single investment strategy. The liquidity terms are as follows:

Liquid:	1 day to 90 days
Semi-liquid:	91 to 365 days
Illiquid:	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 15% of investments across the total Portfolio, excluding index managers, who are not limited. Any single active mandate may have a maximum of 7.5% of the long-term portfolio.
- 4.2. In the event that a mandate exceeds the 7.5% threshold for three consecutive months, the Investments team will rebalance the exposure in line with sections 2.1 and 4.1, and report back to the Committee.

5. Other

- 5.1. 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, currency exposure, etc .