GHIT Fund
ANNUAL REPORT
2014
Acceleration & Expansion
“The GHIT Fund, a new model of funding for global health research and development, was established in Tokyo. Technology should benefit the health of all people. My government stands ready to work with the private sector and help other countries to solve these global health challenges to contribute to the sustainable growth of the global economy.”

Shinzo Abe, Prime Minister, Government of Japan

“Japan’s Strategy for Global Health Diplomacy: Why It Matters;”
The Lancet, 382, No. 9896 (September 2013): 915–16.
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PICKING UP SPEED

What follows a bold, transformational beginning?

For us, the only possible path after our catalytic first year must be forged by concrete, measurable impact and the steady acceleration and expansion of our progress. Our work is a marathon, not a sprint.

Our first year of operations changed the game for global health R&D with new funding and groundbreaking partnerships between Japanese and international research institutions. This past year, we have only picked up speed: our investments in cutting-edge R&D partnerships doubled; we articulated our transparent impact assessment process, showcasing the tangible R&D progress our work has created and accelerated; we introduced a new early-stage R&D platform in collaboration with Grand Challenges; and we welcomed a major new partner to our Council, expanding our investment capacity. In a little over two years since our inception, the GHIT Fund has delivered notable results despite its novelty and complexity.

Steady progress, an enduring sense of urgency, and a requirement of tangible impact drive our work and our team. The reemergence of Ebola virus disease in West Africa in 2014, coupled with an outbreak of dengue viral infection in Tokyo—the first in 70 years—makes global health R&D investment, innovation, and partnership more urgent than ever. These diseases, together with diseases like malaria, tuberculosis, and neglected tropical diseases (NTDs), overwhelmingly affect the poorest and most marginalized populations in the world. While air travel and urbanization hasten the spread of such devastating diseases, they also create new opportunities for faster collaboration and improved communication. We remain tremendously confident in the promise that new technologies, creative partnership structures, and the increasing global capacity for rapid innovation hold for control and prevention of the diseases that disproportionally affect the poorest of the poor.

Japan’s pharmaceutical industry has stepped up to provide a powerful engine for realizing GHIT’s mission by making their expertise and assets available for new research. They possess a wealth of chemical compounds and technologies, significant drug and vaccine manufacturing capacities, advanced clinical and preclinical testing capabilities, and decades of experience guiding breakthrough discoveries from basic research to approved products. The GHIT Fund’s partnership with these leading companies is emblematic of a broader perspective in Japan, with leaders in both the public and private sectors viewing the country’s economic future as firmly tied to conditions in the developing world.

What motivates and propels us? In addition to our fundamental belief in the transformation of global health through innovative R&D partnerships and open innovation, GHIT’s success would not be possible without the institutional support and championship of our partners, governors, selection committee, external reviewers and development partners. They inspire us every single day. Their work and leadership consistently remind us of the unwavering commitment and extraordinary expertise, experience, and creativity that propel global health.

We are transforming the future together, catalyzing unparalleled innovation and partnership that will change millions of lives. We are tremendously grateful for such partnership.

Kiyoshi Kurokawa, MD
Board Chair

BT Slingsby, MD, PhD, MPH
Chief Executive Officer
TANGIBLE IMPACT

264,686
Screened Compounds for New Drugs

5,585
Hits Identified for New Drugs

75%
New Molecular Entities (NME) Funded

Cumulative investments
USD (in millions)

80.0 — Leveraged Co-Investment
70.0 — GHIT Investment

USD 20.6 Million
September 2014

USD 12.8 Million
March 2014

USD 6.1 Million
September 2013

USD 15.9 Million

0
Achievements in our first two years

- 6 Clinical Trials Initiated
- 17 Potential New Products Funded
- 39 Funded Partnerships

Investments to date
USD 42.9 Million

- Malaria 35.6%
- Tuberculosis 10.0%
- NTDs 54.4%

USD 29.6 Million

March 2015

USD 42.9 Million

The U.S. dollar amounts in this section represent translations of Japanese yen, solely for the reader’s convenience, at JPY 100=USD 1.
OUR INVESTMENT PLATFORMS

Our work now spans four game-changing investment platforms, each of which helps fill critical research and funding gaps. R&D conducted under the auspices of these platforms will drive forward the discovery and development of new drugs, vaccines, and diagnostics for global health with Japanese technology and expertise.

**Target Research Platform in partnership with Grand Challenges**

Launched in February 2015, the Target Research Platform in partnership with Grand Challenges (TRP) will invest up to ¥200 million (~US$2 million) annually for early stage development of radically new and improved drugs, vaccines, or diagnostics for malaria, tuberculosis, Chagas disease, and leishmaniasis. These investments will be intentionally broad in scope and will focus on new technologies and novel approaches. Promising projects will then graduate into GHIT’s product development platform, which invests in a pipeline of new tools for neglected diseases.

**Peter Singer, CEO, Grand Challenges Canada**

“Grand Challenges supports visionary approaches to solving major global health problems. Japan and the GHIT Fund’s partnership will amplify impact and innovation.”


**Screening Platform**

Our Screening Platform enables the screening of tens of thousands of drug candidates for potential new treatments for neglected diseases by opening the door to the vast, advanced compound libraries of Japan’s private and academic sectors. These libraries were previously closed to the global health community. Japan’s unique chemical compounds bring new resources, chemistry, and promise to the fight against infectious disease. Within just two years, the GHIT has financed and facilitated the screening of over a quarter million compounds for target diseases and assessing their impact on parasites and bacteria of focus.

**Melvin Spiegelman, President & CEO, TB Alliance**

“GHIT has made numerous new opportunities available to the global health and product development partnership communities... almost immediate access to Japan’s leading pharmaceutical companies’ chemical compounds libraries... multiple additional partnerships have very quickly materialized.”

**Tachi Yamada, Chief Medical & Scientific Officer and Executive Vice President, Takeda Pharmaceuticals International, Inc.**

“GHIT’s cross-border, cross-sector partnerships are transforming global health R&D, and in the process catalyzing open innovation, transparency, and improved access.”

**TAKING ON BIG RISKS: Our Focus on New Molecular Entities**

The mechanisms of action in 75% of the drugs in our pipeline are novel. New Molecular Entities (NMEs), drugs or chemicals that are without precedent among currently regulated and approved products. Such innovation is particularly exciting for diseases in which new drugs have not been seen in 80 years, whose existing treatments face drug resistance, and for diseases that lack any effective treatment or prevention tools at all.

NMEs breathe new life into global health R&D by illustrating new pathways and mechanisms of action where deadly pathogens are vulnerable. Such cutting-edge innovation is rare for infectious diseases and NTDs. A Lancet study showed that of the NMEs approved between 2000 and 2011 only 1% were for neglected diseases1. Why so few? Namely, cost and risk. R&D for new drugs and vaccines typically costs a pharmaceutical company around $1 billion and takes 10-15 years. Additionally, when it comes to NMEs, the
Hit-to-Lead Platform

Our Hit-to-Lead Platform (HTLP) is designed to leverage active platforms for neglected diseases in partnership with Japanese companies, research institutions and academic organizations that have relevant compounds, facilitating access to the chemical diversity in Japanese research organizations and medicinal chemistry expertise. HTLP projects focus on the aspect of the drug discovery and development process that progresses hits, identified through compound library screening, into lead compounds that can then be optimized into drug candidates. This platform provides a bridge from early drug discovery to our product development platform that begins with the lead-optimization step. This lead-generation step is critical as it is the earliest point at which knowledge-driven decisions about compounds can be made. An early, rigorous assessment can focus resources on the most promising lead series and projects. Currently three partnerships are conducting lead generation and evaluation of drugs for malaria, Chagas disease and visceral leishmaniasis.

Tim Wells, Chief Scientific Officer, Medicines for Malaria Venture
"GHIT has helped open the door to extremely fruitful new collaborations in Japan, which is critically important given Japanese companies’ strong history in the discovery and development of new medicines to combat infection."

Yasuko Mori, Professor, Kobe University Graduate School of Medicine
"The product development process is highly complex, and one consequence is a frequent disconnect between what academics are doing and think is valuable versus what industry companies prioritize. GHIT works across the sectors to help provide a bridge between those critical perspectives."

Product Development Platform

Drawing on Japan’s position as a technology and R&D leader (number two in the number of new patents and fourth in R&D expenditure) our Product Development Platform invests in R&D activities ranging from preclinical research (post-lead optimization), through clinical development (including clinical trials and manufacturing scale-up), to licensure and WHO prequalification. Our goal is to develop new drugs, vaccines, and diagnostics for infectious diseases that are prevalent in the developing world, and to make those products accessible where they are needed most. Through this platform, in its first two years, GHIT has invested in more than 20 innovative technologies for malaria, tuberculosis, and NTDs.

Takafumi Tsuboi, Professor, Malaria Research Division, Proteo-Science Center, Ehime University
"Ehime University represents the research, and our partner, MVI PATH, excels at the product development. With GHIT’s investment, we are able to join forces and accelerate progress towards a new, effective malaria vaccine."

Mahima Datla, Managing Director, Biological E. Limited
"The GHIT Fund’s research platforms expand the drug and vaccine pipeline for deadly infectious and parasitic diseases by making new collaboration and engagement between key global health stakeholders possible."


probability of success is only one in 10,000.4 Such risks, coupled with the market failure surrounding these diseases, make investments in NMEs very difficult for any institution, government, or company to shoulder on its own.

GHIT recognizes the value of taking on these big risks and works with partners to make it easier for them to engage. The previously untapped potential of Japan’s chemical compound libraries offers enormous innovation potential, as well as hope for the millions of people worldwide who suffer from and live in fear of devastating infectious diseases.

4. The only TB vaccine available today (BCG) was developed more than 80 years ago and provides insufficient protection to teenagers and adults, who carry the highest TB burden.


To measure the impact of its investments, GHIT has established a monitoring and evaluation (M&E) process that requires partners to submit semi-annual progress reports coupled with interactive conferences for each GHIT-funded project. This is done within each of four investment platforms from discovery to product registration, regardless of whether the technology is a drug, vaccine, or diagnostic. We do this through M&E or the tracking of over 10 Stage-Gates and 30 Milestones.

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**DISCOVERY**

**DRUG DEVELOPMENT**

- **Drug**
  - Target Research Platform *in partnership with Grand Challenges*
  - Target Identification
  - Target Validation

- **Screening Platform**
  - Hit Identification

- **Hit-to-Lead Platform**
  - Lead Identification

**VACCINE DEVELOPMENT**

- **Vaccine**
  - Target Research Platform *in partnership with Grand Challenges*
  - Antigen Identification
  - Vaccine Concept Development

- **Technology Platform Identification**

**DIAGNOSTIC DEVELOPMENT**

- **Diagnostic**
  - Target Research Platform *in partnership with Grand Challenges*
  - Concept Development
  - Technical Feasibility

- **Development Feasibility**
Because GHIT invests in product candidate development from discovery to the registration of drugs, vaccines and diagnostics — each unique in its path of development and for multiple diseases — GHIT has implemented broadly applicable stage-gates and milestones based on standards as defined in the pharmaceutical and biotechnology sectors.
EVALUATION OF STAGE-GATES AND MILESTONES

GHIT defines Stage-Gates as the go/no go decision points the R&D process (e.g., compound screening go/no go, IND-filing go/no go, Phase 2 development go/no go). They are segmented by the Fund’s investment platforms. The Target Research Platform encompasses all discovery research-based activities, including those associated with the Fund’s Drug Screening Platform and Drug Hit-to-Lead Platform. The Product Development Platform encompasses all of the product development-based activities, including Preclinical Development, Clinical Development, and Regulatory Approval. For Milestones, GHIT has defined them as the measurable steps that occur between Stage-Gates (e.g., Phase 2 Go: first patient in, last patient in, last patient out, data lock and analysis, Phase 3 go/no go). In the GHIT system, a Stage-Gate is counted as both a stage-gate and a milestone.

DRUG DEVELOPMENT

<table>
<thead>
<tr>
<th>Collaboration</th>
<th>Target Disease</th>
<th>Investment Amount (USD)</th>
<th>Project Awarded RFP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company A POP D</td>
<td>Malaria</td>
<td>1.9 Million</td>
<td>PD RFP 2013-001</td>
</tr>
<tr>
<td>Company C University D</td>
<td>Chagas</td>
<td>1.4 Million</td>
<td>HTL RFP 2014-002</td>
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VACCINE DEVELOPMENT

<table>
<thead>
<tr>
<th>Collaboration</th>
<th>Target Disease</th>
<th>Investment Amount (USD)</th>
<th>Project Awarded RFP</th>
</tr>
</thead>
<tbody>
<tr>
<td>PDP E University F</td>
<td>Malaria</td>
<td>1.0 Million</td>
<td>PD RFP 2013-002</td>
</tr>
<tr>
<td>PDP G Research Institute H</td>
<td>Dengue</td>
<td>2.5 Million</td>
<td>PD RFP 2014-001</td>
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DIAGNOSTIC DEVELOPMENT

<table>
<thead>
<tr>
<th>Collaboration</th>
<th>Target Disease</th>
<th>Investment Amount (USD)</th>
<th>Project Awarded RFP</th>
</tr>
</thead>
<tbody>
<tr>
<td>PDP J Company J</td>
<td>Tuberculosis</td>
<td>2.0 Million</td>
<td>PD RFP 2014-002</td>
</tr>
<tr>
<td>Company K University L</td>
<td>Shistosomiasis</td>
<td>0.7 Million</td>
<td>TR RFP 2015-001</td>
</tr>
</tbody>
</table>
Drug and vaccine candidate stage-gates and milestones tend to be quite similar once a product has entered the product development portion of the R&D process, but they differ during the research phase. Diagnostic product candidates differ significantly from drugs and vaccines in both the research and product development phases of the R&D process. For Chemistry, Manufacturing and Controls (CMC) and Good Manufacturing Practices (GMP), GHTI also monitors and evaluates such in a similar mechanism.
SNAPSHOTS OF A BRIGHTER FUTURE

NOVEL DRUG DISCOVERY FOR CHAGAS DISEASE AND VISCERAL LEISHMANIASIS

EISAI CO., LTD. / SHIONOGI & CO., LTD. / TAKEDA PHARMACEUTICAL COMPANY LIMITED
DRUGS FOR NEGLECTED DISEASES initiative (DNDi)

Prevalence
Chagas disease and visceral leishmaniasis (VL) are insect-borne parasitic diseases that typically affect the poorest people in low-income countries. There are an estimated 6 to 7 million cases of Chagas disease worldwide, with 50,000 new cases per year. Approximately 12,000 people die from the disease every year and 65 million people in the Americas alone are at risk of contracting this disease. VL is another neglected disease that is becoming a global challenge, causing 20,000 deaths and leading to 300,000 new infections annually. An estimated 310 million people are at risk for contracting VL.

Socioeconomic Costs
Once infected with Chagas disease, a mother-to-be can spread it to her infant, who will have less than a 50% chance of surviving past the age of two. Sometimes manifesting a decade or more after infection, the disease causes cardiac disorders, enlargement of the esophagus or colon, or neurological disorders. Equally as distressing, VL is fatal within two years after infection if left untreated, and often after causing irregular bouts of fever, weight loss, enlargement of the spleen and liver, and anemia. Both diseases inflict devastating tolls on the economies of regions they affect. The global cost of Chagas disease, for example, is estimated at $7 billion annually. The majority of this cost burden stems from losses in workforce productivity. In the case of VL, a recent analysis for one of the worst affected regions in India showed that 7 months of an infected individual’s income was spent on treatments for the disease.

Innovation Opportunity
The few existing treatments for both Chagas disease and VL are expensive, inefficient, and cause serious side effects. The most effective existing VL therapy is unstable at the high temperatures in regions affected by the disease, and is given by painful injection—both limiting patient access and compliance. The two existing drugs for Chagas disease are effective when given soon after infection, but their efficacy decreases significantly as the disease progresses from the acute to the
chronic phase. Because the majority of infected individuals do not show symptoms in the early stages of the disease, the effectiveness of these drugs has been limited. These drugs also cause side effects that lead to discontinuation of treatment in more than 30% of patients. Moreover, these treatments require multiple doses over a prolonged duration, which results in poor patient adherence.

**Partnership in Action**

Committed to finding effective treatments against these neglected diseases, the GHIT drug discovery partnership between DNDi and pharmaceutical companies Eisai Co. Ltd., Shionogi & Co. Ltd., and Takeda Pharmaceutical Company Limited provides DNDi with access to the drug discovery portfolios and scientific expertise of the Japanese pharmaceutical companies for the purpose of finding new treatments for both diseases. GHIT’s Hit-to-Lead Platform — a drug discovery approach that allows for rapid screening of compounds to find those most promising for treatment — forms the heart of the partnership, which is expected to identify at least four potential drug candidates for each disease within the next two years. Hopes are high that these “hits” will provide at least one lead drug candidate for each disease, which can then be advanced through more detailed safety and effectiveness studies during development.


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Dr. Isao Teshirogi

President & CEO, Shionogi & Co., Ltd.

“Global health has never before been better positioned to join forces across sectors to innovate for neglected diseases.”
DEVELOPMENT OF A TRANSMISSION-BLOCKING VACCINE FOR MALARIA

EHIME UNIVERSITY
PATH MALARIA VACCINE INITIATIVE (PATH MVI)

Prevalence
The pervasiveness of malaria can be traced to infectious parasites spread by mosquitoes. In 2013, malaria caused 584,000 people deaths globally—78% of which were in children under the age of five. That same year, about 198 million cases of the disease existed and approximately 44% of people worldwide were at risk of being infected. Most of the deaths occur in Sub-Saharan Africa and India, where mosquitoes breed in crowded and impoverished areas, but the disease affects populations in at least 97 tropical and subtropical countries.

Socioeconomic Costs
In children, malaria causes severe anemia, respiratory distress, or cerebral distress that can lead to brain damage and even coma. Pregnant women infected with the diseases face increased risk of miscarriage, maternal death, severe anemia, and transmitting the disease to their unborn children. Additionally, malaria diminishes worker productivity and increases healthcare costs, which can lower a nation’s gross domestic product by as much as 6%. In Africa alone, malaria costs $12 billion a year in lost productivity and can cut household income by 25%. Social impacts are most notable in education: malaria keeps more children out of school than any other disease, which translates into higher failure rates, repeated school years, and more drop-outs. A recent study estimates that $208.6 billion in economic gains could be realized between 2013 and 2035 if malaria were reduced and eliminated from the world.

Innovation Opportunity
Drugs, bed nets, and insecticide treatments have made great strides toward managing malaria, but they do not offer a robust promise for elimination. One potential solution is a vaccine that disrupts the malaria transmission cycle between mosquitoes and humans. A transmission-blocking vaccine for malaria would not prevent a human from developing the disease; rather, it prevents the transmission of parasites from...
infected humans to others. An effective malaria elimination campaign would involve the use of both vaccine types. Transmission-blocking vaccines are also used for diseases like malaria where the parasites have complex life cycles, making infection-preventing vaccines difficult to develop.

Partnership in Action

The GHIT Fund has forged a partnership between Ehime University in Japan and the PATH Malaria Vaccine Initiative (PATH MVI) in the United States to create a transmission-blocking vaccine that aims to prevent the spread of the parasites responsible for malaria. Both partners bring unique expertise in vaccine development; Ehime has the proprietary manufacturing platform to produce components of the vaccine, while PATH MVI identifies and accelerates malaria vaccine candidates through the development process. If proven to be safe and effective in humans, the vaccine will be combined with current interventions and other vaccines to reduce the global impact of malaria.

Dr. Ashley J. Birkett

Director, PATH MVI

“This partnership is critical to our pursuit of next-generation vaccines to support the malaria eradication effort, as it brings to bear Japanese know-how and investment in the global fight against infectious diseases.”

Photo Credit: Taihei
“Tackling infectious disease is fundamental to economic growth worldwide. Active partnership among all sectors, including engagement from the pharmaceutical industry, is only way to realistically improve global health.”

Harvey V. Fineberg, President, Gordon and Betty Moore Foundation
Former President, Institute of Medicine of the National Academies
We have audited the accompanying financial statements, which comprise the balance sheet, the statement of income, the statement of changes in financial position, and the related explanatory notes, and the related supplementary schedules of the Public Interest Incorporation Global Health Innovative Technology Fund ("the Organization") applicable to the third fiscal year ended March 31, 2015. The financial statements and the related supplementary schedules have been compiled in accordance with the Japanese Generally Accepted Accounting Principles for Public Interest Incorporations and Public Interest Incorporation Foundations in Japan, under Article 23.

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

It is the responsibility of the directors of the Organization to prepare the financial statements, including the financial statements and the related supplementary schedules, in accordance with the Japanese Generally Accepted Accounting Principles for Public Interest Incorporations and Public Interest Incorporation Foundations in Japan, under Article 23.

Auditor's Responsibility to Express an Opinion on the Financial Statements and the Related Supplementary Schedules

Our responsibility is to express an opinion on the financial statements and the related supplementary schedules in accordance with the Japanese Generally Accepted Accounting Principles for Public Interest Incorporations and Public Interest Incorporation Foundations in Japan, under Article 23.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 third fiscal year ended March 31, 2015, in conformity with the Japanese Generally Accepted Accounting Principles for Public Interest Incorporations and Public Interest Incorporation Foundations in Japan, under Article 23.

Auditor's Responsibility for the List of Assets and Liabilities

We have audited the accompanying list of assets and liabilities for the third fiscal year ended March 31, 2015. We conducted our audit in accordance with the Japanese Generally Accepted Auditing Standards for Public Interest Incorporations and Public Interest Incorporation Foundations in Japan, under Article 23.

Directors' Responsibility for the List of Assets and Liabilities

It is the responsibility of the directors of the Organization to prepare the list of assets and liabilities in accordance with the Japanese Generally Accepted Accounting Principles for Public Interest Incorporations and Public Interest Incorporation Foundations in Japan, under Article 23.

Auditor's Responsibility to Express an Opinion on the List of Assets and Liabilities

Our responsibility is to express an opinion on the said list of assets and liabilities which was prepared and fairly presented in accordance with the Japanese Generally Accepted Auditing Standards for Public Interest Incorporations and Public Interest Incorporation Foundations in Japan, under Article 23.

We have audited the accompanying list of assets and liabilities referred to above present fairly, in all material respects, in conformity with the Japanese Generally Accepted Accounting Principles for Public Interest Incorporations and Public Interest Incorporation Foundations in Japan, under Article 23.

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

End-of-Document
2014 Financial Summary (audited)

ASSETS, LIABILITIES, AND NET ASSETS

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<tr>
<th>ASSETS</th>
<th>Millions of Yen</th>
<th>Millions of U.S. dollars</th>
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</thead>
<tbody>
<tr>
<td>Cash and Cash Equivalents</td>
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<table>
<thead>
<tr>
<th>LIABILITIES AND NET ASSETS</th>
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<td>Net Assets</td>
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<td>10.3</td>
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<td><strong>TOTAL LIABILITIES AND NET ASSETS</strong></td>
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<td>$14.6</td>
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<table>
<thead>
<tr>
<th>FUNDS RECEIVED</th>
<th>Millions of Yen</th>
<th>Millions of U.S. dollars</th>
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<tr>
<td>Governments, NGOs, Multilateral Organizations</td>
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<td>Foundations</td>
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<td>Corporations</td>
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<td><strong>TOTAL FUNDS RECEIVED</strong></td>
<td>¥3,008.6</td>
<td>$25.0</td>
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NET ASSETS VARIATION STATEMENT

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<tr>
<th>ALLOCATED REVENUE</th>
<th>Millions of Yen</th>
<th>Millions of U.S. dollars</th>
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<tr>
<td>Governments, NGOs, Multilateral Organizations</td>
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<td>$11.5</td>
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<td>Foundations</td>
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<td>Corporations</td>
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<td><strong>TOTAL ALLOCATED REVENUE</strong></td>
<td>¥2,197.3</td>
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<td>CARRY-OVER FROM PRIOR YEAR</td>
<td>¥14.8</td>
<td>$0.1</td>
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<table>
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<tr>
<th>EXPENSES</th>
<th>Millions of Yen</th>
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<tr>
<td>Program Services</td>
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<tr>
<td>Support Services</td>
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<td><strong>TOTAL EXPENSES</strong></td>
<td>¥2,212.1</td>
<td>$18.4</td>
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The U.S. dollar amounts in this section represent translations of Japanese yen, solely for the reader’s convenience, at JPY 120.15=USD 1, the approximate exchange rate at March 31, 2015.

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 Public 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

Atsuyuki Oike
Director-General for Global Issues, Ministry of Foreign Affairs

Mitsuhiro Ushio, MD
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

Astellas Pharma Inc.
Yoshihiko Hatamaka
Representative Director, President and CEO

Chugai Pharmaceutical Co., Ltd.
Osama 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
Yasuchika Hasegawa
Representative Director, Chairman of the Board

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

Member
Eiji Hinoshita, MD, PhD
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Helen Clark, Administrator, UNDP

Partner with Japan, Accelerate Health Innovation.