GHIT Fund
ANNUAL REPORT
2016

CONTENTS

LEAPS AND BOUNDS

Letter from Chair and CEO

The 2016 fiscal year advanced GHIT's pipeline by leaps and bounds. The past 12 months were also marked by extraordinary commitments to global health, reminding us that global will is stronger than ever. The Government of Japan pledged $1.1 billion at the G7 Ise-Shima Summit in May to key global health mechanisms, including $130 million to the GHIT Fund and United Nations Development Programme (UNDP) .This pledge serves as a bold demonstration of Japan's unwavering support for research and development (R&D) for neglected diseases around the world. This commitment builds on a legacy of global health landmarks at previous G7/G8 summits held in Japan.

GHIT also welcomed ten new funding partnerships with major global pharmaceutical and biotechnology companies—collaborations that expand our investment capacity significantly.

Additionally, the sixth Tokyo International Conference on African Development (TICAD) took place in Africa for the first time, underscoring Japan's faith in Africa's future and emphasizing the inextricable links between health and economic vitality.

Clockwise from upper left: Yoshihiko Hatanaka (Representative Director, President and CEO, Astellas Pharma Inc.), Tatsuro Kosaka (President and COO, Chugai Pharmaceutical Co., Ltd.), Takuko Sawada (Director and Senior Executive Officer, Shionogi & Co., Ltd.), Koichi Aiboshi (Director-General for Global Issues, Ministry of Foreign Affairs, Government of Japan), Trevor Mundel (President, Global Health Division, Bill & Melinda Gates Foundation), Hinoshita Eiji (Director, Global Health Policy Division, International Cooperation Bureau, Ministry of Foreign Affairs, Government of Japan), Hikaru Ishiguro (Board Member, Health and Global Policy Institute), Hiroyuki Yamaya (Director, Office of International Cooperation, Ministry of Health, Labour and Welfare, Government of Japan), Ko-Yung Tung (Senior Counselor, Morrison & Foerster), Kim C. Bush (Director, Life Sciences Partnerships, Bill & Melinda Gates Foundation), Ann M. Veneman (Former Executive Director, UNICEF; Former Secretary, United States Department of Agriculture), Peter Piot (Director and Professor of Global Health, London School of Hygiene and Tropical Medicine), BT Slingsby (CEO, GHIT Fund), Kiyoshi Kurokawa (Representative Director and Chair, GHIT Fund), Naoko Yamamoto (Assistant Minister for Global Health, Minister's Secretariat, Ministry of Health, Labour and Welfare), Christophe Weber (Representative Director, President and CEO, Takeda Pharmaceutical Company Limited), Haruo Naito (Representative Corporate Officer and CEO, Eisai Co., Ltd.), George Nakayama (Representative Director, President and CEO, Daiichi Sankyo Company, Limited), (Affiliation and title for all are as of June 7, 2016). *Not pictured*: Mahima Datla (Managing Director, Biological E. Limited) and Richard Seabrook (Head, Business Development, Wellcome Trust).

The global context for these commitments is marked by stark reminders of the urgency of global health R&D, in the wake of the Ebola and Zika epidemics. The lack of tools and delivery challenges experienced during these epidemics remind us of the scientific and access frontiers we have yet to cross.

Indeed, access remains a paramount priority for GHIT. Our focus on ensuring effective, affordable delivery of the innovations that will soon emerge from our pipeline has only grown since our establishment.

As GHIT's fifth anniversary approaches in 2017, our motivation to accelerate global health R&D is stronger than ever. We extend our deepest gratitude to the development partners, funders, and sponsors whose creativity, courage, and passion fuel our own.

Kiyoshi Kurokawa, MD
Board Chair

BT Slingsby, MD, PhD, MPH
Chief Executive Officer

THE 3As

ADVANCING PORTFOLIO

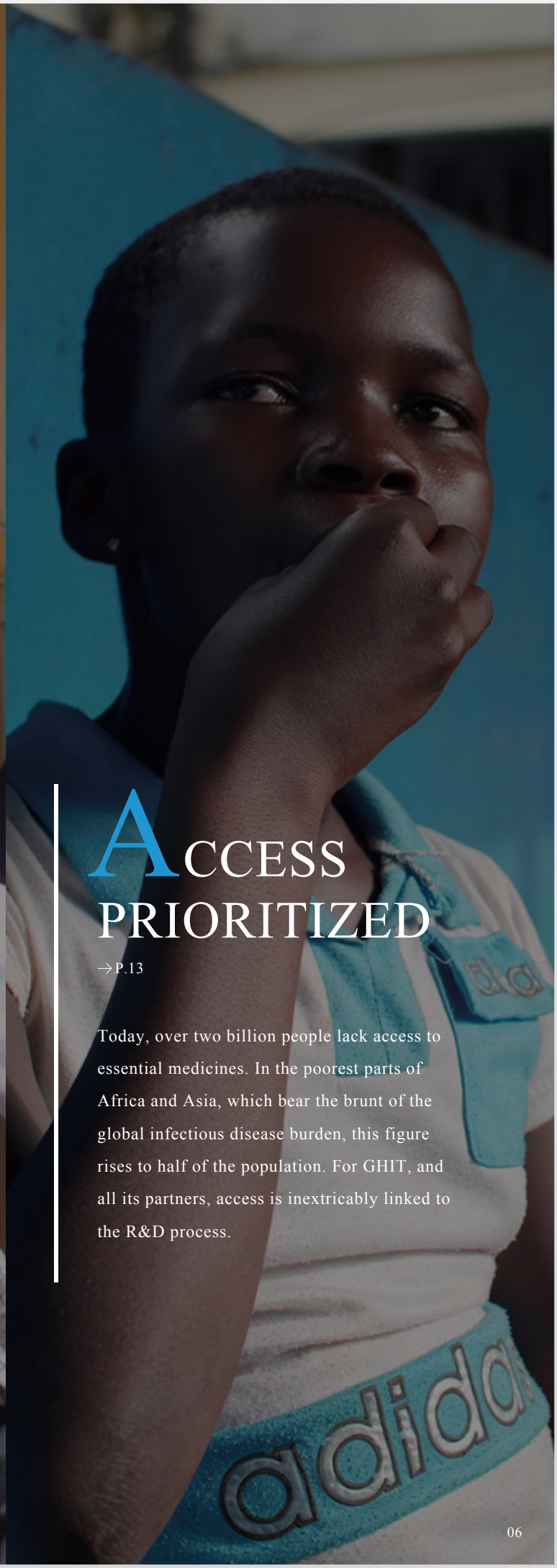
→P.07

We advance the global health R&D portfolio by investing in innovations that leverage Japan's unparalleled resources and know-how, that can be brought to market in the relative near term, and that will have a significant impact on the global disease burden. We use private sector standards for our portfolio management.

ACCELERATING PARTNERSHIPS

→P.11

GHIT banks on a vibrant ecosystem of cross-sector, cross-border collaboration. Fostering that ecosystem is tremendously important to us. We are proud of the sectoral diversity of our development partnerships, which involve many research institutes, private companies, non-profit organizations, and academic institutions, all helping one another to achieve their respective project goals.

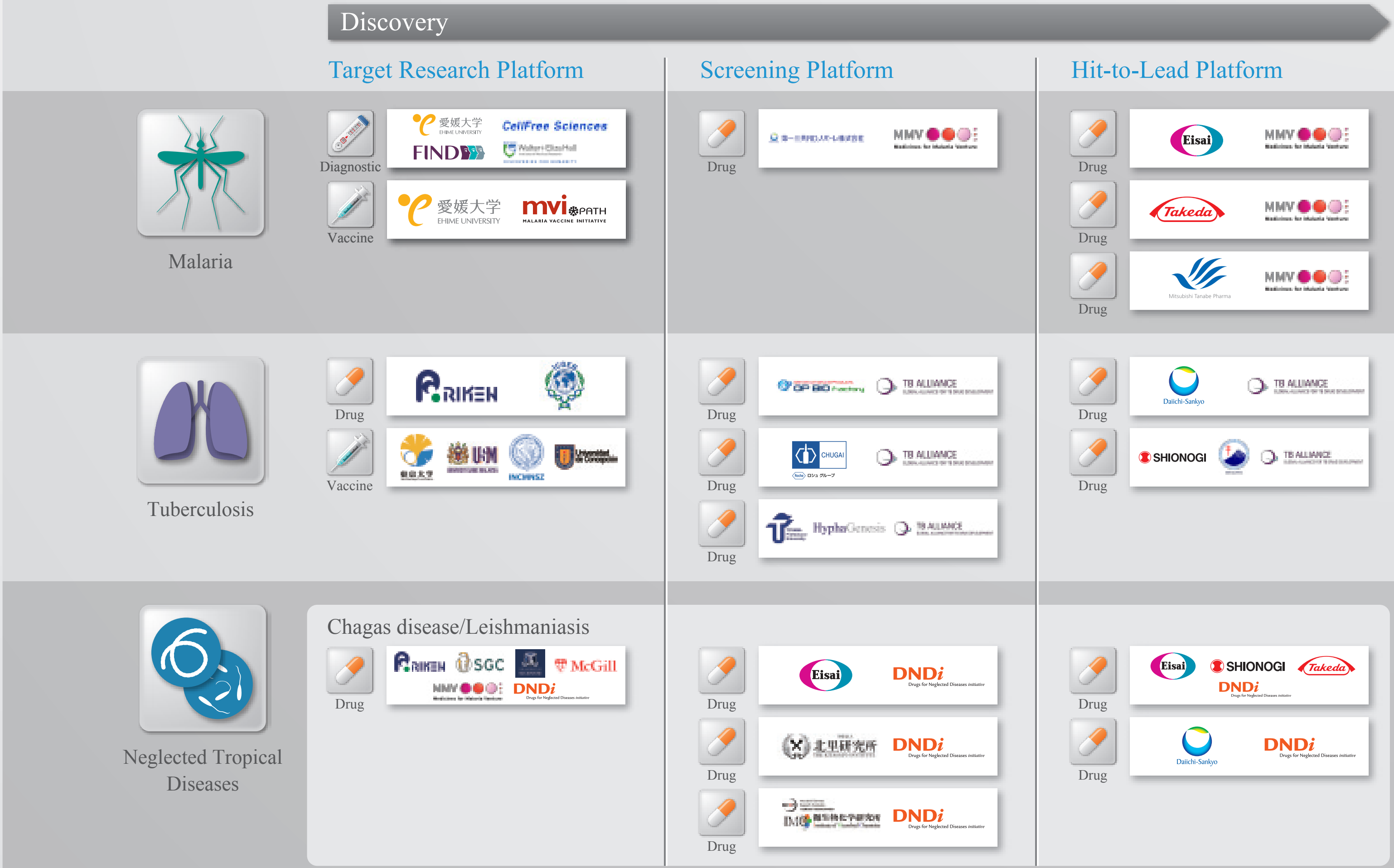


ACCESS PRIORITIZED

→P.13

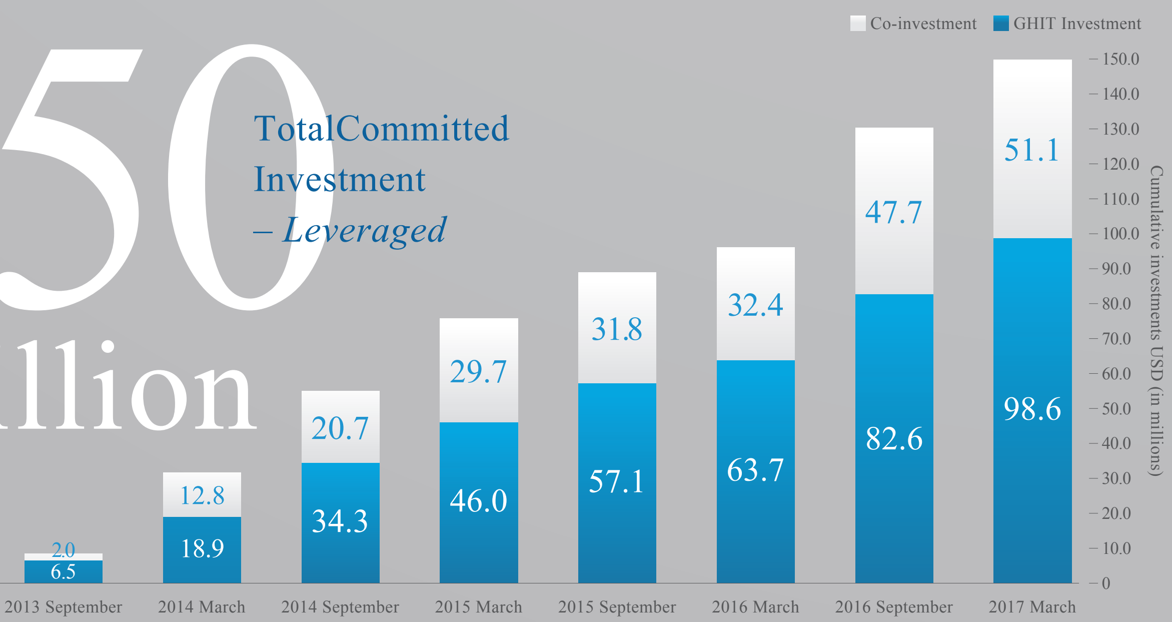
Today, over two billion people lack access to essential medicines. In the poorest parts of Africa and Asia, which bear the brunt of the global infectious disease burden, this figure rises to half of the population. For GHIT, and all its partners, access is inextricably linked to the R&D process.

ADVANCING PORTFOLIO



150 Million

Total Committed Investment – *Leveraged*



The US dollar amounts represent conversions from Japanese yen, solely for the reader's convenience, at JPY 100 = USD 1.

Preclinical

Product Development Platform

Drug — Eisai, BROAD INSTITUTE, MMV

Diagnostic — Panasonic, AIST, malaria NEXT Japan

Drug — Eisai, LSTM, UNIVERSITY OF LIVERPOOL

Drug — Daiichi-Sankyo, MMV

Vaccine — CFS, UNIVERSITY OF FLORIDA

Diagnostic — FUJIFILM, FIND

Dengue fever

Vaccine — Institute of Tropical Medicine NAGASAKI UNIVERSITY, NIID, Top Therapeutics

Drug — CHUGAI, Singapore Immunology Network

Leishmaniasis

Drug — Takeda, DNDi

Drug — GeneDesign, Inc., DNDi

Vaccine — Institute of Tropical Medicine NAGASAKI UNIVERSITY, The Ohio State University College of Medicine, McGill

Soil-transmitted helminths

Drug — AJINOMOTO, meiji, Meiji Seika Pharma, PATH, University of Massachusetts Medical School

Clinical

Product Development Platform

Vaccine — OSAKA UNIVERSITY, MTR, Phase 1b

Drug — Takeda, MMV, Phase 2a

Drug — Eisai, MMV, Phase 2a

Vaccine — 東京医科歯科大学, Phase 2b

Chagas disease

Drug — Eisai, DNDi, Phase 2a

Schistosomiasis

Drug — astellas, tygature, MERCK, Swiss TPH, smmCYP, Phase 2b

For more details about each project, please visit the GHIT Fund website: https://www.ghitfund.org/impact/portfolio/advance

Information on this page represents active projects as of March 31, 2017

ADVANCING PORTFOLIO

A SOLID INNOVATION PIPELINE

Over the past four years, GHIT has invested US$100 million in 61 global product development partnerships that leverage Japanese innovation and capacities in pharmaceuticals. Our novel product development collaborations have engaged 39 Japanese organizations and 49 non-Japanese organizations since our launch in 2013.

DRUG DEVELOPMENT

To date, nine Japanese organizations have partnered with Medicines for Malaria Venture (MMV), five with Drugs for Neglected Diseases *initiative* (DND*i*), and nine with the TB Alliance—all to screen tens of thousands of novel drug candidates through our Screening Platform.

Eight of our 23 novel screening candidates advanced into the next stage of development; namely, our Hit-to-Lead Platform (HTLP). We have invested in 9 projects in HTLP and so far we have seen one project that has successfully advanced to the lead optimization stage. This project is a partnership between Daiichi Sankyo and MMV, which began its work under the auspices of our Screening Platform in 2013 and has produced a malaria drug candidate that is currently in the lead optimization stage.

GHIT has invested in six clinical trials to date for drugs for malaria, tuberculosis (TB), Chagas disease, and schistosomiasis. Our pipeline features multiple drug candidates with various mechanisms of action and pharmacokinetics to treat malaria. A partnership between Takeda and MMV recently completed a Phase IIa trial in Peru, which successfully established Proof of Concept (POC) for its antimalarial drug candidate DSM265. SJ733 (developed by Eisai, the University of Kentucky, and MMV) is another antimalarial drug candidate in clinical development and is expected to enter a Phase IIa clinical trial in 2017.

We also continue to see progress in clinical trials for Neglected Tropical Diseases (NTDs). For instance, Eisai and DNDi began a Phase IIa clinical trial in Bolivia in 2016 for combination therapy E1224 (Ravuconazole) and BZL (Benznidazole) for Chagas disease. Additionally, our pipeline's most advanced project, a pediatric formulation of the gold-standard drug praziquantel for schistosomiasis, developed by the Pediatric Praziquantel Consortium, will soon enter a Phase III trial.

VACCINE DEVELOPMENT

Our pipeline features seven active vaccine development projects, with strong representative candidates in malaria, TB, and NTDs. Osaka University, European Vaccine Initiative, and the National Center for Research and Training for Malaria in Burkina Faso have successfully completed a first-in-human trial (Phase Ib) in Burkina Faso for a blood stage malaria vaccine candidate (BK-SE36) with aluminium hydroxide gel as a vaccine adjuvant. These partners will conduct a separate Phase Ib trial for BK-SE36 using a different formulation of the antigen with the K3 CpG adjuvant (BK-SE36/CpG) to assess potential safety issues and the immune response against BK-SE36.

Furthermore, two development partnerships (one between Ehime University and PATH MVI and the other between Cellfree Sciences and the University of Florida) are progressing to optimize lead antigens for a transmission-blocking malaria vaccine that will slow the development of resistance and thus extend the effectiveness of current interventions.

Tokyo Dental and Medical University, Muhimbili University of Health and Allied Sciences, and Geisel School of Medicine at Dartmouth are leading development for our most advanced vaccine candidate DAR-901 (a TB vaccine for adolescents), with a Phase IIb trial under way in Tanzania. Unlike most TB vaccine trials that test whether a vaccine prevents full-blown TB disease, this trial will test whether DAR-901 works earlier, preventing the initial TB infection.

12	6	2
Preclinical Candidates	Clinical Candidates	Proofs of Concept Achieved

As of March 31, 2017

We have also funded innovative vaccine development projects for NTDs, such as dengue and leishmaniasis.

DIAGNOSTIC DEVELOPMENT

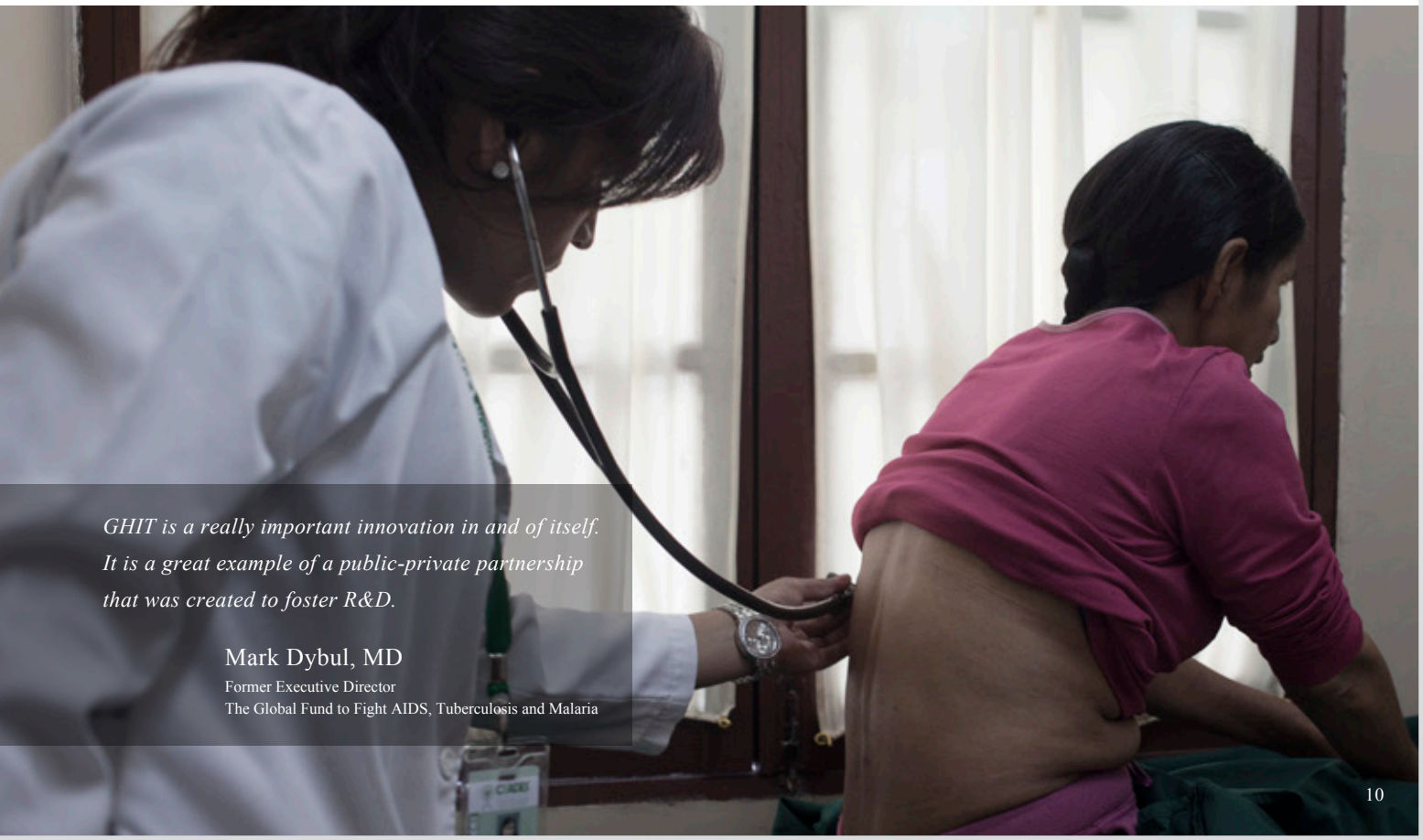
Our pipeline features three rapid, point-of-care diagnostics: two for malaria, and one for TB. Two projects, led by Panasonic and Fujifilm, respectively, have successfully completed the product design phase, and have already began analyzing samples from such high-burden countries as Georgia, Kenya, and Vietnam.

STRINGENT PROJECT MANAGEMENT

GHIT's investment approach is strict to ensure that its investment dollars realize their full potential and accelerate the pace of innovation. Because there is no time to lose, we selectively invest in product development over pure research. Our multi-tiered selection process emphasizes ensures quality over quantity of candidates and detailed Stage-Gate monitoring by our management team and domain experts offers support to projects as they evolve. We accept only definitive development milestones, and promptly retire research that does not bear fruit. Importantly, while we apply a standard private-sector orientation to the management of our funds, the return on investment we seek is human health, not financial profit. This approach, coupled with the tremendous efforts of our development partners around the world, has helped us built a vibrant and solid portfolio of potential health interventions to fight against neglected diseases.

CO-FUNDING STRATEGY

GHIT requires a co-funding strategy for any candidate product that has demonstrated Proof of Concept (Phase II), in order to amplify the impact of our investment with contributions from other funders. This ensures that our products are a part of the global product development portfolio.

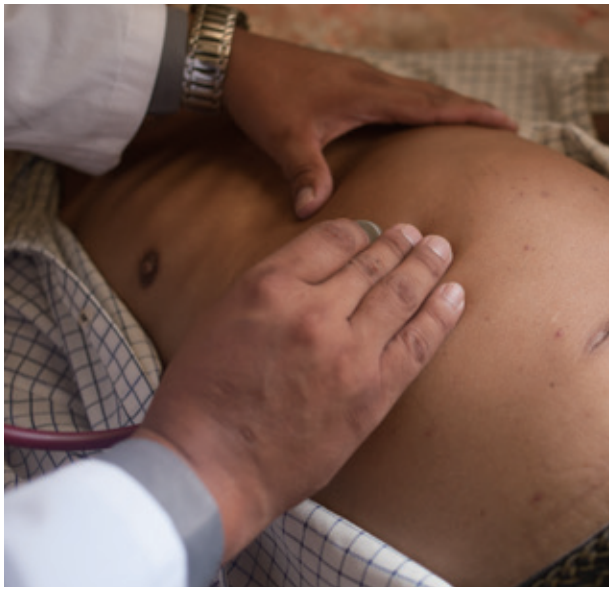


GHIT is a really important innovation in and of itself. It is a great example of a public-private partnership that was created to foster R&D.

Mark Dybul, MD
Former Executive Director
The Global Fund to Fight AIDS, Tuberculosis and Malaria

ACCELERATING PARTNERSHIPS

A DYNAMIC ECOSYSTEM OF COLLABORATION



Product Development Partners

RIKEN Center for Sustainable Resource Science, Structural Genomics Consortium, University of Melbourne, McGill University, Medicines for Malaria Venture (MMV), and Drugs for Neglected Diseases *initiative* (DND*i*)

Intervention

Anti-Parasitic Drug

Target Research Platform › Screening Platform › Hit-to-Lead Platform › Product Development Platform

Novel drugs and mechanisms of action are urgently needed for malaria, Chagas disease, leishmaniasis, and cryptosporidiosis, which cause death and sickness throughout the developing world. There is a lack of effective drugs to treat these diseases, and resistance to existing drugs is emerging. This unique partnership aims to identify at least one potent bromodomain inhibitor that kills each of these four parasites, focusing on an entirely novel class of parasite proteins as drug targets. The project integrates partners' expertise in high-throughput screening, parasite biology, structural biology, protein chemistry, and molecular genetics. Partners will also use recent advances in CRISPR Cas9 targeted mutagenesis to modify malaria parasites in response to structural binding and growth inhibition data.

Product Development Partners

Daiichi Sankyo Company, Limited
MMV

Intervention

Malaria Drug

Target Research Platform › Screening Platform › Hit-to-Lead Platform › Product Development Platform

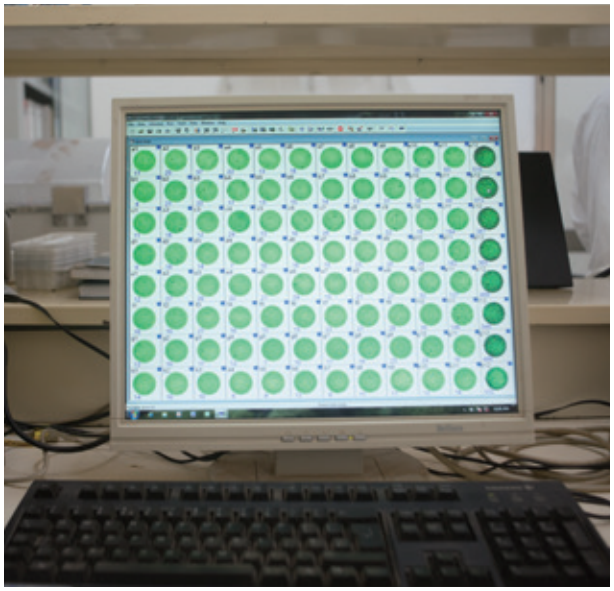
A partnership between Daiichi Sankyo and MMV is working to develop a medicine to prevent malaria infection, block transmission, combat drug resistance and, ideally, prevent relapses often suffered by people who have two different types of malaria. Launched in June 2013, the partnership screened 50,000 compounds designed by Daiichi Sankyo, identifying several "hit" series that inhibit the malaria parasite. The partnership then tested these compounds in 2015 for their drug-like qualities, producing two lead compounds, which they began pursuing in 2016. This partnership is the first of GHIT's investments to progress across three of our research platforms, starting from the Screening Platform and progressing to the Product Development Platform.

39
Japanese Organizations

49
Non-Japanese Organizations

61
Partnerships

(Since 2013)



Product Development Partners

Eisai Co., Ltd.
Broad Institute

Intervention
Malaria Drug

Target Research Platform › Screening Platform › **Hit-to-Lead Platform** › Product Development Platform

Among the five malaria species that can infect humans, *Plasmodium falciparum* is responsible for the most severe form of human malaria, and it is becoming resistant to conventionally used antimalarial drugs. In 2014, GHIT facilitated a partnership between the Broad Institute and Eisai & Co. Ltd. to optimize a series of novel lead compounds with the goal of developing a drug with properties that include rapid parasite clearance, activity against drug-resistant strains, and prophylactic transmission-blocking activity. The study's autumn 2016 publication in *Nature** created an open, data-rich resource for the malaria research community, showcasing the utility of a layered, chemical screen approach to drug discovery for infectious diseases.

*Kato, Nobutaka, et al. "Diversity-oriented synthesis yields novel multistage antimalarial inhibitors," *Nature* 538, 344–349 (20 October 2016)

Product Development Partners

Fujifilm Corporation
Foundation for Innovative New Diagnostics (FIND)

Intervention
TB Diagnostic

Target Research Platform › **Product Development Platform**

Currently, no simple, rapid, and affordable point-of-care TB test with sufficient performance is available on the market. In a priority-setting exercise involving global stakeholders including national TB programs, a non-sputum-based biomarker test was rated highest by all stakeholder groups. In response, Fujifilm and FIND are working to develop a convenient, rapid, low-cost TB diagnosis test with high sensitivity and specificity in HIV-positive patients. This high-risk represents a major step in systematic screening among high-risk groups and would significantly decrease morbidity and mortality. Fujifilm is responsible for developing, optimizing, and manufacturing the assay prototype, as well as the provision of sufficient numbers of tests for independent evaluation. FIND is responsible for project management, monitoring, and progress reporting.

ACCESS PRIORITIZED

MEDICINE IS INVALUABLE WITH ACCESS, VALUELESS WITHOUT IT

A third of the world's population lacks access to essential medicines. Complex obstacles, including the price of medicines, the limited capacity of public health systems, a lack of political commitment to health improvement, international trade and patent disputes, and unsustainable and unreliable financing are all barriers that complicate access to necessary medicines. Drugs, vaccines, and diagnostics are the foundation of nearly every public health program aimed at reducing morbidity and mortality in the developing world. For GHIT, investing in R&D also means ongoing and strategic consideration of access and delivery.

DEFINE

Access is one of GHIT's four founding principles and a core part of all of our work. From the very early stages of investing in a potential product, we assess its "accessibility", which is considered by our External Reviewers and Selection Committee during the proposal stage.

Before we invest, we ensure that projects adhere to expert-approved Target Product Profiles (TPPs), aligning the needs of end-users—many of whom subsist on less than $1 per day—with the direction taken by the product development partners to meet them. TPPs identify desired product attributes and clarify how proposed products will be an improvement or preferred alternative to the tools currently used or in the development pipeline.

DEDICATE

Our goals are to develop products that will be affordable and appropriate for, as well as accessible to, the populations who need them. Toward those ends, GHIT's firm access policy mandates that product development partners set prices for products on the basis of a no gain, no loss policy that can improve access to the product for patients.

The ultimate accessibility of each product in our pipeline is revisited regularly through our internal Biannual Portfolio Review and discussed substantively by the Portfolio and Launch Strategy Committee of the Board.

We work with experts in access and delivery to provide critical R&D project management oversight, as well as in-depth guidance for partnerships that have products in late-stage development, as they prepare launch and rapid market introduction strategies. We proactively integrate input from experts with critical scientific expertise and experience in commercialization; chemistry, manufacturing, and controls; and product access strategies.

As we actively work with investees to ensure that access and affordability are built into the R&D process, we also work with other partners on health systems strengthening in the very regions where GHIT-funded innovations are needed the most.

Very importantly, GHIT ensures that when products are developed, they are very quickly made accessible for people living in low-middle income countries, as access plans, like registration, pricing, and IP arrangements, are pre-discussed with their partners.

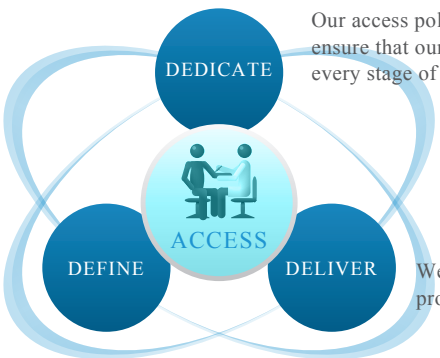
Jayasree K. Iyer, PhD
Executive Director
Access to Medicine Foundation

DELIVER

GHIT serves as the cornerstone for the Government of Japan's strategy of linking the value chain of innovation, access, and delivery of health technologies. Specifically, we work closely with UNDP's Access & Delivery Partnership, which helps low- and middle-income countries address bottlenecks within their health systems so that GHIT-funded innovations can reach more people, faster.

Key foci for this partnership include working with local governments to improve drug compliance, safety monitoring, supply chain management, and mass treatment administration, so that when new drugs and vaccines become available, they can be effectively introduced and scaled-up.

In an effort to further strengthen the bonds between R&D, access, delivery, and health system strengthening, GHIT will be strengthening its collaborations with global health entities, such as Japan's Pharmaceutical and Medical Devices Agency (PMDA), Japan Agency for Medical Research and Development (AMED), and Japan International Cooperation Agency (JICA), as well as the Global Fund to Fight AIDS, Tuberculosis, and Malaria, Gavi, WHO, UNICEF, and others.



Our access policy and development guidelines ensure that our investments prioritize access at every stage of the R&D process.

Well-defined TPPs help ensure access to medicines for patients most in need.

We ensure effective strategies for product delivery through partnerships.

ACCESS ON THE GROUND

GHIT's Board of Directors and members of the GHIT's Council organizations convened in the dynamic life science hub of Hyderabad, India, in October, where they participated in site visits to local research institutions and clinics. They engaged with and learned from local residents and clinicians, as well as India's prominent health leaders from industry, research, and policy.

GHIT Board Vice Chair Prof. Peter Piot interviewed K. Srinath Reddy, President of the Public Health Foundation of India and renowned global health leader, on global health R&D progress and partnerships from the Indian perspective. This conversation took place during an evening reception with leaders from India's life sciences and global health community.

I would redefine the acronym for public-private partnerships (PPP) as 'partnerships for public purpose.' ... I believe that PPPs are absolutely essential. Unless the genius and efficiency of the private sector enterprise is coupled with the governmental values and wisdom in setting societal priorities, we are not going to see the right products developed or delivered.

K. Srinath Reddy, MD, DM
President
Public Health Foundation of India

FINANCES

For Translation Purposes Only

Independent Auditor's Report

To the Board of Directors, Global Health Innovative Technology Fund:

<Audit of the Financial Statements>

We have audited the accompanying financial statements, which comprise the balance sheet, the statement of income, the notes to the financial statements, and the related supplementary schedules of the Public Interest Incorporated Association Global Health Innovative Technology Fund ("the Organization") applicable to the fifth fiscal year from April 1, 2016, through March 31, 2017. We conducted our audit in accordance with the rules and regulations concerning the Act on the Authorization, etc. of Public Interest Incorporated Associations and Public Interest Incorporated Foundations in Japan, under Article 23.

Directors' Responsibility for the Financial Statements and the Related Supplementary Schedules

Directors need to ensure that the financial statements and related supplementary schedules were prepared and fairly presented in accordance with accounting principles generally accepted in Japan. Among others, directors are responsible for designing and operating such internal control as directors determine is necessary to enable the preparation and fair presentation of the financial statements and the related supplementary schedules that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements and the related supplementary schedules based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and the related supplementary schedules are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements and the related supplementary schedules. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements and the related supplementary schedules, whether due to fraud or error. The purpose of an audit of the financial statements is not to express an opinion on the effectiveness of the Organization's internal control, but in making these risk assessments, the auditor considers internal controls relevant to the Organization's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate for the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by directors, as well as evaluating the overall presentation of the financial statements and the related supplementary schedules.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements and the related supplementary schedules referred to above present fairly, in all material respects, the financial position and results of operations of the Organization applicable to the fifth fiscal year ended March 31, 2017, in conformity with accounting principles generally accepted in Japan for Public Interest Incorporated Associations (similar to a 501(c)(3) in the United States).

<Opinion on the List of Assets and Liabilities>

We have audited the accompanying list of assets and liabilities for the fifth fiscal year of the Public Interest Incorporated Association Global Health Innovative Technology Fund at March 31, 2017. We conducted our audit in accordance with the rules and regulations concerning the Act on the Authorization, etc. of Public Interest Incorporated Associations and Public Interest Incorporated Foundations in Japan, under Article 23.

Directors' Responsibility for the List of Assets and Liabilities

Directors need to ensure that the list of assets and liabilities was prepared and fairly presented in accordance with accounting principles generally accepted in Japan and also in conformity with the public-interest certification documents.

For Translation Purposes Only

Auditor's Responsibility

Our responsibility is to express an opinion on the said list of assets and liabilities which was prepared and fairly presented in accordance with auditing standards generally accepted in Japan and also in conformity with the public-interest certification documents.

Opinion

In our opinion, the list of assets and liabilities referred to above present fairly, in all material respects, in accordance with auditing standards generally accepted in Japan and also in conformity with the public-interest certification documents.

<Conflicts of Interest>

We have no interest in the Organization which should be disclosed in compliance with the Certified Public Accountants Act.

Ernst & Young ShinNihon LLC

May 2, 2017

End-of-Document

独立監査人の監査報告書

平成２９年５月２日

公益社団法人　グローバルヘルス技術振興基金

理　事　会　御　中

新日本有限責任監査法人

指定有限責任社員
業務執行社員　公認会計士　矢崎 弘道

<財務諸表監査>

当監査法人は、公益社団法人及び公益財団法人の認定等に関する法律第２３条の規定に基づき、公益社団法人グローバルヘルス技術振興基金の平成２８年４月１日から平成２９年３月３１日までの第５期の貸借対照表及び損益計算書（公益認定等ガイドライン１－５(1)の定めによる「正味財産増減計算書」をいう。）並びにその附属明細書並びに財務諸表に対する注記について監査し、併せて、正味財産増減計算書内訳表（以下、これらの監査の対象書類を「財務諸表等」という。）について監査を行った。

財務諸表等に対する理事者の責任

理事者の責任は、我が国において一般に公正妥当と認められる公益法人会計の基準に準拠して財務諸表等を作成し適正に表示することにある。これには、不正又は誤謬による重要な虚偽表示のない財務諸表等を作成し適正に表示するために理事者が必要と判断した内部統制を整備及び運用することが含まれる。

監査人の責任

当監査法人の責任は、当監査法人が実施した監査に基づいて、独立の立場から財務諸表等に対する意見を表明することにある。当監査法人は、我が国において一般に公正妥当と認められる監査の基準に準拠して監査を行った。監査の基準は、当監査法人に財務諸表等に重要な虚偽表示がないかどうかについて合理的な保証を得るために、監査計画を策定し、これに基づき監査を実施することを求めている。

監査においては、財務諸表等の金額及び開示について監査証拠を入手するための手続が実施される。監査手続は、当監査法人の判断により、不正又は誤謬による財務諸表等の重要な虚偽表示のリスクの評価に基づいて選択及び適用される。財務諸表監査の目的は、内部統制の有効性について意見表明するためのものではないが、当監査法人は、リスク評価の実施に際して、状況に応じた適切な監査手続を立案するために、財務諸表等の作成と適正な表示に関連する内部統制を検討する。また、監査には、理事者が採用した会計方針及びその適用方法並びに理事者によって行われた見積りの評価も含め全体としての財務諸表等の表示を検討することが含まれる。

当監査法人は、意見表明の基礎となる十分かつ適切な監査証拠を入手したと判断している。

監査意見

当監査法人は、上記の財務諸表等が、我が国において一般に公正妥当と認められる公益法人会計の基準に準拠して、当該財務諸表等に係る期間の財産及び増減（正味財産増減）の状況をすべての重要な点において適正に表示しているものと認める。

<財産目録に対する意見>

当監査法人は、公益社団法人及び公益財団法人の認定等に関する法律第２３条の規定に基づき、公益社団法人グローバルヘルス技術振興基金の平成２９年３月３１日現在の第５期の財産目録（「貸借対照表科目」、「金額」及び「使用目的等」の欄に限る。以下同じ。）について監査を行った。

財産目録に対する理事者の責任

理事者の責任は、財産目録を、我が国において一般に公正妥当と認められる公益法人会計の基準に準拠するとともに、公益認定関係書類と整合して作成することにある。

監査人の責任

当監査法人の責任は、財産目録が、我が国において一般に公正妥当と認められる公益法人会計の基準に準拠しており、公益認定関係書類と整合して作成されているかについて意見を表明することにある。

財産目録に対する監査意見

当監査法人は、上記の財産目録が、我が国において一般に公正妥当と認められる公益法人会計の基準に準拠しており、公益認定関係書類と整合して作成されているものと認める。

利害関係

公益社団法人グローバルヘルス技術振興基金と当監査法人又は業務執行社員との間には、公認会計士法の規定により記載すべき利害関係はない。

以　上

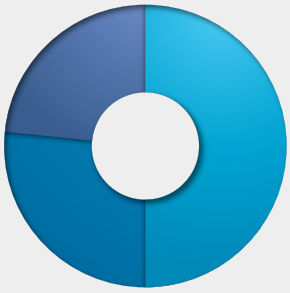
2016 Financial Summary (Audited)

ASSETS, LIABILITIES, AND NET ASSETS

ASSETS	Millions of Yen	Millions of U.S. Dollars
Cash and Cash Equivalents	¥367.1	$3.3
Fixed Assets	2,262.2	20.2
TOTAL ASSETS	¥2,629.3	$23.5

FUNDS RECEIVED	Millions of Yen	Millions of U.S. Dollars
Governments, NGOs, Multilateral Organizations	¥1,804.8	$16.1
Foundations	921.7	8.2
Corporations	841.2	7.5
TOTAL FUNDS RECEIVED	¥3,567.7	$31.8

LIABILITIES AND NET ASSETS	Millions of Yen	Millions of U.S. Dollars
Total Liabilities	¥455.9	$4.1
Net Assets	2,173.4	19.4
TOTAL LIABILITIES AND NET ASSETS	¥2,629.3	$23.5



FUNDS RECEIVED

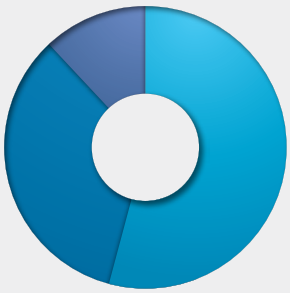
50.6% Governments, NGOs, Multilateral Organizations

25.8% Foundations

23.6% Corporations

NET ASSETS VARIATION STATEMENT

ALLOCATED REVENUE	Millions of Yen	Millions of U.S. Dollars
Governments, NGOs, Multilateral Organizations	¥1,804.8	$16.1
Foundations	1,132.1	10.1
Corporations	391.9	3.5
TOTAL ALLOCATED REVENUE	¥3,328.8	$29.7
CARRY-OVER FROM PRIOR YEAR	¥0	$0



SOURCES OF ALLOCATED REVENUE

54.2% Governments, NGOs, Multilateral Organizations

34.0% Foundations

11.8% Corporations

EXPENSES	Millions of Yen	Millions of U.S. Dollars
Program Services	¥3,309.5	$29.5
Support Services	158.6	1.4
TOTAL EXPENSES	¥3,468.1	$30.9

EXPENSE ALLOCATION

95.4% Program Services

4.6% Support Services

The US dollar amounts in this section represent conversions from Japanese yen, solely for the reader's convenience, at JPY 112.19 = USD 1, the approximate exchange rate on March 31, 2017.

This financial summary is an excerpt from the GHIT Fund's audited financial statements, which are audited by Ernst & Young ShinNihon LLC. The GHIT Fund is a Pubic Interest Incorporated Association and is registered in Japan.

LEADERSHIP

Our governance structure is designed to structurally transcend potential conflicts of interest that can arise when a company may be both a benefactor and a beneficiary of the Fund. The reason for this is simple: national institutes and universities are critical research partners, but we need companies to champion the development and delivery of products to patients. Companies commit non-dilutive capital to the GHIT Fund but then relinquish all decision making for investments and portfolio management to a Board and Management Team that excludes private-sector representation.

COUNCIL

[Roles and Function] Appoint and dismiss members of the Council and Board/ Amend Articles of Incorporation/ Determine Board terms/ Serve as advocates for the Fund/ Approve financial statements

Koichi Aiboshi
Director-General for Global Issues
Ministry of Foreign Affairs

Naoko Yamamoto, MD, MPH, PhD
Assistant Minister for Global Health
Minister's Secretariat
Ministry of Health, Labour and Welfare

Trevor Mundel, MD, PhD
President, Global Health
Bill & Melinda Gates Foundation

Stephen Caddick, PhD
Director, Innovations Division
Wellcome Trust

Astellas Pharma Inc.
Yoshihiko Hatanaka
Representative Director
President and CEO

Chugai Pharmaceutical Co., Ltd.
Osamu Nagayama
Representative Director
Chairman and CEO

Daiichi Sankyo Company, Limited
George Nakayama
Representative Director
President and CEO

Eisai Co., Ltd.
Haruo Naito
Representative Corporate Officer
and CEO

Shionogi & Co., Ltd.
Isao Teshirogi, PhD
President and CEO

Takeda Pharmaceutical Company Limited
Christophe Weber
Representative Director
President and CEO

BOARD OF DIRECTORS

[Roles and Function] Approve midterm strategies/ Approve annual plans and budget/ Appoint and dismiss Selection Committee members/ Approve selection criteria and priorities for the Selection Committee/ Approve investment recommendations from the Selection Committee

Representative Director and Chair
Kiyoshi Kurokawa, MD
Adjunct Professor
National Graduate Institute for Policy Studies & Chairman
Health and Global Policy Institute

Vice Chair
Peter Piot, MD, PhD
Director and Professor of Global Health
London School of Hygiene and Tropical Medicine
Former Executive Director, UNAIDS

Executive Director
BT Slingsby, MD, PhD, MPH
CEO
Global Health Innovative Technology Fund

Member
Mahima Datla
Managing Director
Biological E. Limited

Member
Eiji Hinoshita, MD, PhD
Director, Global Health Policy Division
International Cooperation Bureau
Ministry of Foreign Affairs

Member
Ann M. Veneman, JD
Former Executive Director, UNICEF
Former Secretary
United States Department of Agriculture

Member
Hiroyuki Yamaya
Director, Office of International Cooperation, Ministry of Health Labour and Welfare

Supervisory Board Member
Hikaru Ishiguro, LLM
Board Member
Health and Global Policy Institute

Supervisory Board Member
Ko-Yung Tung, JD
Senior Counselor, Morrison & Foerster
Former Senior Vice President and General Counsel of the World Bank

Ex-Officio Observer
Kim C. Bush
Senior Advisor, Life Sciences Partnerships
Bill & Melinda Gates Foundation

Ex-Officio Observer
Richard Seabrook, PhD, MBA
Head, Business Development, Innovations
Wellcome Trust

SELECTION COMMITTEE

[Roles and Function] Review and evaluate investment proposals and progress reports from development partners/ Recommend provision of investments to the Board based on their evaluations/ Ensure independence, accountability, and transparency of investment recommendations

Chair
Kiyoshi Kita, PhD
Professor Emeritus, The University of Tokyo
Professor and Dean, Nagasaki University School of Tropical Medicine and Global Health

Member
Ralf Clemens, MD, PhD
Independent Vaccine Expert

Member
Ann Mills-Duggan, PhD
Head, Seeding Drug Discovery Fund
Business Development, Innovations
Wellcome Trust

Member
Ken Duncan, PhD
Deputy Director
Discovery & Translational Sciences
Bill & Melinda Gates Foundation

Member
Kouji Hattori, PhD
Project Professor, Nagoya City University
Visiting Lecturer, United Centers for Advanced Research and Translational Medicine
Tohoku University Graduate School of Medicine

Member
Gerd Michel, PhD
Chief Scientific Officer
Vela Diagnostics

Member
Yasuko Mori, MD, PhD
Professor, Division of Clinical Virology
Center for Infectious Diseases
Kobe University Graduate School of Medicine

Member
Dennis Schmatz, PhD
Former Head, Infectious Diseases Research
Merck Research Labs, USA
Former Head, Research, MSD-Japan

Member
Aya Yajima, MSc, PhD
Technical Officer, Malaria, other Vectorborne and Parasitic Diseases Unit, Division of Communicable Diseases, World Health Organization Western Pacific Regional Office

ADVISORY PANEL

[Roles and Function] Provide strategic advice to the Fund's Board Chair, CEO, and Management Team

Member
Awa Marie Coll Seck, MD, PhD
Minister of Health, Republic of Senegal
Former Executive Director
Roll Back Malaria Partnership

Member
Harvey V. Fineberg, MD, PhD
President, Gordon and Betty Moore Foundation
Former President
Institute of Medicine of the National Academies

Member
Dai Hozumi, MD, MSM, MPH
Senior Director, Health Technologies
Pharmaceutical and Health Technologies Group
Management Sciences for Health

Member
Michael R. Reich, PhD
Taro Takemi Professor
International Health Policy
Harvard School of Public Health

Member
Kumi Sato
President and CEO
Cosmo Public Relations Corporation

Member
Lorenzo Savioli, MD, DTM&H, MSc
Former Director, Department of Neglected Tropical Diseases, WHO

Member
Peter Singer, MD, MPH, FRCPC
CEO
Grand Challenges Canada

LEADERSHIP

EXTERNAL REVIEWERS

The work of the GHIT community could not progress without vital support from these experts and their institutions worldwide.

Richard Adegbola
Yukihiro Akeda
Peter Andersen
Rip Ballou
Lewellys Barker
Clif Barry
Marleen Boelaert
Maria Elena Bottazzi
Walt Brandt
Tom Brewer
David Brown
Nick Cammack
Simon Campbell
Eric Chatelain
Robert Chen
Simon Croft
Peter Dailey
Thomas Dick
Carter Diggs
Boro Dropulic
Filip Dubovsky
Hiroyoshi Endo
Alan Fairlamb
Hermann Feldmeier
JoAnne Flynn
Michael Free
Takashi Fujitsu
Tamio Fujiwara
Nisha Garg
Birgitte Giersing
Ann Ginsberg
Glenda Gray
Brian Greenwood
Sanjay Gurunathan
R. Kiplin Guy
Lee Hall
Yoshihisa Hashiguchi
Chris Hentschel
D. Gray Heppner
Toshihiro Horii
Sanjay Jain
Takushi Kaneko
Niranjan Kanesa-thasan
Shigeyuki Kano
Subhash Kapre
Paul Kaye
Naoto Keicho
David Kelso
Kent Kester
Akinori Kimura
Sue Kinn
Harajeshwar Kohli
Somei Kojima
Hidehito Kotani
Sanjeev Krishna
Michael Kurilla
Nancy Le Cam Bouveret
James LeDuc
John Mansfield
Carol Marzetta
Greg Matlashewski
James McCarthy
Carl Mendel
Charles Mgone
Gerd Michel
Toshiyuki Miura
Melinda Moree
Kouichi Morita
Charles Mowbray
Peter Myler
Christian Ockenhouse
Giuseppe Pantaleo
David Persing
Meg Phillips
Punnee Pitisuttithum
David Pompliano
Regina Rabinovich
Rino Rappuoli
Zarifah Reed
Rebecca Richards Kortum
Paul Roepe
Polly Roy
Peter Ruminski
Philip Russell
Judy Sakanari
Ami Shah Brown
George Siber
KJ Singh
Peter Smith
Lynn Soong
Dan Stinchcomb
Nathalie Strub-Wourgaft
Marcel Tanner
Kaoru Terashima
Katsushi Tokunaga
Nadia Tornieporth
Bruno Travi
Takafumi Tsuboi
Moriya Tsuji
Mickey Urdea
Stephen Ward
Timothy Wells
Bruce Weniger
John Westwick
Judith Wilber
Elizabeth Winzeler
Michael Witty
Paul Wyatt
Donato Zipeto

PARTNERS

Full Partners

外務省 MOFA Japan

厚生労働省 Ministry of Health, Labour and Welfare

UNDP

Bill & Melinda Gates foundation

wellcome

astellas Leading Light for Life

CHUGAI Roche Roche Group

Daiichi-Sankyo

Eisai

FUJIFILM

SHIONOGI

Takeda

Associate Partners

Otsuka

sysmex

Affiliate Partners

gsk

Johnson & Johnson

KYOWA KIRIN

MERCK

Mitsubishi Tanabe Pharma

NIPRO

Sumitomo Dainippon Pharma

Sponsors

ANA

MORI

MORRISON FOERSTER

salesforce

YAHOO! JAPAN

GHIT Fund

Global Health Innovative Technology Fund

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