



Innovative financing to save more lives, faster

The International Finance Facility for Immunisation **VACCINE BONDS**

Treasury manager:





The International Finance Facility for Immunisation **VACCINE BONDS**

CONTENTS

Financing immunisation

IFFIm financial strength

IFFIm saves lives

IFFIm meets social bond principles

Contact

1. Financing immunisation



“A child not immunised today may be a life lost tomorrow. Let’s invest in life now.”

Cyrus Ardalan, IFFIm Board Chair

Overview of financing immunisation

Since 2006, **IFFIm** raises money for **Gavi**, by issuing **Vaccine Bonds** in the capital markets and repaying these bonds with long-term donor pledges



For Gavi

- accelerates the rate of immunisation in poor countries: saving more lives, faster
- reduces vaccine prices and secures supply by increasing long-term funding predictability



For investors

- portfolio diversification and attractive risk-adjusted returns
- an award-winning socially responsible investment



For donors

- significant immediate impact to immunising children & saving lives
- IFFIm has in aggregate been able to raise financing at a lower funding cost than the weighted composite cost of donors

The world's immunisation challenge

140 million children are born worldwide each year



but **almost 20 million** are not fully vaccinated



It can take 15+ years for a vaccine introduced in wealthy countries to reach low-income countries.

Because of inequity, many children never have access to life-saving vaccines.



As many children as born each year in Germany, Italy & Spain combined

1.5 million will then die from diseases that vaccines prevent

Gavi addresses the challenge

Gavi is a public-private global health partnership

The Alliance was created in 2000 to address stagnating and declining immunisation rates in the poorest countries



IFFIm: a tool for Gavi to save more lives

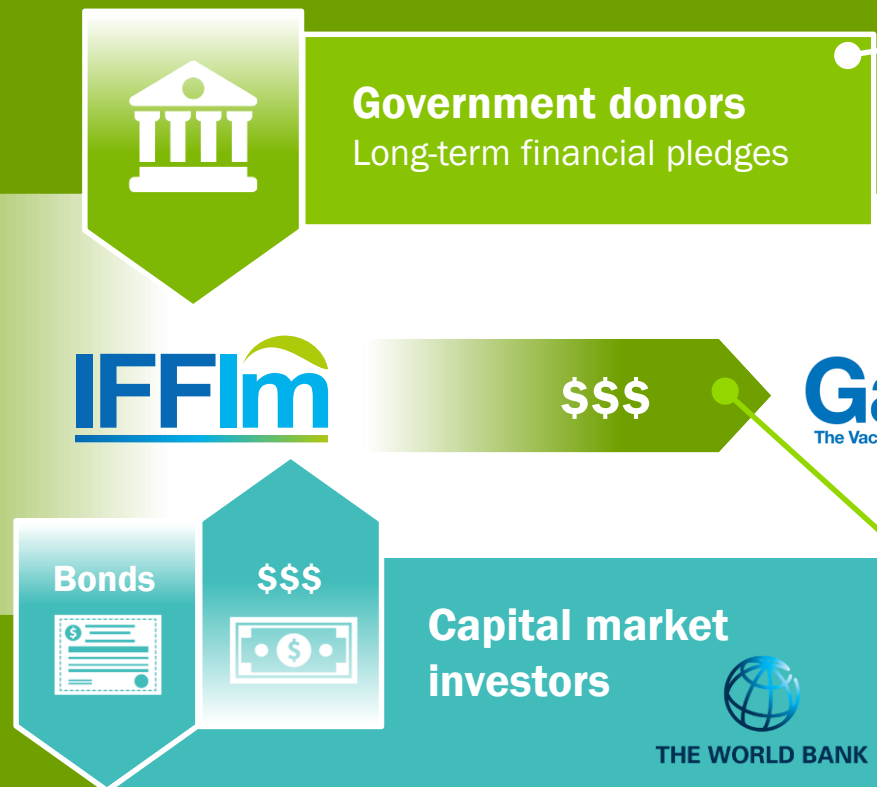
Long-term, predictable funding from IFFIm strengthens Gavi's ability to invest large amounts as needed, encouraging more vaccine production while reducing prices.

Puts long-term funding from donor countries to work **immediately**

Frontloading resources over a shorter term, or drawing down funds over a longer period, **gives Gavi flexibility** to use funds when they are needed most.



IFFIm's funding mechanism



The World Bank is IFFIm's treasury manager

IFFIm is the only aid-financing entity in history to secure legally binding commitments of up to 20 years from donors



IFFIm's funding structure makes large volumes of funds immediately available for **Gavi's vaccination programmes**

The IFFIm partnership

1. DONORS

Long-term pledges from 10 sovereign governments enable IFFIm to raise money in the capital markets

GOVERNMENTS



GOVERNANCE



2. IFFIm BOARD OF DIRECTORS

IFFIm's Board reviews disbursement of funds and is responsible for funding decisions

4. GAVI

As the sole beneficiary of IFFIm funds, Gavi accelerates access to immunisation for children in poor countries

BENEFICIARY



MANAGEMENT













3. THE WORLD BANK

As IFFIm's treasury manager, the World Bank manages IFFIm's finances to the same prudent standards as it does its own finances

IFFIm donors

IFFIm Vaccine Bonds are backed by long-term, irrevocable and legally binding pledges from ten sovereign governments:

Country	Amount committed (US\$m equiv.)	Grant Period
 United Kingdom (AA/Aa2/AA-)	2,980	23 years
 France (AA/Aa2/AA)	1,884	20 years
 Italy (BBB/Baa3/BBB)	635	20 years
 Norway (AAA/Aaa/AAA)	532	25 years
 Australia (AAA/Aaa/AAA)	284	20 years
 Spain (A/Baa1/A-)	240	20 years
 The Netherlands (AAA/Aaa/AAA)	181	10 years
 Sweden (AAA/Aaa/AAA)	38	15 years
 South Africa (BB-/Ba1/BB)	20	20 years
 Brazil (BB-/Ba2/BB-)	20	20 years
Total	6,814	

IFFIm's Board of Directors

IFFIm's Board is comprised of six directors with extensive backgrounds in banking, capital markets and development finance



Cyrus Ardalan (Chair)

Cyrus is Non-Executive Chairman of Citigroup Global Markets and Chairman of OakNorth Bank. Previously he was a Vice Chairman of Barclays, serving in several key roles in government relations, emerging markets and investment banking.



Fatimatou Zahra Diop

Fatimatou retired as Secretary General of the Central Bank of West African States (BCEAO) then co-founded Afrivac which works with public & private sector partners to promote strengthening African countries' budgets.



Bertrand de Mazières (Audit Committee Chair)

Bertrand is Director General for Finance at the European Investment Bank. He has been in French public administration, financial market regulatory authorities and International Financial Institutions.



Doris Herrera-Pol

Doris is recently retired from the World Bank where she was the global head of capital markets. Before joining the World Bank, Doris conducted sovereign debt negotiations for the Dominican Republic.



Jessica Pulay

Jessica is Co-Head of Policy and Markets at the UK Debt Management Office (DMO). She spent 16 years at the European Bank for Reconstruction and Development and is a trustee of the Wallace Collection.



Helge Weiner-Trapness

Helge is Founding Partner of Quintus Partners providing investment advisory and capital raising services. He spent 14 years in Hong Kong where he was most recently Managing Director and Co-Global Head of the Financial Institutions Group at Barclays.

The World Bank is IFFIm's treasury manager

The World Bank's triple A rating, 70 years of experience in capital markets and prudent financial management help ensure IFFIm's long-term stability. The World Bank manages IFFIm's financial operations.

Execution of IFFIm
funding program

Accounting
and reporting

Donor payment tracking
Cash management

THE WORLD BANK

Liquidity management
services

Asset and liability
management

Management of
gearing ratio

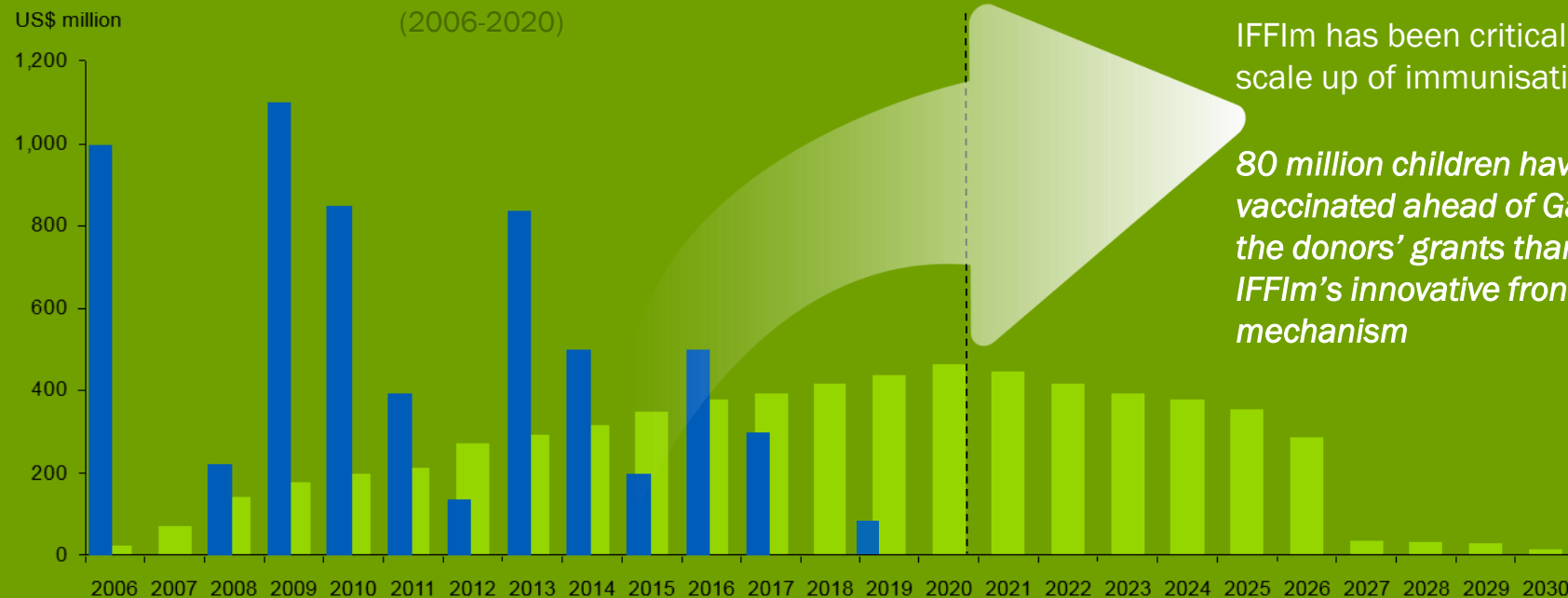
IFFIm – a single purpose issuer of social bonds

Long-term commitments from ten donor countries

Enable IFFIm to issue Vaccine Bonds

over US\$ 6 billion raised on the capital markets

Then disburse funds to Gavi



IFFIm Vaccine Bond offers to date

Annual funding volume depends on needs for immunisation programmes in partner countries and refinancing needs for maturing debt

IFFIm sells bonds to retail and institutional investors and issues a variety of transactions ranging from larger, more liquid issues to smaller, more targeted bonds

Average maturity is 3-5 years

Most recent transaction

2017: \$300mil / 3 yr / Benchmark

Apr 2019: \$50mil / 3 yr / Sukuk

2019: NOK600m / 6 yr / Zero coupon

Year	Bond	US\$m equiv.
2006	Inaugural USD Benchmark (USD)	1,000
2008	Uridashi (ZAR)	223
2009	Uridashi (AUD/ZAR/NZD) Dual Tranche Retail & Institutional (GBP) Uridashi (USD/AUD) & (ZAR/AUD)	1,102
2010	Uridashi (ZAR) & (AUD/BRL/ZAR) & (AUD) AUD Kangaroo Bond Benchmark (AUD) Eurobond (AUD)	851
2011	Uridashi (BRL) & (AUD/BRL/ZAR)	394
2012	Uridashi (AUD/ZAR) & (AUD)	137
2013	Uridashi (TRY/ZAR) Floating Rate USD Benchmark (USD)	839
2014	Inaugural sukuk (USD)	500
2015	Sukuk (USD)	200
2016	Floating Rate USD Benchmark (USD)	500
2017	Floating Rate USD Benchmark (USD)	300
2019	Sukuk (USD) private placement Zero Coupon Note (NOK)	116
		Total 6.162

2. IFFIm's financial strength



“What makes IFFIm unique is the combination of financial strength with moral purpose – enabled by financial innovation”

Gordon Brown, Former Prime Minister of the UK



IFFIm's balance sheet

IFFIm maintains a conservative balance sheet

Assets

December 2019	US\$m
Sovereign pledges	2,074
Funds held in trust	428
Other assets	-
Total Assets	2,502

Liabilities

December 2019	US\$m
Bonds payable	510
Grants payable	357
Other liabilities	521
Total Liabilities	1,388
NET ASSETS	1,114

Unique features ensure high credit strength

Highly rated grantor countries

- The UK is the largest donor, pledging around 46% of remaining donor payments
- France, Norway, Italy, and Australia accounting for 29%, 9%, 6%, 5% respectively

Treasury management by the World Bank

- Treasury assets are conservatively invested
- Foreign exchange risk is mitigated through hedging activities

Conservative financial policies

- Liquidity buffer under which IFFIm must maintain a portfolio of liquid assets that cover debt service over the next 12 months
- Maximum leverage limit at 70.3% as of 4Q 2019
- Gearing ratio at 31 December 2019 was 10%

Innovative & effective financing instrument

- Vaccine bonds provide a portfolio diversification opportunity with attractive risk-adjusted returns in an award-winning socially responsible investment

Legally binding pledges

- Irrevocable and legally binding pledges to provide grants to Gavi, the Vaccine Alliance

Strong donor commitment

- Donors committed to disburse grants over more than 20 years up to 2037
- Nominal value of pledges totaled US\$ 6.8b as of May 2020

Credit rating linked to donor ratings

IFFIm ratings by:

Fitch Ratings AA- (negative outlook)
Moody's Aa1 (stable)
S&P AA (negative outlook)

Close link of IFFIm's ratings to ratings of largest donors:

Moody's (July 2019): "The credit profile of IFFIm reflects very high liquidity, the strong commitment from donor governments and the involvement of the World Bank as treasury manager."

Fitch Ratings (March 2020): "IFFIm's ratings rely primarily on support from donors as their grant payments ultimately back IFFIm's repayment of its bond issuances."

S&P (March 2019): "We affirmed our ratings on IFFIm based on our view of the commitment of its highly rated contributors to its mandate of supporting child immunization programs in the world's poorest countries."



3. IFFIm saves lives

Vaccines protect against most major child killers:

including: pneumococcal disease, rotavirus, measles, tetanus, diphtheria and polio

Vaccines provide health, social and economic gains:

reducing death and disease, healthcare cost savings and productivity gains through improved ability to learn and work

Vaccines are a highly cost-effective intervention:

cost estimate of eradicating smallpox through immunisation: US\$ 100 million, but now saves the world US\$ 1.35 billion/year



“ Vaccines are the simplest, most effective, most inexpensive way to save children’s lives ”

Bill Gates, a Gavi founding donor

IFFIm investments help save lives



IFFIm has helped Gavi by increasing its funding for immunisation programmes, resulting in...



>13 million
lives saved

~760 million
children immunised

Help to reduce vaccine price & secure supply

The **pentavalent vaccine** is effective in eradicating five diseases* that kill ~1 million people every year, but is expensive and was often not available where it's needed most



IFFIm provided:

Help to establish pentavalent programme by **frontloading >90% of initial vaccines**, encouraging manufacturers to step up vaccine production and reduce its price
Total IFFIm support now exceeds **US\$ 1.3b**



Helping Gavi:

Gavi now able to procure pentavalent vaccines for as low as **\$0.68 a dose**, a price **reduction of over 75%** since 2006
All 73 Gavi countries have introduced pentavalent vaccine

* diphtheria, pertussis (whooping cough), tetanus, hepatitis B and Haemophilus influenzae type B (Hib)

Help to prevent disease outbreaks

Outbreaks of yellow fever and measles in Africa in past years called for fast action Time. was short to vaccinate people before the disease spread.



IFFIm provided:

Yellow fever: US\$ 90.9 million for emergency stockpiles of vaccines to stave off epidemics & run preventive campaigns

Measles: US\$ 139 million for targeted mass campaigns against the diseases



Helping Gavi to protect:

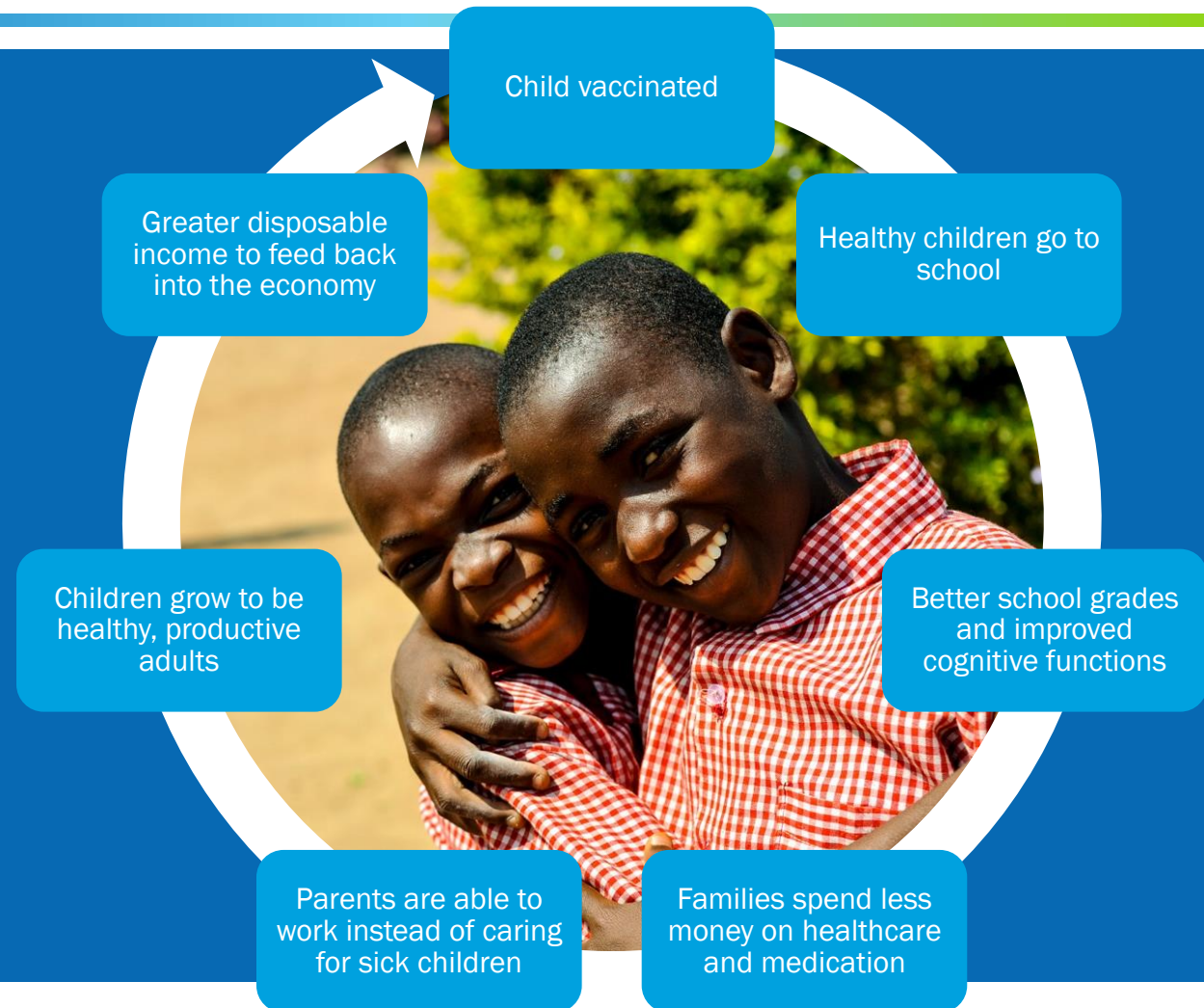
Over 189 million people against yellow fever disease through campaigns and routine delivery

An additional **328 million children** against measles through campaigns

Immunisation creates new outcomes

Vaccination sets off a positive cycle in a child's life.

We do not usually think of vaccination as an investment, but research published in 2019 suggests that vaccination has a good return on investment with every US\$ 1 spent on immunisation \$54 are saved in health care costs, lost wages and lost productivity



4. Social bond principles



“ ***Socially Responsible Investment
(SRI) Innovation of the Decade*** ”

mtm-i, the news / analytics provider

Vaccine bonds helped pioneer SRIs

IFFIm offers investors a **unique opportunity** to combine an attractive financial investment with an exceptional social purpose - generating a positive impact on society

Advantages for Investors:

- Alignment with social bond principles
- Measurable impact
- Attractive risk-adjusted returns
- Portfolio diversification



Compliant with ICMA Social Bond Principles

SBP components

Requirements met by IFFIm

Use of proceeds	<ul style="list-style-type: none"> • Proceeds go to support Gavi's mission to accelerate the availability of life-saving vaccines for the world's most vulnerable children
Project evaluation & selection	<ul style="list-style-type: none"> • Gavi's potential vaccine investments are evaluated by an Independent Review Committee (IRC), which is made up of independent technical experts, and which reports to the Gavi Board • Gavi is responsible for the selection of immunisation and/or health systems strengthening programmes for which IFFIm provides funding
Management of proceeds	<ul style="list-style-type: none"> • IFFIm is currently forecasted to disburse US\$1.7 billion to Gavi between 2020-2025 • Gavi manages the allocation, disbursement and tracking of IFFIm's proceeds in a transparent manner as per its program funding policies
Monitoring & reporting	<ul style="list-style-type: none"> • IFFIm provides quarterly reports how it allocates funds to programmes, and publishes audited financial statements annually • Gavi evaluates ongoing programmes as per its evaluation policy, and monitors and reports on its impact annually, using criteria set by its Board

IFFIm & the UN Sustainable Development Goals



IFFIm supports Gavi's mission to save children's lives and protect people's health by increasing equitable use of vaccines in lower-income countries is directly aligned with the UN Sustainable Development Goal 3; which aims to end preventable deaths of newborns and children under 5 years of age by 2030.



The global partnership between the donors, the Board of Directors, the World Bank, Gavi and Socially Responsible Investors working for Gavi's mission is aligned with the UN Sustainable Development Goal 17 which recognises the need for stronger commitment to partnership and cooperation to achieve sustainable development.

IFFIm widely recognised for innovation

EUROWEEK
THE NEWSPAPER OF THE GLOBAL CAPITAL MARKETS

IFFIm's inaugural Uridashi bond included among the market's **25 most influential transactions** by EuroWeek

mtn-i

Cited as “**SRI Innovation of the Decade**”
by mtn-i, the news / analytics provider

Islamic Finance news
Awards
Deals of the Year

IFFIm's debut Sukuk was awarded **Social Impact Deal of 2014**
by Islamic Finance News



Recognised for its role in investing in and aiding development by the **Action Agenda of the Financing Development Conference** in Addis Ababa, Ethiopia, in 2015. The Action Agenda, endorsed by representatives of the world's governments, stated:

“...We encourage consideration of how existing mechanisms, such as the International Finance Facility for Immunisation, might be replicated to address broader development needs...”

5. Contact IFFIm



**International Finance Facility
for Immunisation Company
2 Lambs Passage
London EC1Y 8BB**

www.iffim.org

Company limited by guarantee.
Registered in England and Wales with number 5857343.
Registered as a charity with number 1115413.

Disclaimer

This presentation has been prepared by the International Bank for Reconstruction and Development (“IBRD”), as Treasury Manager for International Finance Facility for Immunisation Company (“IFFIm”) for information purposes only, and neither IBRD nor IFFIm makes any representation, warranty or assurance of any kind, express or implied, as to the accuracy, completeness or reliability of any of the information contained herein. The information contained in this material may be subject to change without notice. Neither IBRD nor IFFIm accept any obligation to update any recipient of this presentation as to any such changes. Past performance is not indicative of future results. None of IFFIm, IBRD, or any of its affiliates, advisers (including the lead managers) or representatives shall have any liability whatsoever (in negligence or otherwise) for any loss howsoever arising from any use of this material or otherwise arising in connection with this material. The IFFIm board of directors has not approved this presentation. This presentation is not an offer for sale, or a solicitation of an offer to buy, any notes or other securities of IFFIm.

This presentation and the information contained herein is not for publication, distribution or release, in whole or in part, in or into, directly or indirectly, the United States or to a U.S. Person (as defined in Rule 902 of Regulation S under the U.S. Securities Act of 1933 (the “Securities Act”). Any Notes which have been or will be issued by IFFIm under its Global Debt Issuance Programme or otherwise have not been and will not be registered under the Securities Act and have been, and will only be, offered or sold (1) in the United States or to, or for the account or the benefit of, U.S. persons in a transaction exempt from, or not subject to, the registration requirements of the Securities Act or (2) to non-U.S. purchasers in offshore transactions pursuant to Regulation S adopted under the Securities Act.

This presentation includes “forward-looking information” within the meaning of Section 27A of the Securities Act of 1933, and Section 21E of the U.S. Securities Exchange Act of 1934. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. Statements that describe IFFIm’s objectives, plans or goals are or may be forward-looking statements. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause IFFIm’s actual results, performance or achievements to differ materially from the anticipated results, performance or achievements expressed or implied by these forward-looking statements. Such forward-looking statements speak only as of the date on which they are made.

This presentation is for distribution only to persons who are not a “retail client” within the meaning of section 761G of the Corporations Act 2001 of Australia and are also sophisticated investors, professional investors or other investors in respect of whom disclosure is not required under Part 6D.2 of the Corporations Act 2001 of Australia and, in all cases, in such circumstances as may be permitted by applicable law in any jurisdiction in which an investor may be located. Each person accessing this presentation confirms that they are a person who is entitled to do so under all applicable laws, regulations and directives in all applicable jurisdictions. Neither IFFIm nor any of their directors, employees, agents or advisers accepts any liability whatsoever for any loss (including, without limitation, any liability arising from any fault or negligence on the part of IFFIm or its respective directors, employees, agents or advisers) arising from access to this presentation by any person not entitled to do so.

Each recipient of this presentation is deemed to acknowledge that this presentation is a proprietary document of IFFIm and by receipt hereof agrees to treat it as confidential and not reproduce, redistribute or disclose it, or permit reproduction, redistribution or disclosure of it, to third parties without the prior written consent of the IFFIm. All content (including, without limitation, the graphics, icons, and overall appearance of the presentation and its content) are the property of IFFIm. IFFIm does not waive any of its proprietary rights therein including, but not limited to, copyrights, trademarks and other intellectual property rights.