

Stichting Access to Medicine Foundation

# Annual Report 2021



access to  
medicine  
FOUNDATION



**ACCESS TO MEDICINE FOUNDATION**

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# Executive Board Report

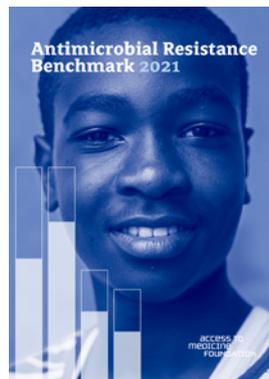
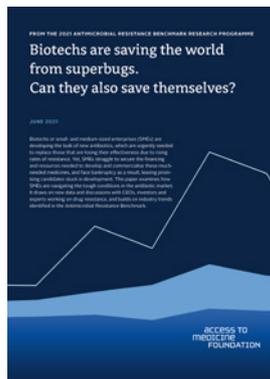
# Executive Board Report

In 2021, the Access to Medicine Foundation's efforts to guide and incentivise pharmaceutical companies to expand access to their products in low- and middle-income countries led to positive outcomes. We used the results of our research – as well as insights from collaborative roundtables – to engage with companies, governments, civil society organisations and investors and bring about key changes, achieving milestone responses to the COVID-19 pandemic and the medical oxygen crisis, among other issues. Publications across the year included the 2021 Access to Medicine Index, the 2021 Antimicrobial Resistance Benchmark, a report on paediatric R&D, and a study focused on the position of biotechs in the antimicrobial product pipeline. An independent evaluation of our impact over the past five years concluded that the Foundation has developed into a solid and efficient organisation with a track record of rigorous research and effective change-making; building on the results of this evaluation, in December we launched a new Strategic Direction for 2022-2026, which will see the Foundation apply our successful change-making model to a broader range of essential healthcare sectors.

## THE ACCESS TO MEDICINE INDEX 2021

The seventh Access to Medicine Index was published in January, around the one-year mark of the COVID-19 pandemic. Emerging infectious diseases with pandemic potential, including coronaviruses, have been covered by the Index since 2018 – which meant the 2021 report could assess which companies were addressing this risk through R&D. The Index found that before COVID-19 struck, no companies were involved in R&D for 10 of 16 emerging infectious diseases.

Overall, GSK tops the Index ranking, narrowly holding the top spot ahead of Novartis. Pfizer joins Johnson & Johnson and Sanofi in the top five. Products already on the market are found to be largely overlooked when it comes to companies' efforts to improve access, although there are positive developments in access planning for products in the R&D phase. Compared to only one company in





In 2021, GSK retained its lead of the Index, only narrowly ahead of Novartis.

Investors engage companies on Index performances.

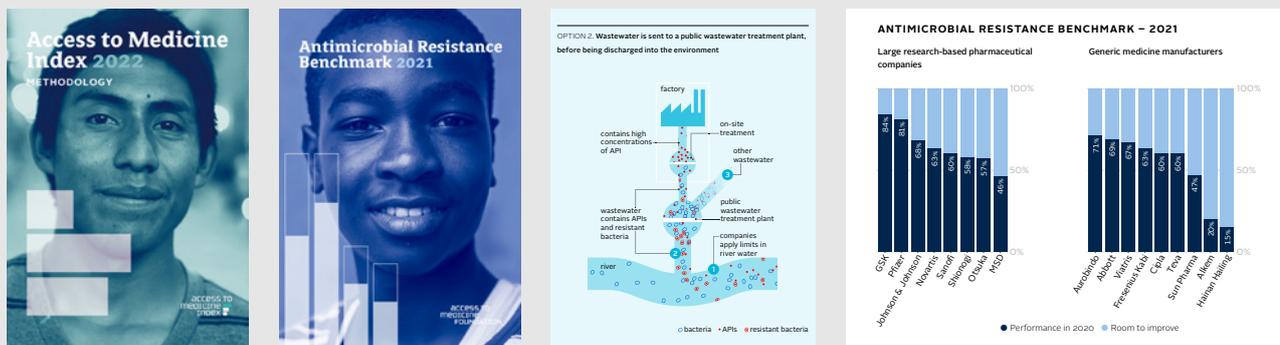
the 2018 Index, eight companies can now be identified as systematically putting access plans in place for products in the R&D pipeline, ensuring greater access in low- and middle-income countries (LMICs) soon after launch. The publication of the 2021 Index was met with wide interest, driven at least in part by the global focus on COVID-19 and the first vaccine rollouts. The findings of the Index were widely covered in the media, with most articles drawing attention to gaps identified in pandemic preparedness and the risk posed by empty R&D pipelines for emerging infectious diseases. Coverage appeared in major mainstream news outlets in the UK, Netherlands, US, Japan and India, as well as in pharma, investor and global health media, with titles including Bloomberg, CNBC Africa, Devex, The Guardian, The Hindu, Nikkei Biotech, NOS, NRC and STAT.

**TRANSLATING INDEX FINDINGS INTO ACTION**

Prior to launch, the Foundation team began activating the Index findings within the 20 companies ranked by the Index. Representatives from all companies joined bilateral briefing calls to explore the analysis and discuss specific opportunities for improvement. Calls were also held with CEOs and leadership from the majority of ranked companies to foster an ambitious discussion of how each company can do more to ramp up access to their products. Post-launch, further workshops were held with 19 of the companies, where we saw a strong level of constructive engagement, with several leading to follow-up conversations on key topics such as transparency on patents, access planning in R&D, and investor engagement.

This momentum continued throughout the year, with positive developments from the companies in scope. For example, Sanofi used Index findings to steer the redesign of its affordable access strategy for low-income countries. Boehringer Ingelheim used the Index to inform its new governance structure, which integrates access parameters into the governance of business units. Bayer is changing the way company-wide progress on access is tracked internally, and demonstrated progress on its opportunity around equitable pricing strategies for contraceptives, as identified in its 2018 Report Card.

A series of virtual investor events were also held to launch the 2021 Index, offering investors the chance to address the findings of the Index directly with representatives from the companies, and to push for action on the opportunities identified in each company’s Report Card. In advance of these launch events, the Foundation held per-company briefing sessions with investors to lay the groundwork for more targeted discussion of company performances. The launch events, co-hosted with Goldman Sachs, were attended by more than 200 investors across the London, New York and Tokyo sessions. The Index received significant attention from institutional investors globally, including in reports and blogs published by Alecta, Australian Ethical Investments, BMO Global Asset Management, Kempen, and SEB Investment Management.



The 2022 Index has an increased capacity for tracking change. The 2021 Benchmark found progress by companies managing manufacturing wastewaters.

In order to translate specific findings from the Index into tangible policy recommendations, briefings were held with representatives from the Australian, British, Canadian, Dutch, Norwegian and Swiss governments, as well as with organisations including the Bill & Melinda Gates Foundation, Unitaid and the Wellcome Trust. The Foundation also used Index findings to advance stakeholders’ understanding of how critical healthcare players should contribute to solving chronic access issues: for example, in May, CEO Jayasree K. Iyer joined a high-level panel organised by FIND, the global alliance for diagnostics, to set out how the diagnostics industry can and must engage to achieve universal health coverage.

In June, the Foundation announced the members of the Expert Review Committee for the next Index, and in September, the Foundation published the Methodology for the 2022 Access to Medicine Index. Between the 2021 and 2022 Indexes, the analytical scopes and indicators will remain highly stable. This will enable a longer-term analysis of change and continuity, while an adjustment in weighting will increase the emphasis on how companies measure the outcomes of their initiatives. To maximise data quality, methodology training sessions for the companies in scope were held in October. These sessions created an opportunity for company teams to understand the rationale underpinning each indicator, and what best practice would look like.

**ANTIMICROBIAL RESISTANCE BENCHMARK**

Our third Antimicrobial Resistance Benchmark was published in November, at the start of World Antimicrobial Awareness Week. The 2021 Benchmark compares the actions and policies of 17 of the world’s largest pharmaceutical companies to curb AMR, which together account for a major proportion of antibacterial and antifungal medicines and vaccines that are produced and sold worldwide. GSK and Pfizer are joint leaders among the large research-based companies, while the generic medicine manufacturers are led by Aurobindo, Abbott and Viatrix.

The Benchmark finds that pharma companies are making limited use of the many possible strategies they could be using to improve access to vital antibiotics and antifungals in poorer countries. However, there is progress in certain areas, such as in the growth of access and stewardship planning during the R&D phase – a trend which echoes one of the key findings of the 2021 Index. Access to more data shows that companies are taking greater steps to curb the release of antibacterials into local soils and waterways during manufacture, but there are still significant gaps in reported compliance.

Most media coverage of the Benchmark findings focused on companies’ limited use of access strategies. Outlets that covered the Benchmark’s findings included national newspapers such as The Financial Times, The Guardian, The Telegraph and The Hindu; newswires such as Bloomberg and Reuters; TV and radio stations such as CBC, NOS, and CNBC Africa; and more industry-focused publications such as Pink Sheet, Scrip, CIDRAP, STAT, Devdiscourse, and AMR Solutions.



Most media coverage of the Benchmark focused on companies' limited use of access strategies.

AMR-related best practices identified from 9 companies

The findings were first presented at a virtual launch event attended by 200 investors. Professor Dame Sally Davies, UK Special Envoy on Antimicrobial Resistance, delivered the keynote address. This event was co-hosted by the Foundation alongside the FAIRR Initiative, the Principles for Responsible Investment, and the UK Government's Department of Health and Social Care. These organisations represent the founding partners of the Investor Action on AMR Initiative, a collaboration established in 2020 to help investors take AMR into account in their investment processes. Later in 2021, the G7 Finance Ministers' Statement on Actions to Support Antibiotic Development endorsed the efforts of partner companies in the Investor Action on AMR Initiative "to better assess and mitigate AMR risks and impacts in their investments and financing strategies."

#### TRANSLATING BENCHMARK FINDINGS INTO ACTION

Throughout 2021, the Foundation team continually sought and secured opportunities to discuss AMR with the companies in scope, which led to a deeper level of interest in the findings and outcomes of the Benchmark at launch – including at the boardroom level. During these engagements, the majority of companies demonstrated greater awareness of the issues and the need for action. Calls were held with CEOs and leadership in order to explore their companies' specific opportunities for improvement.

Progress on tackling AMR can be identified in a number of areas. For example, in July, the Global Antibiotic Research and Development Partnership (GARDP), Clinton Health Action Initiative (CHAI) and Shionogi signed a new Memorandum of Understanding (MoU) to increase access to cefiderocol in LMICs. This opportunity was highlighted in Shionogi's 2020 Report Card and has been an engagement priority for the Foundation when working with investors and other stakeholders. In March, the Foundation and a working group of experts led by Wellcome Trust published the first-ever comprehensive Stewardship and Access Plan Development Guide. The new open-access tool sets out the practical and early actions that pharma companies and product developers can take to ensure swifter access to new antibacterial products at affordable prices, while safeguarding responsible use. In August the AMR Action Fund – an industry-led initiative to fund antibiotics R&D – adopted a set of Access and Appropriate Use Principles in line with the framework of action of the Benchmark. Engaging with generic medicine manufacturers on AMR has also led to broader engagement on access to medicine; for example, in November, Teva became the first generic medicine manufacturer to execute a sustainability-linked bond tied to both climate and access-to-medicine targets, with the Foundation providing a second-party opinion (SPO) that covered the relevance, robustness and social benefit of the company's access targets.

To inform policymaking, both globally and nationally, and to keep AMR high on the agenda, the Foundation briefed the Dutch, UK, Swiss, Norwegian, German, French and Australian governments on the results of the Benchmark, as well as the Wellcome Trust and GARDP. Among other outcomes, our findings helped increase



The Foundation took deep dives into key issues such as challenges facing biotechs active in antimicrobial R&D.

the understanding of the impact of procurement policies on healthcare systems. The Foundation also had access-focused conversations with the World Health Organization, PAHO, NEPAD, UNICEF, the South African government, the FDA in Ghana, and representatives from the Vietnamese and Indonesian governments.

**DEEP-DIVES & TARGETED INITIATIVES**

During 2021, the Foundation took a series of focused deep-dives into priority issues in access to essential healthcare. These covered gaps in paediatric R&D, the hurdles facing biotechs active in antibiotics, shortages in medical oxygen, and the pharma industry’s response to COVID-19. Through reports and workshops, the Foundation brought together experts and peers from across industry, global health, and the investor and policy worlds to identify concrete solutions for further action.

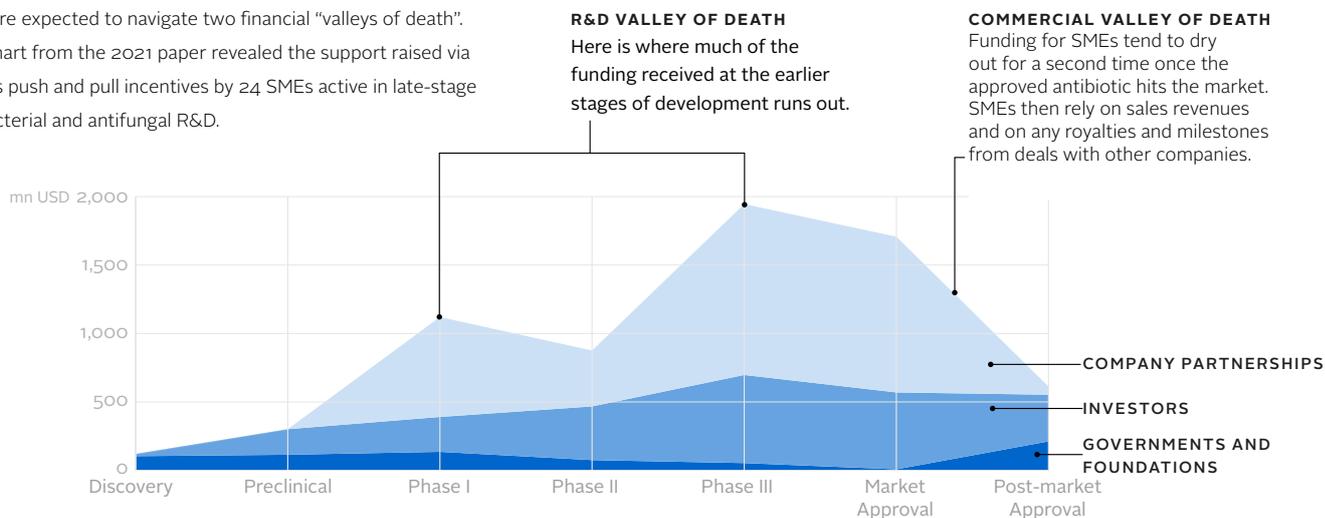
**AMR paper examines role of biotechs in R&D**

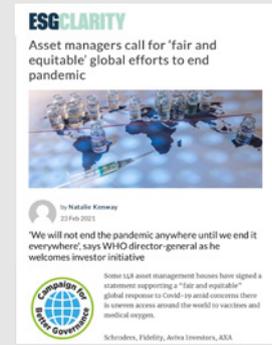
In June, the Benchmark team published a study focused on the critical role of biotechs and SMEs in antimicrobial R&D. Taking a detailed look at these smaller companies, and examining them separately from the larger companies covered by the 2021 Benchmark, enabled more specific analysis – and ensured we could draw attention to the challenges and developments in this sector.

The report lays out how reliant the world currently is on SMEs to bring new antimicrobials to market, despite those companies often facing funding shortfalls and bankruptcy. Using a series of case studies, the paper demonstrates how some SMEs

**SME paper examines why the antibiotic market needs fixing**

The Foundation’s 2021 paper highlighted how SMEs have little room for error when it comes to commercialisation of new antibiotics and antifungals once research grants have expired; They are expected to navigate two financial “valleys of death”. This chart from the 2021 paper revealed the support raised via various push and pull incentives by 24 SMEs active in late-stage antibacterial and antifungal R&D.





A 2021 Amsterdam Session identified 7 lessons from COVID-19 for pharma.

Coordinated call from investors for action on COVID-19.

are finding ways to bring their medicines successfully through the pipeline and to market, namely by finding partners based in emerging markets willing to share the cost and risks of clinical development and commercialisation.

Government contacts from several high-income countries signalled that the paper was an impactful tool for encouraging further action internally. The two ‘valleys of death’ that SMEs face for funding and financing, as identified in the analysis, had a particular impact in drawing media attention to this under-reported issue –including from the Financial Times.

**Paediatric R&D paper**

Building on our 2020 series of articles about gaps in access to child-friendly treatments for HIV, malaria and TB, the Foundation published a new analysis titled ‘Closing gaps in access to medicine for children: how R&D and delivery efforts can be ramped up’. Based on data collected by the Access to Medicine Index team, it analysed pharmaceutical company efforts to develop paediatric treatments, looking specifically at formulations and indications that are suitable for children under 12.

The findings of the study were covered by NRC, The Hindu Business Line, and SciDevNet. The Foundation shared the paper with key governments, NGOs and private foundations with a paediatric focus, impact investors, and leading international development/global health organisations such as WHO’s Global Accelerator for Paediatric Formulations (Gap-f) and UNICEF. Gaps in paediatric R&D will continue to be a focus of analysis as we move forward into the next Index cycle.

**Amsterdam Session on lessons of COVID-19**

In June, the Foundation hosted an ‘Amsterdam Session’ on lessons learned by the pharmaceutical industry from the COVID-19 pandemic. As with previous Amsterdam Sessions, the workshop focused on identifying practical ways of addressing a priority access issue. High-level guests and speakers from pharmaceutical companies were invited to speak freely under the Chatham House rule, so that the event could be informative and constructive – with clear takeaways, action points, and ideas for collaboration.

The COVID-19 session identified practical steps taken by companies to ensure health products could continue to reach people. Participants from 21 pharmaceutical companies joined the event, including guests from several generic medicine and vaccine manufacturers. The discussions identified key lessons and tangible solutions for building resilience into supply chains, quickly ramping up manufacturing, making maximal use of each stakeholder’s capacities, and applying these insights to other disease areas in future. Conversations have continued, and the 2021 event sowed the seed for a 2022 Amsterdam Session looking more closely at issues related to Global Health Security and vulnerabilities in global supply chains.



Roundtables co-hosted by the Foundation contributed to supply commitments from medical oxygen giants.

### Investor Statement on COVID-19

In 2021, the Foundation coordinated a global investor statement calling for an effective, fair and equitable global response to COVID-19, which was signed by more than 150 institutional investors, collectively managing USD 14 trillion (assets under management or advice). Signatories included new partners such as AllianceBernstein, American Century Investments, Folksam, HESTA, Jupiter Asset Management, LionTrust and Man Group.

The statement was developed in support of the Access to COVID-19 Tools Accelerator (ACT-A), and came after the Norwegian government – which co-chairs the ACT-A Facilitation Council – used the 2021 Index as the basis for its ‘four principles’ to ensure global access to COVID-19 tools, published on the website of the World Economic Forum. Amplifying the power of the collective statement, the level of support for this initiative from mainstream investors was picked up by media including STAT, Responsible Investor, ESG Clarity, Le Temps, Les Echos and The Australian.

### Medical oxygen

The COVID-19 pandemic exposed the severe extent of medical oxygen shortages in LMICs. Throughout 2021, the Foundation supported multi-stakeholder efforts to address both the immediate oxygen crisis, and underlying chronic issues within the industry and the supply chain. This has been a collective effort involving a range of policy makers and global health organisations, working together to bring the right people into the room, workshop the issues and develop solutions.

Early in the year, the Foundation joined the newly established ACT-A COVID-19 Oxygen Emergency Taskforce. The Taskforce was created to provide fast relief to the LMICs with pandemic-related medical oxygen shortages, and includes Unitaid, Wellcome, the WHO Biomedical Consortium, UNICEF, UNOPS, Global Fund, World Bank, CHAI, PATH, Save the Children, the Bill and Melinda Gates Foundation, and the Every Breath Counts Coalition. In support of the Taskforce’s goals, we concentrated our efforts on supporting direct engagement with medical gas companies. To underpin this work, we brought wider attention to the crisis and highlighted the need for industry action; media coverage has included a Foundation op-ed published in Fortune, articles in The Economist and iNews, and interviews with BBC Radio and CBC Evening News.

In June, the Foundation and Every Breath Counts co-hosted the third in our series of Access to Medical Oxygen Roundtables, bringing industry, investors and global health organisations to the table to build a concrete framework for action. Subsequently, two members of the Oxygen Emergency Taskforce – Unitaid and CHAI – successfully reached agreements with Air Liquide and Linde, which are two of the world’s big six medical gas companies, in a significant milestone for the industry. Both companies have since stepped up production of liquid oxygen, logistical planning for deployment, and distribution within a number of LMICs.



Investors managing \$25 trillion in assets support the Foundation's initiatives.



Launching the Benchmark in World Antimicrobial Awareness week.

In October, the Foundation co-hosted a special briefing for G20 UN Missions alongside the Every Breath Counts Coalition and the ACT-A Oxygen Emergency Taskforce, making the case for continued and additional investments in medical oxygen from G20 governments.

Medical oxygen will remain a strategic focus for the Foundation as we continue to address shortages of this vital product, given its importance not only to those suffering from COVID-19 – but also to women in childbirth, children suffering from pneumonia, and those undergoing operations requiring anaesthesia, among others.

**WORKING WITH INVESTORS**

In 2021, the Foundation's long-term work with investors in pharmaceutical companies continued to build, as investors used their collective influence to jointly steer investee companies on access to medicine, AMR, the industry's COVID-19 response, and the medical oxygen crisis. In addition to the Foundation's collaborative engagement initiatives, the team supported investors with numerous bilateral inquiries about specific companies' performances, and the associated risks and opportunities. The number of institutional investors expressing support for the Foundation's work, either through the Access to Medicine Index Investor Statement or the COVID-19 Investor Statement, grew significantly in 2021. By the end of the year there were 81 new signatories, bringing the total number of investor partners to over 200 and the collective assets under management or advice (AUM) to over USD 25 trillion.

Clear and transparent standards around pharma companies' policies and actions enable investors to make evidence-based decisions. In 2021, the Foundation worked closely with the Sustainability Accounting Standards Board (SASB) to align on pharmaceutical industry-specific disclosure standards across ESG (Environmental, Social, and Governance) topics, co-organising an investor roundtable with SASB to support its formal standard-setting process. The detailed Index Report Cards have also now been integrated into the Interfaith Center on Corporate Responsibility's online engagement platform, which is used by over 300 investor members.

In addition to the Index and Benchmark launch events for investors, the Foundation shared findings from our research programmes and publications at a number of influential events for investors. In September, the Foundation co-hosted a virtual event with the AMR Alliance Japan; participants included GPIF, the world's largest pension fund. Other events across the year included the Credit Suisse Annual Virtual Healthcare Conference, SpainSIF's annual colloquium, the Council of Institutional Investors Spring 2021 Conference, and Exane BNP Paribas' inaugural ESG Conference. Exane BNP Paribas is a prominent provider of equity research to investors, so this provided a opportunity to explore the importance of global health topics within ESG decision-making and share the findings of the Foundation's research programmes.



Speaking in 2021, incl. at: Gzo UN Missions; Exane BNP Paribas ESG Conference; World AMR Congress; OECD Conference; World Health Summit.

#### **ORGANISATIONAL DEVELOPMENT**

The Access to Medicine Foundation had 30 staff members at the end of the year, collectively representing 12 nationalities. With the launch of the new Strategic Direction in December, the Foundation entered 2022 poised to restructure and strengthen its research organisation and to expand its engagement teams.

Additionally, two new members joined the Supervisory Board towards the end of the year: Jane Masiga, who is an expert on the complexities of pharmaceutical and medical supply chains and is known for her work at the Mission for Essential Drugs and Supplies in Kenya and its neighbouring countries; and Patrick Flochel, who has spent more than three decades in global roles at Ernst & Young and is a specialist in Life Sciences and pharmaceuticals. Both new members bring a wealth of knowledge and experience to the table.

In 2021, the Foundation implemented a new Diversity, Equity and Inclusion (DEI) Policy, holding two all-staff training workshops facilitated by an external expert. These opened a constructive and ongoing dialogue about how the DEI Policy is implemented and upheld.

#### **FINANCIALS**

The Foundation ended 2021 with a positive net result of EUR 96,023. The equity position of the Foundation at the end of the year is EUR 457,398 (positive equity). The Foundation's income in 2021 was EUR 2.4 million. Total expenses were EUR 2.3 million.

In order to ensure the strongest impact of the Foundation's work related to COVID-19, some activities planned for 2021 will take place in 2022, including the publication of a follow-up report to the 2021 Benchmark, the convening of an Amsterdam Session on global health security and several engagement activities with companies, investors and stakeholders. This is why some expenses were lower than budgeted and part of the income has been deferred to 2022. Travel was also limited because of the pandemic.

#### **FUNDERS**

In 2021, the Foundation signed two grant agreements. The Foundation welcomed a new long-term funder, The Leona M. and Harry B. Helmsley Charitable Trust, which will enable us to focus further on topics including diabetes and access to insulin. We also received a renewal of funding from the UK Foreign, Commonwealth and Development Office (FCDO) for one year. Our additional funders include the Bill and Melinda Gates Foundation, the Dutch Ministry of Health, Welfare and Sport; the Dutch Ministry of Foreign Affairs; the Wellcome Trust; and AXA Investment Managers. Additionally, the Foundation is actively pursuing further funding streams to advance the five-year Strategic Direction and support the expansion of projects.



The Foundation will use a combination of data, rankings, report cards, industry benchmarking, advocacy, recognition of best practice, and stakeholder engagement in order to trigger critical changes in the additional sectors. This established approach, which has proven successful in influencing pharmaceutical companies, has the backing of leading voices in access to medicine.

It involves making the case for far-reaching change not only to companies, but also to investors, governments, multilateral organisations and the wider public. Engagement with newly-added healthcare sectors, namely diagnostics and medical gas companies, began as the Strategic Direction was taking shape, as did the process of restructuring and expanding the research and engagement teams at the Foundation.

#### **OUTLOOK**

In 2022, the Access to Medicine Foundation will move forward with the implementation of our new five-year Strategic Direction. We will deploy our unique combination of research and engagement work to ensure that the current cohort of companies in scope continues to bridge the vast gaps in access and, in parallel, bring in a diverse range of other healthcare companies to also play their part. We will expand sector by sector, prioritising in 2022 the generic medicine manufacturers and medical oxygen companies, working with coalitions of stakeholders and engaging directly with key players to find practical solutions that will increase access to essential medicines and medical products in LMICs.

Building on our existing work on Big Pharma, we will publish the next Access to Medicine Index in the final months of 2022. Our AMR programme will also remain a central pillar of the Foundation's research and external engagement. Alongside this, the Foundation will deepen its work on diabetes care and pharma's efforts to close access gaps for vulnerable populations, for example by supporting sexual reproductive health and rights in LMICs.

Finally, it seems clear that the COVID-19 pandemic will continue to shape the global health landscape in 2022 and beyond. The Foundation will continue to address issues around pandemic preparedness and the response to COVID-19, looking at pharmaceutical companies' roles in ensuring access to COVID-19 vaccines, drugs and treatments in low- and middle-income countries.

Amsterdam, March 2022

Stichting Access to Medicine Foundation  
The Executive Board



Jayasree K. Iyer  
Chief Executive Officer

# Financial Statements

## Balance Sheet as at December 31, 2021

(after appropriation of result)

		31 December 2021		31 December 2020	
		EUR	EUR	EUR	EUR
<b>ASSETS</b>	<b>Non-current assets</b>				
	Property, plant and equipment		24,614		12,158
	Financial fixed assets		22,436		22,436
	<b>Current assets</b>				
	Receivables, prepayments and accrued income		375,436		108,145
	Cash and cash equivalents		2,841,154		1,738,476
		<b>3,263,640</b>		<b>1,881,215</b>	
<b>EQUITY AND LIABILITIES</b>	<b>Equity</b>				
	General reserve		457,398		361,375
	<b>Current liabilities</b>				
	Accounts payables	63,787		76,686	
	Taxes and social security contributions	49,694		51,561	
	Deferred income	2,527,930		1,196,419	
	Other debts and accruals	164,831		195,174	
		2,806,242		1,519,840	
		<b>3,263,640</b>		<b>1,881,215</b>	

# Statement of Income and Expenses

for the year ended December 31, 2021

		Results 2021	Budget 2021	Results 2020
		EUR	EUR	EUR
<b>INCOME</b>	Grants and subsidies	2,399,631	3,106,842	2,102,500
	Exchange difference	28,532	-	16,373
	<b>Total income</b>	<b>2,428,163</b>	<b>3,106,842</b>	<b>2,118,873</b>
<b>EXPENSES</b>	Salaries and wages	1,518,364	1,779,619	1,415,822
	Social security and pension contributions	298,273	360,375	281,907
	Other personnel expenses	106,368	125,168	45,887
	Depreciation of plant, property and equipment	8,293	14,934	10,874
	Travel expenses	1,296	114,845	23,192
	Housing expenses	110,727	112,270	96,883
	Consultants and similar expenses	225,330	448,204	102,831
	Supplies and similar expenses	55,981	73,032	51,862
	Financial expenses	7,508	1,648	2,404
	<b>Total expenses</b>	<b>2,332,140</b>	<b>3,030,095</b>	<b>2,031,662</b>
	<b>Net result</b>	<b>96,023</b>	<b>76,747</b>	<b>87,211</b>
<b>Distribution of net result</b>				
Addition to general reserve	96,023	76,747	87,211	

## Notes to the Financial Statements

### 1. GENERAL INFORMATION

#### 1.1 Activities

Stichting Access to Medicine Foundation (the 'Foundation'), with a statutory seat in Haarlem, the Netherlands, is a foundation ('stichting') incorporated according to Dutch law. The Foundation's registered office is Naritaweg 227-A, 1043 CB Amsterdam. The Foundation is registered with the Chamber of Commerce under number 34185938.

The Access to Medicine Foundation is primarily involved in the promotion of access to health care (in the widest sense) and, in particular, to encourage the pharmaceutical industry to accept a larger role regarding access to medicine in low- and middle-income countries. To achieve this, the Foundation develops and publishes the Access to Medicine Index and the Antimicrobial Resistance Benchmark.

The Foundation was established on February 5, 2003 and its first accounting period ended on December 31, 2003. Thereafter, the Foundation has reported its figures on a calendar-year basis (12 months). The current reporting period covers the period from January 1 to December 31, 2021.

#### 1.2 Going concern

The equity of the Foundation amounts to EUR 457,398 as at December 31, 2021.

The budget for the next year is covered by grant agreements with the UK Foreign, Commonwealth & Development Office, the Dutch Ministry of Foreign Affairs, the Bill & Melinda Gates Foundation and the Dutch Ministry of Health, Welfare and Sport, AXA Investment Managers, the Wellcome Trust and The Leona M. & Harry B. Helmsley Charitable Trust.

The continuity of the Foundation depends to a significant extent on the willingness of funding organisations to continue or renew these financing facilities. The accounting principles applied to the valuation of assets and liabilities and the determination of results in these financial statements are based on the assumption of continuity of the Foundation.

#### 1.3 Estimates

In applying the principles and policies for drawing up the financial statements, the management of the Foundation sometimes needs to make estimates and judgments that may be essential to the amounts disclosed in the financial statements. To provide the transparency required under Book 2, article 362, paragraph 1 of the Dutch Civil Code, the nature of these estimates and judgments, including related assumptions, is disclosed where necessary in the notes to the relevant financial statement item.

## 2 ACCOUNTING POLICIES FOR THE BALANCE SHEET

### 2.1 General information

The financial statements have been prepared in accordance with the Guideline for Annual Reporting 640 'Non-profit Institutions' of the Dutch Accounting Standards Board.

Assets and liabilities are generally valued at historical cost or at fair value at the time of acquisition. If no specific valuation principle has been stated, valuation is at historical cost. In the balance sheet, statement of income and expenses, references are made to the notes.

### 2.2 Prior-year comparison

The accounting policies have been consistently applied to all the years presented.

### 2.3 Foreign currencies

#### 2.3.1 *Functional currency*

The financial statements are presented in Euros (€), which is the functional and presentation currency of the Foundation.

#### 2.3.2 *Transactions, assets and liabilities*

Foreign currency transactions in the reporting period are translated into the functional currency using the exchange rates prevailing on the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the rate of exchange prevailing on the balance sheet date (31 December 2021: 0.8394 GBP = 1 EUR; 31 December 2020: 0.8994 GBP = 1 EUR). Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates are recognised in the income statement.

Translation differences on non-monetary assets held at cost are recognised using the exchange rates prevailing on the dates of the transactions.

### 2.4 Property, plant and equipment

Property, plant and equipment are stated at historical cost plus expenditure that is directly attributable to the acquisition of the items, less straight-line depreciation over their estimated future useful lives. Allowance is made for any impairment losses expected on the balance sheet date.

### 2.5 Financial fixed assets

Financial fixed assets like deposits are valued at historical cost. Impairment losses are deducted from amortised cost and expensed in the income statement.

### 2.6 Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost. If payment of the receivable is postponed under an extended payment deadline, fair value is measured on the basis of the discounted value of the expected revenues. Interest gains are recognised using the effective interest method. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables.

**2.7 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, bank balances and deposits held at call with maturities of less than 12 months. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet. Cash and cash equivalents are valued at nominal value.

**2.8 Current liabilities and deferred income**

Liabilities are initially recognised at fair value, net of transaction costs incurred.

Liabilities are subsequently stated at amortised cost, being the amount received taking into account any premium or discount, less transaction costs.

Any difference between the proceeds (net of transaction costs) and the redemption value is recognised as interest in the income statement over the period of the borrowings using the effective interest method.

All donor payments received by the Access to Medicine Foundation for activities that have not been performed yet are presented as 'deferred income' under current liabilities.

**3 ACCOUNTING POLICIES FOR THE INCOME STATEMENT**

**3.1 General information**

The result is determined as the difference between total income and total expenses. Income and expenses are recognised in the income statement in the period that they are realised.

**3.2 Grants and subsidies**

Grants and subsidies are recognised as income on a systematic basis in the same periods in which the expenses are recognised.

**3.3 Exchange differences**

Exchange differences arising upon the settlement or conversion of monetary items are recognised in the income statement in the period that they arise.

**3.4 Financial income**

Interest income is recognised on a time-weighted basis, taking into account the effective interest rate of the assets concerned.

**3.5 Expenses**

Development costs for the Access to Medicine Index and the Antimicrobial Resistance Benchmark are recognised as expenses, since no future benefits are expected.

The Foundation is the owner of the intellectual property rights of the Access to Medicine Index and the Antimicrobial Resistance Benchmark. These rights are internally developed and on that basis not capitalised (in accordance with Dutch law).

**3.6 Employee benefits**

Salaries, wages and social security contributions are reported on the income statement based on the terms of employment, where they are due to employees.

**3.7 Depreciation**

Property, plant and equipment are depreciated over their estimated useful lives from the inception of their use. Future depreciation is adjusted if there is a change in estimated future useful life.

**3.8 Financial expenses**

Interest paid is recognised on a time-weighted basis, taking into account the effective interest rate of the liabilities concerned. When recognising interest paid, allowance is made for transaction costs on loans received as part of the calculation of effective interest.

**3.9 Taxes**

The Foundation is exempt from both income taxes and VAT. For services purchased outside of the EU yet consumed in the Netherlands, the reverse charge mechanism applies. The Foundation must then self-assess and pay VAT on these services.

**4 MANAGEMENT REMUNERATION**

During the reporting period, the Foundation paid EUR 159,672 as remuneration for the Chief Executive Officer (2020: EUR 158,124). Members of the Supervisory Board of the Foundation are not remunerated.

	Results 2021	Results 2020
	EUR	EUR
Gross wage salary (including vacation allowance)	141,152	140,948
Social charges	9,905	10,302
Pension charges	8,615	6,874
	<b>159,672</b>	<b>158,124</b>

Amsterdam, March 2022

Stichting Access to Medicine Foundation

**The Executive Board**

Jayasree K. Iyer  
Chief Executive Officer

**The Supervisory Board**

John Schaetzl  
Chairman

Wilfred Griekspoor  
Member of the Supervisory Board

Hans V. Hogerzeil  
Member of the Supervisory Board

Joelle Tanguy  
Member of the Supervisory Board

Jane Masiga  
Member of the Supervisory Board

Patrick Flochel  
Member of the Supervisory Board

## **INDEPENDENT AUDITOR'S REPORT**

To: the Board of Stichting Access to Medicine Foundation

### ***Our opinion***

The summary of the audited financial statements 2021 of Stichting Access to Medicine Foundation based in Haarlem is derived from the audited financial statements 2021 of Stichting Access to Medicine Foundation.

In our opinion the accompanying summary of the audited financial statements are consistent, in all material respects, with the audited financial statements 2021, on the basis described in the notes and in accordance with the accounting policies and other explanatory information that are adopted in de audited financial statements of Stichting Access to Medicine Foundation for the year ended 31 December 2021. The summary financial statement are in accordance with the Guideline for annual reporting 640 "Not-for-profit organisations" of the Dutch Accounting Standards Board.

### ***Summary of the audited financial statements***

The accompanying summary financial statements do not contain all the disclosures required by the Guideline for annual reporting 640 "Not-for-profit organisations" of the Dutch Accounting Standards Board. Reading the summary of the audited financial statements and our report thereon, therefore, is not a substitute for reading the audited financial statements of Stichting Access to Medicine Foundation and our auditor's report thereon. The summary of the audited financial statements and the audited financial statements do not reflect the effects of events that occurred subsequent to the date of our auditor's report on those financial statements of 17 March, 2022.

### ***Responsibilities of management and the supervisory board for the summary financial statements***

Management is responsible for the preparation of the summary of the audited financial statements on the basis as described in the notes of the related explanatory notes.

The supervisory board is responsible for overseeing the company's financial reporting process.

### ***Our responsibilities***

Our responsibility is to express an opinion on whether the summary of the audited financial statements are consistent, in all material respects, with the audited financial statements based on our procedures, which we conducted in accordance with Dutch law, including the Dutch Standard 810 'Opdrachten om te rapporteren betreffende samengevatte financiële overzichten' (Engagements to report on summary financial statements).

### ***Report on other legal and regulatory requirements***

Pursuant to the Guideline for annual reporting 640 "Not-for-profit organisations" of the Dutch Accounting Standards Board, we report, to the extent of our competence, that the executive board report (as set out on pages 5 until 16) is consistent with the financial statements as required by the Guideline for annual reporting 640 "Not-for-profit organisations" of the Dutch Accounting Standards Board.

Den Haag, 17 March, 2022

JPA Van Noort Gassler & Co B.V.

Original signed by  
R. van Dijck MSc RA  
*Chartered public accountant*



# Our organisation on 31 December 2021

## SUPERVISORY BOARD



**John Schaetzel**  
*Chair of the Supervisory Board*



**Wilfred Griekspoor**  
*Member of the Supervisory Board*



**Hans Hogerzeil**  
*Member of the Supervisory Board*



**Joelle Tanguy**  
*Member of the Supervisory Board*



**Jane Masiga**  
*Member of the Supervisory Board*



**Patrick Flochel**  
*Member of the Supervisory Board*

## CHIEF EXECUTIVE OFFICER



**Jayasree K. Iyer**  
*Chief Executive Officer*

## MANAGEMENT TEAM



**Damiano de Felice**  
*Director of Strategy*



**Suzanne Wolf**  
*Director of Communications*

## FOUNDATION

There are 30 people working at the Access to Medicine Foundation, dedicated to stimulating and guiding pharmaceutical companies to do more for people living in low- and middle-income countries without access to medicine. They work across diverse research, engagement, strategy, communications and support teams.

### **Disclaimer**

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Patricia Wolf (Organisation photos)

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access to  
medicine  
FOUNDATION

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Ministry of Foreign Affairs



Ministry of Health, Welfare and Sport

