

September 23, 2013

New Investment Fund Will Advance Late-Stage Vaccines and other Global Health Technologies

JPMorgan Chase, the Bill & Melinda Gates Foundation and partners announce successful capital raise for first-of-its-kind investment product

September 23, 2013 (NEW YORK): A new investment fund structured by JPMorgan Chase & Co. (NYSE: JPM) and the Bill & Melinda Gates Foundation will, for the first time, allow individual and institutional investors the opportunity to finance late-stage global health technologies that have the potential to save millions of lives in low-income countries.

With \$94 million committed by a pioneering group of investors - including anchor support from Grand Challenges Canada (funded by the Government of Canada), the German Ministry for Economic Cooperation and Development (acting through KfW) and the Children's Investment Fund Foundation - the Global Health Investment Fund ("GHIF" or the "Fund") will help advance the most promising interventions to fight challenges in low-income countries such as malaria, tuberculosis, HIV/AIDS and maternal and infant mortality. To help mitigate the risk of investing in the clinical development of new technologies, the Gates Foundation and the Swedish International Development Cooperation Agency have committed to partially offset potential losses in the Fund, which will seek a financial return for investors by targeting high-impact technologies with public health applications in both developed and emerging markets.

"The Global Health Investment Fund demonstrates the potential for innovative collaborations and thoughtful financial structures to mobilize new sources of capital for social challenges," said Jamie Dimon, Chairman and CEO of JPMorgan Chase & Co. "This product brings a diverse group of investors together around the shared objective of developing life-saving technologies in a financially sustainable way."

LHGP Asset Management ("Lion's Head"), a London-based asset manager specializing in sustainable development, will be responsible for originating, managing and exiting GHIF portfolio investments. In addition to the anchor supporters, the Fund's investor group includes organizations such as the International Finance Corporation, GlaxoSmithKline, Merck, The Pfizer Foundation, Storebrand and JPMorgan Chase, in addition to qualified individuals and family offices.

"We invest in global health because we know that when health improves, life improves by every measure," said Bill Gates, Co-Chair of the Bill & Melinda Gates Foundation.

Private sector financing for global health research and development is more important than ever. Philanthropy, government funding and pharmaceutical industry support have built a remarkable pipeline of global health innovations-with as many as 200 new products currently under development-but late-stage clinical trials are costly and development expenses are outpacing charitable support. Traditional investment capital can play a meaningful role in solving this problem, particularly when it is supplied by investors who include the expected social impact of their activities in their return calculations.

"This innovative fund is mobilizing financing for medical advances that could potentially save millions of lives," said World Bank President Jim Yong Kim. "It shows that we can align the needs of investors with the need for cures for diseases which cause so much suffering in developing countries."

The GHIF will invest in new drugs and vaccines, emerging diagnostic tools, child-friendly formulations of existing products, expanding manufacturing capacity and other applications that will help bring affordable technologies to those most in need.

"Innovation and investment in global health research and development are the way forward in tackling pressing health challenges and delivering meaningful results for those most in need around the world," said the Hon. Christian Paradis, Canada's Minister of International Development. "This Fund is blazing the trail, and Canada is proud to have played a key role in its establishment."

"Millions of children die each year or suffer from debilitating conditions because the right treatment does not exist for them," said Jamie Cooper-Hohn, Chair of the Children's Investment Fund Foundation (CIFF). "Relatively little investment goes to the development of new drugs, vaccines and diagnostics specifically targeted at children in developing countries where child mortality is most dire. CIFF is very pleased to be a major investor into the Global Health Investment Fund, which promises to deliver new finance and focus to this neglected area."

Additional Partner Endorsements

- **Christopher Egerton-Warburton, GHIF Fund Manager:** "GHIF joins the family of innovative financing mechanisms in global health. Although this is the first investment fund dedicated to global health R&D, we hope this will serve as a pilot for future funds of this type in global health and other sectors."
- **Charlotte Petri Gornitzka, Director General, Swedish International Development Cooperation Agency (Sida):** "Sweden and Sida are excited to be part of this groundbreaking initiative where private capital is put to work for development. It shows the magnitude of results that can be reached when aid, business and philanthropy work hand in hand."
- **Dr. Norbert Kloppenburg, KfW Executive Board member:** "Thanks to the Fund, more people will have access to improved health care-while at the same time a financial return will be generated for investors. The projects supported by the fund will improve the health status of many people, especially women and children, and will thus contribute to poverty alleviation."
- **Dr. Moncef Slaoui, Chairman Vaccines and R&D, GlaxoSmithKline:** "I am convinced the GHIF will be instrumental in helping bring cutting edge innovation and solutions to diseases of the developing world and this is one reason why we are participating. This collaboration demonstrates that with an innovative structure, a fund with a humanitarian focus can appeal to a broader range of investors."
- **Jeffrey A. Chodakewitz, MD, Vice President, Global Clinical Development, Merck:** "As the first investment fund dedicated to global health R&D, GHIF has the potential to make a real impact on the health of underserved populations. The Fund's unique ability to advance science while seeking to provide a reasonable return to investors aligns closely with Merck's own commitment to discovering innovative solutions to the world's greatest health challenges in a sustainable way."
- **Caroline Roan, President, The Pfizer Foundation:** "We are proud to join an esteemed, diverse group of partners to further global health through this innovative funding source. The GHIF's investments will expand access to health care, save lives and foster new possibilities for communities of people that grow from improved health."
- **Jonas Ahlen, Investment Manager, Storebrand:** "We are excited to be part of GHIF as it gives our clients exposure to a new and attractive investment class, while at the same time improving the lives of poor people. We are proud to contribute to global health access through this ground breaking transaction, and hope we can inspire other institutional investors to consider this sector."

For additional background on the Fund and the organizations involved, please visit www.GHIF.com.

This press release does not constitute an offer or solicitation with respect to interests in GHIF or any other securities. Offers and sales of interests in GHIF have not and will not be registered under the U.S. Securities Act and such interests may be sold only to accredited investors. Neither the U.S. Securities and Exchange Commission nor any other regulatory authority has passed upon the merits of an investment in GHIF or the accuracy or adequacy of this press release. Interests in GHIF are not subject to the protections of the U.S. Investment Company Act of 1940.

JPMorgan Chase & Co. (NYSE: JPM) is a leading global financial services firm with assets of \$2.4 trillion and operations worldwide. The firm is a leader in investment banking, financial services for consumers, small business and commercial banking, financial transaction processing, asset management and private equity. A component of the Dow Jones Industrial Average, JPMorgan Chase & Co. serves millions of consumers in the United States and many of the world's most prominent corporate, institutional and government clients under its J.P. Morgan and Chase brands. Information about JPMorgan Chase & Co. is available at www.jpmorganchase.com.