

2026 INTERIM FINANCIAL REPORT



The Global Fund/Vincent Becker

30 June 2026

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Cover Image: Champa Tikadar, a farmer, mother and community health worker, walks besides a pond in Fulbari village, Bangladesh, carrying a kit of TB medicine.

The Global Fund/Vincent Becker

Management Report

The first half of 2026 has tested the Global Fund partnership against an increasingly constrained and uncertain global financing environment, geopolitical instability, humanitarian crises and persistent pressure on health systems. At a time when the fight against HIV, tuberculosis and malaria demands both urgency and discipline, the partnership has continued to demonstrate its ability to adapt, prioritize and deliver lifesaving impact for the people and communities we serve.

Throughout the period, our focus remained firmly on execution, stewardship and impact. Grant Cycle 7 entered its final year with strong absorption and continued protection of priority interventions, while the COVID-19 Response Mechanism progressed toward orderly closure, with countries working to sustain critical investments in laboratories, oxygen systems, surveillance and supply chains. These efforts reinforce a fundamental principle of our model: lasting results depend not only on funding, but on disciplined implementation, resilient systems and accountable partnership.

The partnership also continued to demonstrate its strength in a changing global health architecture. The Eighth Replenishment funding cycle (2026 – 2028) unlocked pledges of USD 12.68 billion by 30 June 2026, with early pledge conversion ahead of previous cycles (USD 1.72 billion, 14% of adjusted pledges, received in cash at 30 June 2026). We continued advancing market shaping and access to innovation, including the rollout of long-acting lenacapavir for HIV prevention and new procurement approaches to expand countries' access to quality-assured health products beyond traditional grant financing.

At the same time, we moved decisively into Grant Cycle 8 (2027 – 2029). Following the Eighth Replenishment, the Board approved USD 10.78 billion in country allocations. A tighter resource envelope demands sharper choices, concentrating resources where disease burden is greatest and fiscal capacity lowest, accelerating progress toward greater country self-reliance and domestic financing, and strengthening integration and resilient and sustainable systems for health while protecting disease outcomes. Despite a compressed timetable, the first wave of GC8 funding requests covering 19 countries, one multicountry program and USD 3.4 billion in grants recommended in full for grant-making by the Technical Review Panel, providing a strong early indication of the partnership's readiness to translate these priorities into action.

Within the Secretariat, we continue to align operating costs and organizational capabilities with the available funding envelope, while safeguarding the critical capacities required to complete GC7, deliver a high-quality GC8 and support countries through this period of transition. Financial discipline, prioritization and effective stewardship remain central to sustaining the resilience and impact of the Global Fund model.

Looking Ahead

Looking ahead, we remain focused on delivering our mission with discipline and resilience, advancing GC8 and navigating an evolving global health and financing landscape. As the Global Fund prepares for its next leadership transition, we remain committed to strong

institutional continuity, effective stewardship of resources and sustained delivery of our strategic priorities. We enter the remainder of 2026 confident in the partnership's resilience and our ability to deliver strong annual financial results.

We thank the Board for its direction and oversight, our staff for their professionalism and commitment through a period of significant change, and above all our partners on the frontline, including health workers and communities, whose dedication continues to turn resources into lives saved.

Adda Faye

Chief Financial Officer

Peter Sands

Executive Director

1. Operational highlights

1.1 Key highlights

The first half of 2026 was defined by continued momentum across the Global Fund partnership's core mission, as programs maintained a strong focus on delivering high-impact interventions against HIV, Tuberculosis (TB), Malaria and Resilient and Sustainable Systems for Health (RSSH). This period also marked a pivotal transition for the organization with the successful launch of Grant Cycle 8 (GC8), building on the outcomes of the Eighth Replenishment Summit held 21 November 2025 and reflecting the confidence of donors and partners in the Global Fund's continued ability to save lives and strengthen health systems in challenging contexts. In parallel, the organization continued to advance its market shaping and access-to-innovation agenda, a longstanding pillar of its value proposition, through the introduction of the Non-Global Fund Financed Procurement Mechanism (NGFPM). This mechanism represents a further evolution of the Global Fund's approach to expanding sustainable access to quality-assured health products, complementing traditional grant-financed procurement and reinforcing the organization's role as a catalyst for market impact beyond its conventional funding mechanisms.

The Secretariat and partners focused on three priorities:

- (i) Translating Eighth Replenishment pledges into Grant Cycle 8 allocations, while continuing resource mobilization efforts to maximize impact for 2027–2029.
- (ii) Sustaining and protecting program delivery amid ongoing crises and a constrained operating environment.
- (iii) Deepening efficiencies and equitable access through market shaping, procurement and product innovation, including the launch of the Non-Global Fund Financed Procurement Mechanism (NGFPM).

The key operational highlights are outlined below:

1. Organizational readiness for next implementation cycle

- i. Despite turbulent geopolitical and macro-economic environment, total pledges for the 2026–2028 period reached USD 12.68 billion by the end of June 2026, underscoring the continued confidence of donors and partners in the Global Fund partnership's mission to end AIDS, TB and malaria as public health threats, save millions more lives, and build resilient and sustainable systems for health.
- ii. This sustained donor confidence enabled the Secretariat to secure USD 10.78 billion in Grant Cycle 8 country allocations, which were communicated to implementing countries during the first half of 2026 to inform the development of their funding requests. In line with the Global Fund's strategic priorities, these funding requests emphasize rigorous prioritization of investments, value for money, integration across disease programs and health systems, equitable access to services, strengthened Public Financial Management and the catalytic use of Global Fund resources to

maximize impact. Early pledge conversion has progressed faster than in previous replenishment cycles, supporting liquidity and funding predictability entering GC8.

- iii. In parallel, the Secretariat continues to evolve its operating model and capabilities aligned with the constrained financial environment, with a focus on prioritization, efficiency and ensuring resources remain aligned to effective delivery of the Global Fund's mission.

2. Ongoing program delivery

- i. Following the reprioritization exercise in 2025 undertaken to align available Grant Cycle 7 (GC7) resources with the highest-impact interventions, efforts during the first half of 2026 concentrated on maximizing programmatic impact through to the end of the implementation period.
- ii. In parallel, the Secretariat is accelerating a smooth closure of C19RM implementation, with particular attention to identifying and mitigating transition and sustainability risks associated with Resilient and Sustainable Systems for Health (RSSH) investments to protect the durability of health system gains achieved through these investments.

3. Advancing Market Shaping and Access to Innovation

- i. Building on its significant market shaping and innovation initiatives, the Global Fund advanced the introduction of Lenacapavir in key countries as part of a broader effort to accelerate equitable access to the most recent scientific innovations for implementing countries. In partnership with donors the Secretariat continues to explore further opportunities to bring new and emerging health technologies within reach of the populations and programs it serves.
- ii. In July 2026, the Global Fund Board approved Non-Global Fund Financed Procurement Mechanism (NGFPM) which enables eligible countries and partners to access quality-assured, competitively priced health products through the Global Fund's procurement platform outside of traditional grant financing. By extending the benefits of the Global Fund's market shaping capabilities and negotiated pricing to a broader set of buyers, NGFPM is designed to strengthen the sustainability of health product markets, support country transition, and reinforce the Global Fund's role as a catalytic actor in global health procurement. Non-Global Fund Financed Procurement (NGFP) has been operationalized as a special purpose mechanism with segregated asset-liability management (ALM) leveraging on the fundamental safeguards of the Comprehensive Funding Policy (CFP) and core financial management controls.

1.2 Grant Funding

The GC7 budgets (2023-2025) for HIV, TB, malaria and RSSH programs amounted to USD 13.3 billion, subsequently adjusted to USD 11.9 billion following reprioritization. By December 2025, grants achieved 81% in-country absorption (ICA), exceeding the 80% Year

2 target and marking the strongest performance at this stage of an allocation cycle, compared with 77% for GC6 (2020-2022) and 73% for GC5 (2017-2019).

Grant funding under GC6 is substantially closed, with 274 of 279 grants due (98%) for closure having validated their Financial Closure Reports, representing USD 11.9 billion, 94% in disbursements. USD 330 million, representing 2.7% of total disbursement value has been reported as closing cash balance for these grants demonstrating strong financial completion of the cycle.

Since its inception in 2021, C19RM funding has achieved an ICA of 80% while supporting recovery efforts in HIV, TB and malaria programs and strengthening health systems including long-term strategic investments in health infrastructure.

1.3 Replenishment update

Under the Replenishment mechanism, the Global Fund mobilizes donors, implementing partners and other key stakeholders every three years to secure funding commitments for the coming three-year Replenishment period. This mechanism has not fundamentally changed and continues to provide predictability for the Global Fund and partner countries, enabling long-term planning to fight the three diseases and strengthen health systems.

However, for the Eighth Replenishment, the Global Fund adopted a rolling replenishment approach in response to the volatility and unpredictability of the external environment. Instead of concentrating advocacy and pledging solely around a single moment, the campaign launched in February and was followed by a sustained months-long replenishment effort – leveraging multiple engagement and pledging opportunities throughout the year. This culminated in the Global Fund's Eighth Replenishment Summit which took place in hybrid format in Johannesburg, South Africa on 21 November 2025, co-hosted by H.E. President Cyril Ramaphosa of the Republic of South Africa and the Rt. Hon. Sir Keir Starmer, Prime Minister of the United Kingdom on the eve of the G20 Leaders' Summit.

i. Ongoing resource mobilization efforts

As of 30 June 2026, the Global Fund partnership has secured commitments from 39 public and 14 private sector donors for a total of USD 12.68 billion in announced pledges for the Eighth Replenishment period. This amount includes additional pledges of USD 40 million announced since the initial allocation was approved by the Global Fund Board in February 2026.

ii. Converting pledges into contributions

As of 30 June 2026, Eighth Replenishment pledge conversion is ahead of the previous cycle. USD 1.72 billion, 14% of adjusted pledges, has been received in cash (Seventh

Replenishment at 30 June 2023: USD 1.28 billion, 9%). Agreements totaling USD 4.1 billion have been signed with 27 of 53 donors (51%).

The Secretariat continues to focus on conversion and encashment of 87% of open pledges from the Seventh Replenishment with USD 12.04 billion. Bearing in mind global fiscal constraints and other contextual factors, the Secretariat is actively engaging with donors to mitigate potential funding risks.

2. Financial highlights

Financial year 2026 is the final year of GC7 in-country implementation under the 2023-2025 allocation period and the first year of the Eighth Replenishment. The interim financial statements as at and for the six months ending 30 June 2026 reflect the cyclicity of operational activities related to grant implementation and donor contributions. Compared with the financial position as at 31 December 2025, the condensed interim statement of financial position for half-year ended 30 June 2026 shows a 30% increase in funds. The asset base increased by 17% mainly driven by the conversion of Eighth Replenishment yielding USD 898 million; 46% increase in Contributions Receivable and USD 331 million increase in Cash and Cash Equivalents.

At the same time, Grant Liabilities have decreased by 12%, from USD 2.3 billion on 31 December 2025 to USD 2.1 billion at the end of June 2026 with USD 1.7 billion in expenses for grants during last year of implementation.

At reporting date, the Global Fund holds USD 6.3 billion in current assets including USD 5.06 billion in operational cash at commercial banks and in the Trust Fund managed by the World Bank as Trustee, and USD 1.1 billion in contributions receivable from donors within the next 12 months. Compared with the current liability of USD 2.5 billion toward grants, operating expenses and other current liabilities, the net current asset position stands at USD 3.8 billion.

The revenue from donor contributions increased by 43% over the 2025 half-year financial year results, driven by targeted resource mobilization efforts to accelerate pledge conversion and encashment of contributions demonstrating strong donor confidence.

Key progress on the following core financial components achieved during the first half-year of 2026 has been analysed below:

1. Financial management framework
2. Donor pledges and contributions
3. Grant commitments and disbursements
4. Operating expenses
5. Strategic Initiatives
6. The Global Fund Provident Fund

2.1 Financial management framework

The Global Fund's financial position is managed through an Asset Liability Management (ALM) mechanism, i.e., balancing forecasted Sources of Funds in adjusted pledges from donors and Uses of Funds including Grants, Strategic Initiatives and Operating expenses up to and including the current replenishment cycle. The current cash balance is included in the ALM and, together with outstanding adjusted pledges, covers forecasted disbursements until the end of the Seventh Replenishment cycle. Additional resources made available by donors during the Replenishment cycle and financial income are integrated into the ALM. The increase in the ALM balance may become available to fund grants, subject to approval by the Audit and Finance Committee (AFC).

The Global Fund FX Management Framework was designed for the effective management of FX exposures arising from all components of the Global Fund's ALM framework, as set out in the CFP. This includes on-balance sheet items, as well as future assets and liabilities pending the signature and recognition of contribution agreements and grant funding decisions (off-balance sheet items) and other expenses, respectively. The hedging of both on- and off-balance sheet items is made at the portfolio level and controlled with specific risk metrics using value-at-risk (VaR). FX losses and gains on FX hedging instruments are set against FX losses and gains on on-balance sheet items, i.e., on assets and liabilities, as well as FX effects on off-balance sheet items, which are not reported in the profit and loss accounts. As a result, effects on FX hedging instruments may more than compensate for FX effects on other balance sheet items.

For the half-year ending 30 June 2026, net accounting FX gain on on-balance sheet items was USD 42 million, including fair valuation of FX hedges. The following table provides an overview of the net FX results for the ALM at 30 June 2026:

Amount in USD millions	FX before hedges	FX on hedges	Net FX results
Accounting FX results (on-balance sheet)	(52)	94	42
Economic FX results (off-balance sheet)	(50)		(50)
Net FX results to 30 June 2026	(102)	94	(8)
Net FX results to 30 June 2025	21	(57)	(36)

In the period under consideration, the main currencies in which the Global Fund's assets and liabilities are denominated depreciated in value against the Global Fund's functional currency, the US dollar. Long positions in most currencies other than the US dollar led to negative FX results before hedges, while hedges yielded positive results, leading to marginal negative FX results on overall ALM. Global foreign exchange markets are inherently volatile and may bring negative FX results in future periods.

In the first half of 2026, short-term USD interest rates remained above 3.5%, while equity markets continued to show positive performance despite significant volatility. In this market environment, the Trust Fund investment performance was positive in all asset classes in

which the Global Fund assets are invested, covering cash, fixed income and equities. Overall, the net result on the investment portfolio of assets held by the World Bank as a Trustee was a gain of USD 84 million in the first half of 2026 (2025: USD 149 million net gain).

2.2 Donor pledges and contributions

The net revenue recognized during the first six months of 2026 was 43% higher, at USD 2,942 million (2025: USD 2,055 million). The encashment of all outstanding contributions receivable was on track.

The contribution income of USD 2,942 million included:

- USD 2,968 million from sovereign donor governments (2025: USD 2,022 million);
- USD 17 million from foundations (2025: USD 23 million);
- USD 7 million from (RED) (2025: USD 7 million);
- USD 9 million for OPEX Co-funding (2025: USD 3 million); and
- USD (59) million for discounting for long-term donor receivable at the point of revenue recognition (2025: nil).

2.3 Grant commitments and disbursements

The main elements of the Global Fund grant expenditure of USD 1,655 million during the first half of 2026 (2025: USD 875 million) included:

- USD 1,609 million as grant commitments to Principal Recipients for in-country and pooled procurement mechanism (PPM) activities (2025: USD 845 million);
- USD 46 million as SI project expenses (2025: USD 29 million).

2.4 Recoveries

As at 30 June 2026, the Global Fund's total outstanding OIG recoverable balance, net of written commitments to repay, amounted to USD 2 million (31 March 2026: USD 3 million), following reimbursements for recoveries identified through OIG engagements. The non-OIG recoverable balance, net of written commitments to repay, amounted to USD 41 million (31 March 2026: USD 44 million), with the decrease driven by the resolution of cases and the obtention of repayment commitments during the period. Unsupported expenditures and recoverable taxes remain the principal drivers of outstanding non-OIG recoverable amounts.

The Secretariat's approach to recoveries prioritizes prevention, reflected in a declining trend in ineligible expenditure as a percentage of total expenditure across successive allocation periods. Where ineligible expenditures are nonetheless identified, the Secretariat's primary objective is to protect program delivery, pursuing country-driven recovery modalities such as cash reimbursement, reimbursement in kind, or negotiated repayment arrangements;

only where such avenues are exhausted does the Secretariat consider allocation reduction as a measure of last resort to protect Global Fund assets.

Non-OIG Recoveries as at 30 June 2026	N° Cases	Amount
Balance as at 31 Mar 2026	324	44
New cases reported during the period	30	2
Cases closed after full resolution	(19)	(5)
Balance as at 30 June 2026	335	41

2.5 Operating expenses

At spot rate, during the first half-year of 2026, the Global Fund incurred USD 186 million operating expenditure (2025: USD 192 million), a decrease of 3%. This includes USD 168 million related to Secretariat costs (2025: USD 174 million), USD 9 million to C19RM management and operating cost (2025: USD 14 million) and USD 9 million to co-funding from earmarked private sector contributions (2025: USD 4 million).

At budget rate, the operating expenditure for first half of 2026 was USD 160 million (2025: USD 174 million), of which USD 144 million was related to Secretariat operating expenses (2025: USD 157 million), USD 8 million to C19RM management and operating cost (2025: USD 13 million) and USD 8 million to co-funding from earmarked private sector contributions (2025: USD 3 million). The 8% decrease year-on-year reflects the organization's continued transformation efforts to adapt to a lower level of resourcing.

The FX impact on operating costs is managed centrally as part of treasury management.

The organization continues to deliver in a reduced budget environment by strengthening resource prioritization and implementing cost-saving measures to reduce OPEX. The proactive recognition of future liabilities further supports financial sustainability and reinforces the organization's ability to respond with agility.

2.6 Strategic Initiatives

At fixed rate, for the 2023-2025 allocation period, the total available envelope for SIs amounts to USD 182 million¹ and is fully approved by the Grant Approvals Committee (GAC). As of 30 June 2026, cumulative funding utilisation reached USD 85 million (47%) of which 34 million was for the first six month of the year. This excludes Emergency Fund and Centrally Managed Limited Investments.

SIs continue to deliver priority activities, with utilization of 47% by June 2026, following a similar trajectory to GC5 and GC6. SI utilization tends to accelerate later in the cycle. Several high-value SIs also encountered programmatic delays in 2025 which impacted implementation that is now being accelerated in 2026. Reflecting the current context, total

¹ Private Sector funding is included in the 2023-2025 allocation period envelope – this funding has been integrated and aligned to the strategic priorities, unlike previous cycles. Excludes Emergency Fund and Centrally Managed Limited Investments

projected SI fund utilization lands at 88%, including USD 39 million of forecasted commodity payments.

2.7 Global Fund Provident Fund

The Provident Fund assets and liabilities are administered in CHF. When measured in the administration currency, the Provident Fund assets fully cover the underlying employee benefit liability as at the reporting date.

In the condensed interim financial statements presented in the functional currency, USD, the Provident Fund asset base was USD 386 million as at 30 June 2026 (2025: USD 373 million). This included USD 368 million of Provident Fund investments measured at fair value and USD 18 million in cash and cash equivalents. These assets are held and invested solely for funding future employee benefits under the Provident Fund Constitutional Declaration and Benefit Rules. During the first six months in 2026, Provident Fund investments yielded returns of 6.3% in the administration currency. This performance is primarily the result of strong performance on equities portfolio.

The liability for employee benefit obligation was USD 385 million² as at 30 June 2026 (2025: USD 400 million). This includes USD 385.5 million in employee benefit reserves (2025: USD 373 million) and USD 0.5 million as accumulated actuarial valuation gains (2025: USD 27 million loss).

² The Employee Benefit Liabilities in the Interim statement of Financial Position amounts to USD 420 million, including a USD 35 million non-provident fund provisions.

CONDENSED INTERIM FINANCIAL STATEMENTS

Responsibility for the condensed interim financial statements

The Secretariat is responsible for preparing the condensed interim financial statements and related information presented in this report. The condensed interim financial statements are prepared in accordance with International Accounting Standard (IAS) 34 *Interim Financial Reporting*.

The condensed interim financial statements include amounts based on estimates and judgments made by the Secretariat. KPMG SA was appointed as the independent auditors by the Global Fund Board upon the recommendation of its Audit and Finance Committee (AFC) to review the condensed interim financial statements of the Global Fund.

The Secretariat designs and maintains accounting and internal control systems to provide reasonable assurance at reasonable cost that assets are safeguarded against loss from unauthorized use or disposition, and that the financial records are reliable for preparing financial statements and maintaining accountability for assets. These systems are augmented by written policies, an organizational structure providing division of responsibilities, careful selection and training of qualified personnel, and a program of external reviews.

The Board, through the AFC, meets periodically with the Secretariat and KPMG SA to ensure that each is meeting its responsibilities, and to discuss matters concerning internal controls and financial reporting.

These condensed interim financial statements were approved by the AFC on 21 September 2026.

**Independent auditors' report on the review of condensed interim financial statements to the Board of
The Global Fund to fight Aids, Tuberculosis and Malaria (The Global Fund),
Le Grand-Saconnex**

Introduction

We have been engaged to review the accompanying condensed interim statement of financial position of The Global Fund to fight Aids, Tuberculosis and Malaria (The Global Fund) as at 30 June 2026 and the related condensed interim statement of income, condensed interim statement of comprehensive income, condensed interim statement of cash flow and condensed interim statement changes in funds for the six-month period then ended, and selected explanatory notes (the condensed interim financial information) on pages 16 to 36. The Global Fund Board is responsible for the preparation and presentation of this condensed interim financial information in accordance with International Accounting Standard 34 *Interim Financial Reporting*. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as at and for the six months ended 30 June 2026 is not prepared, in all material respects, in accordance with International Accounting Standard 34 *Interim Financial Reporting*.

KPMG SA



Alexandra Depoire
Licensed Audit Expert



Elodie Elloy
Licensed Audit Expert

Geneva, 22 September 2026

Enclosure:

- Condensed interim financial information (condensed interim statement of income, condensed interim statement of comprehensive income, condensed interim statement of financial position, condensed interim statement of cash flow, condensed interim statement of changes in funds and selected explanatory notes)

Condensed Interim statement of income (unaudited)

For the six months ended 30 June	Notes	2026	2025
In millions of USD			
Operating activities			
Income			
Contributions	4.1	2,942	2,055
Expenditure			
Grants	3.2	(1,655)	(875)
Operating expenses	6.1	(164)	(196)
Total		(1,819)	(1,071)
Net operating activities		1,123	984
Financing and investing activities			
Foreign exchange results, net	5.5	42	(14)
Financial income, net	5.6	84	149
Discounting on long-term financial positions		27	21
Total		153	156
Increase in funds		1,276	1,140
Condensed interim statement of comprehensive income (unaudited)			
For the six months ended 30 June		2026	2025
In millions of USD			
Increase in funds		1,276	1,140
Other comprehensive income			
Re-measurement gain on defined benefit plan that will not be reclassified to the statement of income		7	9
Total comprehensive income		1,283	1,149

Condensed interim statement of financial position (unaudited)

As at	Notes	30.06.2026 (unaudited)	31.12.2025
In millions of USD			
Assets			
Current assets			
Cash and cash equivalents	5.1	386	55
Trust Fund	5.2	4,676	4,790
Contributions receivable	4.2	1,068	662
Derivative financial instruments at fair value	5.4	94	10
Other receivables		51	58
		<u>6,275</u>	<u>5,575</u>
Non-current assets			
Contributions receivable	4.2	1,802	1,310
Provident Fund investments	5.7	368	327
Tangible and intangible assets		17	21
		<u>2,187</u>	<u>1,658</u>
Total Assets		<u>8,462</u>	<u>7,232</u>
Liabilities and Funds			
Liabilities			
Current liabilities			
Grants payable	3.3	2,056	2,330
Derivative financial instruments at fair value	5.4	31	55
Other current liabilities		394	134
		<u>2,481</u>	<u>2,519</u>
Non-current liabilities			
Grants payable	3.3	-	12
Employee benefit liabilities		420	422
Lease liability		7	10
		<u>427</u>	<u>444</u>
Total Liabilities		<u>2,908</u>	<u>2,963</u>
Funds			
Temporarily restricted funds		110	122
Unrestricted funds		5,504	4,215
Remeasurement of defined benefit liability		(60)	(67)
Total Funds		<u>5,554</u>	<u>4,270</u>
Total liabilities and funds		<u>8,462</u>	<u>7,232</u>

Condensed interim statement of cash flow (unaudited)

For the six months ended 30 June

In millions of USD	Notes	2026	2025
Operating activities			
Cash received from donors		1,989	2,548
Grant disbursements		(1,919)	(1,888)
Payments for operating expenses		(185)	(184)
Cash inflow from non-GF procurement		293	2
Cash outflow from non-GF procurement		(3)	(2)
Gains realized on forward contracts settlements		34	63
Losses realized on forward contracts settlements		(48)	(56)
Net cash flow from/ (used in) operating activities		161	483
Investing activities			
Financial income received, net	5.6	101	70
Purchase of Provident Fund investment		(24)	(49)
Proceeds from sale of Provident Fund investment		-	42
Purchase of tangible and intangible assets		-	-
Net cash flow from investing activities before Trust Fund movements		77	63
Net cash rebalancing between commercial banks and Trust Fund		98	(420)
Net cash flow (used in)/ from investing activities		175	(357)
Financing activities			
Payment of lease liabilities		(5)	(6)
Net cash flow used in financing activities		(5)	(6)
Net increase in cash and cash equivalents		331	120
Cash and cash equivalents			
- at beginning of the period	5.1	55	41
Effect of exchange rate changes on cash held in commercial bank and Trust Fund		1	7
- at end of the period	5.1	386	168

In addition to the cash and cash equivalents reported in the statement of cash flows presented above, the Global Fund considers the Trust Fund as an integral part of the cash management for its core operations. The following table provides an overall operational cash management position:

	Notes	30.06.2026	30.06.2025
Amounts held in commercial banks	5.1	386	168
Amounts held in Trust Fund	5.2	4,676	5,254
Total operational cash balance		5,062	5,422

Condensed interim statement of changes in funds (unaudited)

For the six months ended 30 June

In millions of USD

	Foundation capital ³	Temporarily restricted funds	Unrestricted funds*	Remeasurement of defined liability	Total
As at 1 January 2026	-	122	4,215	(67)	4,270
Increase in funds	-	(12)	1,289	-	1,276
Other comprehensive income	-	-	-	7	7
At 30 June 2026	-	110	5,504	(60)	5,554
As at 1 January 2025	-	140	3,137	(64)	3,213
Increase / (Decrease) in funds	-	(29)	1,169	-	1,140
Other comprehensive income	-	-	-	9	9
At 30 June 2025	-	111	4,306	(55)	4,362

³ The Global Fund maintains CHF 50,000 as statutory foundation capital.

Explanatory notes to the condensed interim financial statements

The Global Fund presents its financial statements which include the following:

- 1- Condensed interim statement of income.
- 2- Condensed interim statement of comprehensive income.
- 3- Condensed interim statement of financial position.
- 4- Condensed interim statement of cash flows.
- 5- Condensed interim statement of changes in funds.

The explanatory notes are an integral part of these financial statements.

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Notes to the condensed interim financial statements

Section 1: Activities and organization

The Global Fund to Fight AIDS, Tuberculosis and Malaria is a partnership designed to accelerate the end of HIV/AIDS, TB and malaria as epidemics. It applies four core principles: country ownership, partnership, transparency and performance-based funding.

The Global Fund is recognized as an international organization, initially formed as a Swiss foundation. It commenced operations on 22 January 2002 and Geneva authorities accepted its registration on 24 January 2002. Its status has been elaborated through an ongoing process of legal recognition by various national governments and international organizations. The Swiss Federal Council accorded the Global Fund international organization status, through the 2004 Headquarters Agreement. The United States, through an executive order in 2006, designated the Global Fund as a public international organization in accordance with the United States International Organizations Immunities Act. The European Commission, through a 2014 Commission Decision, assimilated the Global Fund to the status of an international organization for the purposes of managing European Union funds. The Agreement on the Privileges and Immunities of the Global Fund entered into force 17 April 2019.

Its headquarters are in Geneva, Switzerland. The registered address is Chemin du Pommier 40, Grand-Saconnex 1218, Geneva, Switzerland. Foundations in Switzerland are subject to monitoring by the Swiss Federal Supervisory Board for Foundations.

Section 2: Basis of reporting

Statement of compliance

These unaudited condensed interim financial statements as at and for the six months ended 30 June 2026 have been prepared in accordance with International Accounting Standard (IAS) 34 *Interim Financial Reporting*.

They do not include all the information and disclosures presented in the annual financial statements and should therefore be read in conjunction with the audited financial statements as at and for the year ended 31 December 2025, which have been prepared in accordance with the IFRS Accounting Standards as issued by the International Accounting Standards Board. However, the explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Global Fund's financial position and performance since the last annual financial statements. All amounts in the notes are presented in millions of USD, unless otherwise stated.

Due to rounding, numbers presented throughout these financial statements may not add up precisely to the totals provided. All ratios and variances are calculated using the underlying amount rather than the presented rounded amount. During the first half-year of 2026 the Secretariat accelerated the deployment of a special purpose mechanism to operationalize the Non-Global Fund Financed Procurement (NGFP) activities. Accordingly a new Section 7 has been introduced to provide an overview on NGFP financial positions.

These condensed interim financial statements were authorized for issue by the Audit and Finance Committee (AFC) of the Global Fund Board on 21 September 2026.

Significant accounting policies

All accounting policies adopted in the preparation of the condensed interim financial statements and all significant accounting estimates and other management judgments are consistent with those followed in the preparation of the financial statements as at and for the year ended 31 December 2025.

A few standards and amendments to standards became effective 1 January 2026, but they did not have a material impact on the Global Fund's condensed interim financial statements.

Financial instruments – Accounting classification

The following table shows the net carrying amounts of financial assets and financial liabilities. For financial assets and liabilities not measured at fair value, the carrying value is a reasonable approximation of fair value.

As at 30 June 2026*All amounts in USD million*

Global Fund financial position	Note	Mandatorily at FVTPL	At amortized cost
Financial assets measured at fair value			
Trust Fund asset	5.2	4,676	-
Provident Fund investments	5.7	368	-
Derivative financial instruments measured at fair value	5.4	94	-
Financial assets not measured at fair value			
Cash and cash equivalents	5.1	-	386
Contributions receivable	4.2	-	2,870
Other receivables*1		-	46
Financial liabilities measured at fair value			
Derivative financial instruments measured at fair value	5.4	31	-
Financial liabilities not measured at fair value			
Other liabilities*1		-	314
Grant payable	3.3	-	2,056
Lease liability		-	16

As at 31 December 2025*All amounts in USD million*

Global Fund financial position	Note	Mandatorily at FVTPL	At amortized cost
Financial assets measured at fair value			
Trust Fund asset	5.2	4,790	-
Provident Fund investments	5.7	327	-
Derivative financial instruments measured at fair value	5.4	10	-
Financial assets not measured at fair value			
Cash and cash equivalents	5.1	-	55
Contributions receivable	4.2	-	1,972
Other receivables*1		-	45
Financial liabilities measured at fair value			
Derivative financial instruments measured at fair value	5.4	55	-
Financial liabilities not measured at fair value			
Other liabilities*1		-	28
Grant payable	3.3	-	2,342
Lease liability		-	19

*1 Other receivables/liabilities that are not financial assets/liabilities (prepaid expenses, provision and deferred income) are not included

Section 3: Grant activities

In the following notes, each stage of the standard grant lifecycle has been analyzed in detail:

3.1 Contingent liability

From a financial statement perspective, the first point of measurement for grants is the contingent liability. A contingent liability is reported at the earliest of (i) the Global Fund Board approval or (ii) the transmission of the draft grant agreement, which is conditional to the Board approval, to the Principal Recipient following the Grant Approvals Committee (GAC) recommendation. Both Board approval and transmission of draft grant agreement to the Principal Recipient represent a potential obligation that can be reliably measured but is still highly conditional upon future events. Following Board approval, all grants are covered by a grant agreement that includes substantive conditions based on performance and availability of funding. During grant implementation, the contingent liability of a grant is reduced by the cumulative amount of grant expenses.

The following table summarizes the contingent liability for grants:

	30.06.2026	31.12.2025
By category		
Grants approved but not signed	18	38
Grants signed but not committed	2,763	4,553
Total	2,781	4,591

3.2 Grant expenditure

The following table summarizes the grant expenditures:

For the six months ended 30 June	2026	2025
By category		
Grants on behalf of Principal Recipients	914	353
Grants for PPM orders	695	492
Total grants for Principal Recipients	1,609	845
Grants under recovery	-	1
Strategic Initiatives	46	29
Total	1,655	875

3.3 Grants payable

The following table summarizes grants payable at:

	30.06.2026	31.12.2025
By grant category		
Grants payable to Principal Recipients within one year	2,040	2,312
Strategic Initiatives	16	18
Total grants payable within one year	2,056	2,330
Grants payable to Principal Recipients after one year	-	12
Total grants payable	2,056	2,342

Section 4: Donor activities

The Global Fund follows a three-year Replenishment cycle to secure funding for its grants and administrative operations. At the time of a Replenishment Conference, donors make public announcements called pledges of their intended future contributions. The following notes provide the summary of accounting results of revenue recognition policy during the reporting period.

4.1 Contribution income / revenue recognition

The first point of revenue recognition is the signing of a formal contribution agreement with a donor. All contributions governed by a written contribution agreement that do not have any substantive conditionality bearing on future receipts are recorded as income at the date of signature of the agreement. Revenue recognition is net of discount for long-term encashments at the rate prevailing on the dates of the contribution agreement. For the purposes of cash flows, contributions are considered as received when remitted in cash or cash equivalent.

The following table summarizes the sources of revenue recognized:

For the six months ended 30 June	2026	2025
Donor contributions		
Contribution for core activities	2,991	2,053
Contribution for operating expenditure	10	2
Gross contribution from donors	3,001	2,055
Less discounting at the point of revenue recognition	(59)	-
Total	2,942	2,055

For the six months ended 30 June	2026	2025
Gross contribution from donors		
By category		
Public	2,968	2,022
Foundations	17	23
(RED)	7	7
Others	9	3
Total	3,001	2,055

4.2 Contributions receivable

At initial recognition, contributions receivable are generally recognized at face value. At subsequent reporting periods, they are stated at amortized cost, net of a provision for expected credit losses to cover the risk of future non-payment.

Contributions receivable with due dates later than 12 months after initial recognition are discounted using the applicable discount rate at the date of recognition.

The following table summarizes contributions receivable:

As at	30.06.2026	31.12.2025
Contributions receivable within one year	1,068	662
Contributions receivable after one year	1,802	1,310
Total contributions receivable	2,870	1,972
Receivable within one year	1,068	662
Receivable within two years	1,101	560
Receivable after two years	829	849
Gross contributions receivable	2,998	2,071
Less discounting	(128)	(99)
Net present value of contributions receivable	2,870	1,972

The Global Fund reviews all contributions receivable as at the reporting date to assess for any expected credit losses. This assessment is based on a review of the donor credit profile, the in-country economic and political situation and other known factors that may potentially result in reduced future cash receipts. Where the Global Fund determines there to be a collection risk, then an appropriate risk premium is deducted from receivable balances to reflect this risk. As at 30 June 2026, USD 32 million (2025: USD 60 million) in risk premiums are maintained as a provision for expected credit losses.

4.3 Contingent assets

As at the reporting date, the Global Fund has USD 226 million (2025: USD 199 million) in signed contribution agreements that are subject to various performance obligations and conditions to be realized and reported over the period of the agreement. Given the uncertainty associated with the future encashments in respect of such donor agreements, these contributions will be recognized as revenue in the financial year in which the related performance obligations are satisfactorily fulfilled.

Section 5: Management of funds

The Global Fund is a financing institution and hence the management of its financial assets and liabilities is integral to the successful mission of the organization. The Global Fund engages with commercial banks and the World Bank to manage its financial assets and provide appropriate liquidity and risk management.

5.1 Cash and cash equivalents

Cash and cash equivalents includes amounts held in commercial banks that have a long-term credit rating of A or higher.

5.2 Trust Fund

The World Bank acts as the Trustee for the Global Fund Trust Fund. Assets held in trust by the World Bank are held in a pooled cash and investments portfolio (the Pool), established by the Trustee for all trust funds administered by the World Bank Group. The funds held in the Trust Fund qualify as a single asset and as such are presented separately in the statement of financial position but form an integral part of the operational cash management. Transfers of cash (rebalancing) between the Trust Fund and commercial banks are performed on demand.

There were no changes in the first six months of the year in the valuation techniques used for the Trust Fund's assets, and the methodology and techniques as disclosed in Note 5.2 of the 2025 annual financial statements were applied consistently. There were no significant transfers from one level to the other, and the allocation to Level 1 and 2 as at the interim reporting date is similar to the allocation as at 31 December 2025. There are also no Level 3 financial instruments included in the Trust Fund's assets as at 30 June 2026 (31 December 2025: NIL).

The following table shows the fair valuation hierarchy of Trust Fund's share of financial instrument held in the Pool:

As at 30 June 2026	Level 1	Level 2	Level 3	Total
Government and agency obligations	1,419	1,605	-	3,024
Asset and mortgage-backed securities	-	1,013	-	1,013
Equity	217	-	-	217
Time deposits	24	429	-	453
Repurchase/ resale agreements	-	(17)	-	(17)
Derivatives, net	-	5	-	5
Sub-total:	1,660	3,035	-	4,695
Cash, receivables & payables				(19)
Total	1,660	3,035	-	4,676

As at 31 December 2025	Level 1	Level 2	Level 3	Total
Government and agency obligations	1,526	1,667	-	3,193
Asset and mortgage-backed securities	-	949	-	949
Equity	217	-	-	217
Time deposits	122	367	-	489
Repurchase/ resale agreements	-	1	-	1
Derivatives, net	-	(6)	-	(6)
Sub-total:	1,865	2,978	-	4,843
Cash, receivables & payables	-	-	-	(53)
Total	1,865	2,978		4,790

The following table shows the Trust Fund's share of financial instruments held in the Pool measured at fair value:

As at	30.06.2026	31.12.2025
Financial instruments <i>(asset holding in percent)</i>		
Government and agency obligations	64%	66%
Time deposits and money-backed securities	10%	10%
Asset and mortgage-backed securities	21%	20%
Equity	5%	4%
Total	100%	100%

5.3 Foreign exchange exposures

In preparing the financial statements, transactions in currencies other than the functional currency are recognized at the rates of exchange prevailing at the dates of the transactions, which creates an exposure to foreign exchange (FX) risk for these particular assets or liabilities. At the end of each reporting period, monetary items such as contributions receivable and grants payable in currencies other than USD are retranslated at the rates prevailing at that date.

The following table summarizes exchange rates for significant foreign currency positions at the reporting dates indicated:

	30.06.2026	31.12.2025	% FX fluctuation	2026 Average FX Rates	2025 Average FX Rates
AUD	0.6879	0.6686	3	0.6971	0.6440
CAD	0.7027	0.7296	(4)	0.7247	0.7148
CHF	1.2358	1.2611	(2)	1.2694	1.2017
EUR	1.1398	1.1732	(3)	1.1656	1.1251
GBP	1.3237	1.3454	(2)	1.3429	1.3167
JPY	0.0063	0.0064	(3)	0.0063	0.0067
NOK	0.1004	0.0994	1	0.1038	0.0961
SEK	0.1028	0.1085	(5)	0.1077	0.1018

[The Global Fund sources its corporate FX rates from LSEG]

5.4 Foreign exchange risk management

The Global Fund uses derivative financial instruments including forwards and swaps to manage its exposure to FX fluctuations for net positions held in non-USD currencies. The forward and swap contracts used by the Global Fund to mitigate FX risk are recognized at fair value, with subsequent movements in value reported through the statement of income. Forward contracts are fair valued as Level 2 financial instruments.

The methodology and techniques applied for the fair valuation of the derivative financial instruments remain consistent with Note 5.6 of the 2025 annual financial statements.

The following table presents the notional value and the fair value of derivative financial instruments by notional currency, against USD.

BY SETTLEMENT DATE	30.06.2026	31.12.2025
Assets to be settled within 12 months	94	10
Liabilities to be settled within 12 months	(31)	(55)
Net (liability)/ asset for derivative financial instruments at fair value	63	(45)

At 30 June 2026

Currency (Level 2)	Notional value in millions	Forward contracts at fair value in USD millions
AUD	(300)	(2)
CAD	(753)	13
CHF	336	(12)
DKK	(375)	1
EUR	(1,394)	49
GBP	(807)	4
JPY	(32,400)	13
NOK	(1,340)	(3)
Net Asset / (liability) for derivative financial instruments at fair value		63

At 31 December 2025

Currency (Level 2)	Notional value in millions	Forward contracts at fair value in USD in millions
AUD	(302)	(5)
CAD	(918)	(16)
CHF	457	7
DKK	(375)	(1)
EUR	(96)	(3)
GBP	(808)	(27)
JPY	(64,800)	3
NOK	(2,000)	(3)
Net asset / (liability) for derivative financial instruments at fair value		(45)

5.5 Foreign exchange results

The following table summarizes FX results:

For the six months ended 30 June	2026	2025
By net position		
Foreign exchange (losses)/ gains before derivative instruments	(52)	43
Fair valuation gains/ (losses) on derivative financial instruments	94	(57)
Net foreign exchange gain/ (loss)	42	(14)

5.6 Financial income, net

The financial income on the Trust Fund, net of trustee fees, are summarized in the table below:

For the six months ended 30 June	2026	2025
Trust Fund gains, net	85	150
Trustee fees	(1)	(1)
Total	84	149

As of 30 June 2026, the Trust Fund income included an unrealized loss of USD 15 million (2025: unrealized gain USD 78 million).

5.7 Provident Fund investments

The following table provides the composition of Provident Fund investments:

	30.06.2026	31.12.2025
<i>Equity</i>	132	114
<i>Bonds</i>	134	130
<i>Infrastructure</i>	24	22
<i>Real estate</i>	78	60
Total	368	327

Section 6: Operating activities

6.1 Operating expenses

Operating expenses are costs incurred by the Global Fund Secretariat for maintaining a sustainable administrative structure in order to deliver the Global Fund's mission. The following table summarizes the operating expenses under the main categories of expenditure:

For the six months ended 30 June	2026	2025
Workforce costs	132	135
External assurance	14	16
Professional fees	17	17
Others	23	24
Total Secretariat expenses	186	192
Provident Fund valuation	(22)	4
Total	164	196

Section 7: Non-Global Fund Financed Procurement (NGFP)

7.1 Presentation of Non-Global Fund Financed Procurement (NGFP)

The Board approved the Policy on Non-Global Fund Financed Procurement (NGFP) through PPM/wambo.org and the establishment of a dedicated financial mechanism (the “NGFPM”) to support its implementation. The NGFPM is being designed to operate as a segregated, self-funded mechanism with its own Asset and Liability Management (ALM) and, in due course, its own audited financial statements.

Since NGFP is under the same legal entity as the Global Fund, its financial positions are consolidated within the Global Fund’s condensed interim financial statements. NGFP restricted cash is presented within Cash and cash equivalents and liabilities presented within Other current liabilities in the statement of financial position. The underlying transactions are fully eliminated from the core Global Fund grant transactions.

The NGFP operates on a cost-recovery basis through a fee framework.

During the six months ending 30 June 2026, two NGFP transactions were invoiced, generating fee income of USD 11,376. No NGFP-related expenditure was incurred during the period, as costs incurred in operating the NGFPM during the six months ended 30 June 2026 as NGFP start-up operations continues to leverage existing Secretariat resources, systems and controls.

During the reporting period, NGFP activities comprised two broad categories: donor-led procurement, funded by donors acting as a Third-Party Payer on behalf of recipient countries, and country-led procurement, funded directly from countries’ own domestic resources.

7.2 Financial position of NGFP: Overall

The following table summarizes the financial position of the NGFP as at 30 June 2026, by category of NGFP activity:

As at 30 June 2026	Cash held within the NGFPM	Open commitments	Net uncommitted funds
Donor-led	298	30	268
Country-led	6	-	6
Total	304	30	274

Open commitments represent approved purchase orders raised on wambo.org that have not yet been invoiced or paid as at the reporting date. Net uncommitted funds represent the balance of NGFP cash that remains available to fund future NGFP transactions.

7.3 Financial position of NGFP: Breakdown by donor category

The following table presents the movement in NGFP cash balances during the six months ended 30 June 2026, by category of NGFP activity:

Category	Opening balance	Funds received	Interest earned	Disbursement	Closing balance
Donor-led	13	286	-	(1)	298
Country-led	1	7	-	(2)	6
Total	14	293	-	(3)	304

Interest earned on the aggregate cash balances held within the NGFP bank account is apportioned among Payers in proportion to the amount and period of time each Payer's funds remained on deposit prior to utilization.



Young kids, living with HIV, take part in “Teen club” session
run by the Baylor College of Medicine Children’s
Foundation in Lilongwe, Malawi.
The Global Fund/Tommy Trenchard

**The Global Fund to Fight
AIDS, Tuberculosis and Malaria**

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