



**March 2018**

## **AUDIT COMMITTEE CHARTER**

### **1. PURPOSE**

The Audit Committee (the “Committee”) is established by the Board of Directors (the “Board”) of the International Finance Facility for Immunisation Company (the “Company” or “IFFIm”) to assist the Board of Directors in fulfilling its responsibilities in respect to the corporate accounting and financial practices of IFFIm. In so doing, it shall be the responsibility of the Committee to maintain regular and open communication among Committee members and with the Board.

### **2. COMPOSITION**

The Committee shall be a standing committee of the Board consisting of at least two members.

All Committee members shall be independent non-executive directors of the Company and shall be appointed by the Board for an initial period of up to three years with the option of serving further terms at the discretion of the Board.

The Chair of the Committee shall be appointed by the Board, upon the recommendation of the Board Chair.

Members of the Committee shall be qualified in at least one of the following areas:

- Financial/Accounting Knowledge: working knowledge of finance and accounting practices; and/or
- Financial Expert: significant, recent, and relevant expertise in finance and accounting at a level appropriate to the complexity of IFFIm’s operations, including an understanding of financial statements, internal controls, capital markets, procedures for financial reporting, and audit committee functions.

At least one member of the Committee shall be a financial expert.

### **3. OPERATIONS**

Meetings. The Chair of the Committee, in consultation with the other Committee members, shall determine the schedule and frequency of the Committee meetings. Meetings shall be held at least two times per year and, where appropriate, shall coincide with key dates in the Company's financial reporting cycle.

A quorum shall be two members present throughout the meeting.

Any Board member may attend the Committee meetings as an observer but may only participate in the deliberations at the invitation of the Committee Chair. Any other persons who are non-Board members may attend Committee meetings only at the invitation of the Committee Chair and with the consent of Committee members.

The external auditor shall, from time to time, be invited to attend Committee meetings as appropriate.

Agenda. The Chair of the Committee shall develop and set the Committee's agenda in consultation with the Gavi Alliance and the Treasury Manager. The agenda and all available information concerning the business to be conducted at each Committee meeting shall, to the extent practicable, be delivered to the Committee members sufficiently in advance of each meeting to permit meaningful review.

Reports to the Board. Minutes shall be taken of all Committee meetings. The Committee shall regularly report on its meetings and other activities to the Board.

Access to Consultants. The Committee may engage consultants and other professionals, at its discretion, to assist the Committee in fulfilling its duties under this Charter and which shall be at the cost of IFFIm.

Delegation of Authority. The Committee shall have the power to delegate on an exceptional basis its authority and duties to individual Committee members as it deems appropriate.

### **4. DUTIES AND RESPONSIBILITIES**

In carrying out its responsibilities, the Committee shall:

- Review and recommend the approval of the terms of the external auditor's engagement, and scope of the annual audit, and recommend to the Board pre-approval of any audit-related and non-audit services to be provided by the external auditor.
- Review with the external auditor the Company's annual financial statements and interim financial statements (if any) and the external auditor's management letter.
- Review any significant disagreement among Gavi, the Treasury Manager, and the external auditor in connection with the preparation of the annual financial statements and interim financial statements (if any).

- Conduct a separate post-audit review with Gavi, the Treasury Manager, and the external auditor to discuss the audit and any restrictions on the scope of work or access to required information. (The Chair may represent the Committee for this purpose but must report findings to the Committee).
- Review and recommend for approval IFFIm’s annual budget, including the budget proposals for any outsourced services.
- Review the Company’s significant financial and operational risk exposures and the steps taken to monitor and control such exposures. The Committee shall also report significant exposures to the Board.
- Review and discuss with Gavi, the Treasury Manager, and the external auditor the adequacy of the Company’s financial reporting processes and internal controls.
- Review critical financial reporting and accounting policies, practices and judgements used by the Company.
- Recommend approval of any significant changes required to the Company’s financial reporting and accounting policies, practices and judgements.
- Review with Gavi, the Treasury Manager, and the external auditor any material financial or non-financial arrangements that do not appear on the financial statements of the Company.
- Review any legal matter that could have a significant impact on the Company’s financial statements.
- Review the Company’s tax filings with the independent tax advisors.
- Review the Company’s procedures for handling allegations from whistleblowers.
- Review from time to time the Committee's own performance and report the results of such reviews to the Board.
- Review from time to time and reassess the adequacy of this Charter and recommend any proposed changes to the Board.
- Perform such other duties required by law or otherwise as are necessary or appropriate to further the Committee's purposes, or as the Board may from time to time assign to it.

## **5. GAVI ALLIANCE**

- Given that IFFIm shares a common mission with the Gavi Alliance (“Gavi”) and for so long as the IFFIm annual financial statements are consolidated with those of Gavi, the Committee shall cooperate with Gavi’s Audit and Finance Committee (“AFC”) in providing such information as Gavi’s AFC may request from time to time in the course of discharging its obligations to the Gavi Board of Directors in respect of reviewing and recommending for

approval by the Gavi Board the consolidated annual financial statements of Gavi.

- Reciprocally, the Committee shall review any statements to be published in the Gavi consolidated annual financial statements that relate to IFFIm.