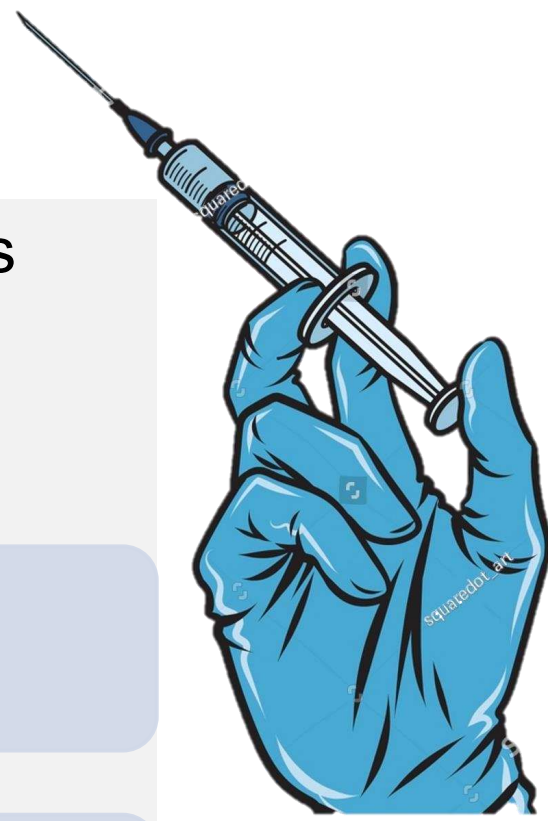


CONTEXT

UNICEF has a key role in Safe Injection Equipment (SIE) procurement; traditionally procuring immunization supplies on behalf of around 90-100 countries annually, making UNICEF the largest buyer in this market

SIE Markets are recovering from the COVID-19 impact on the market

Demand variability in a compressed timeline	<ul style="list-style-type: none">•UNICEF Routine immunization demand pre-COVID was 600-800 million units per year•In 2022, the UNICEF forecast rose above 3 billion units•Just as quickly, demand plummeted at the end of Q1 2022
Diversification of product types	<ul style="list-style-type: none">•0.5mL was the primary dose volume•Diversification in the dose volumes to 0.3mL, 0.2mL & 0.25mL segmented the market and increased both supply & program complexity
Expansion of contracted supplier base	<ul style="list-style-type: none">•Pre-COVID, UNICEF contracted 6 suppliers for 35 products•COVID demand required UNICEF expansion to 10 suppliers for 69 products
Re-stabilization of market to reflect future demand while maintaining gains	<ul style="list-style-type: none">•Contracts were renegotiated to extend out to Q1 2024 end, based on the revised demand forecast, to stabilize the market•Tender anticipated in end 2023 will seek to regain pre-COVID market status, as well as considerations for market resilience

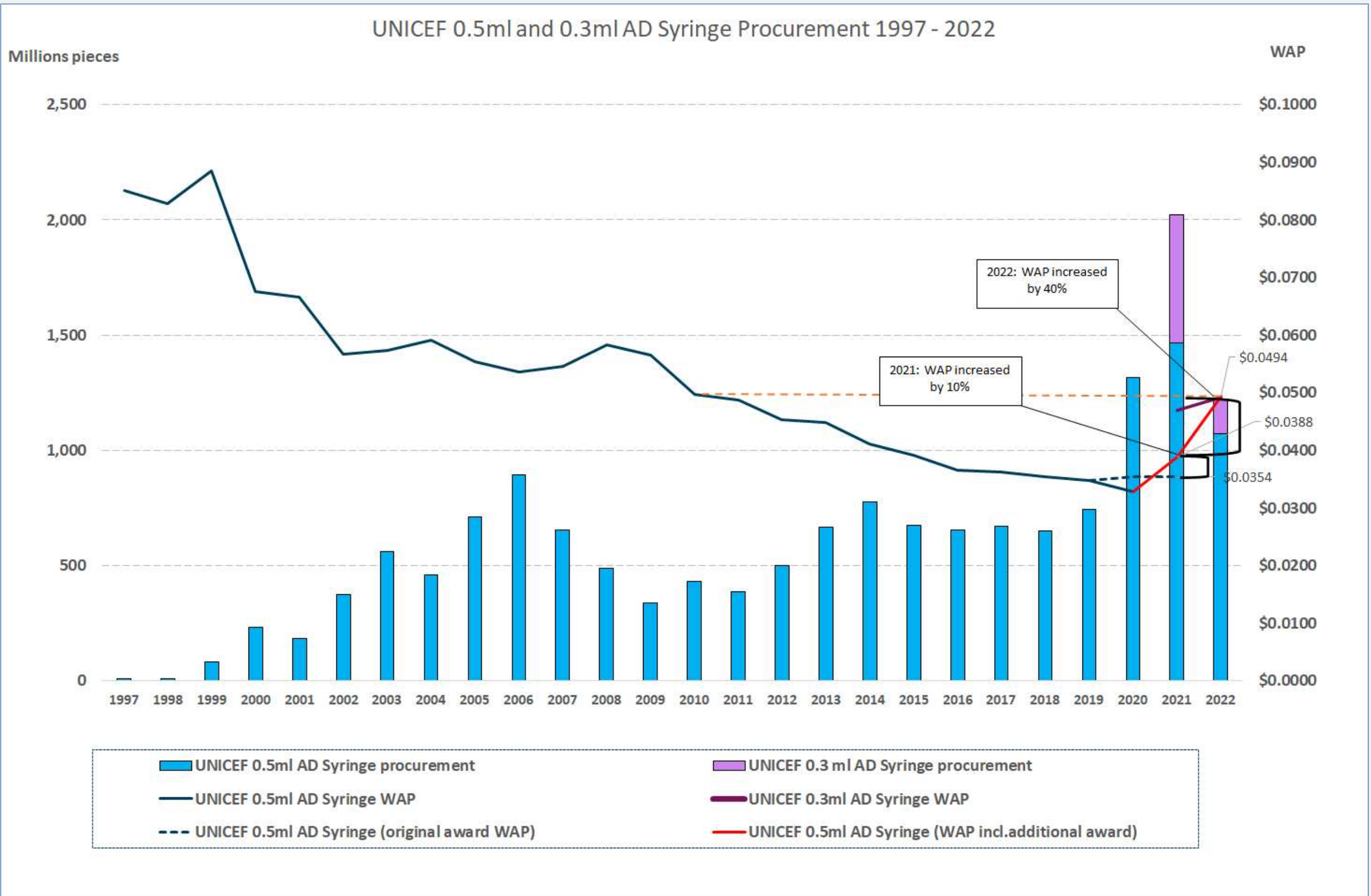


SUPPLY & DEMAND

While meeting the changing programmatic demand needs, the COVID-19 Pandemic response had significant impact on prior market gains

- Price premiums of 40% - setting us *12 Years back from prior price gains*
- Decline in bundled awards from 80% to 52% - *setting us 4 years back from prior bundled awards*
- Reduction in awards to New Local Producers (NLPs) from 16% to 6 % - *setting us 4 years back in prior gains made*

Impacting Sustainability and the Cost to Programs in the World's poorest countries



ISSUES & CHALLENGES

- Geographic imbalance of supply against demand resulting in Long Shipment lead times for Devices
- Vaccine Centric Planning not considering SIE shipment lead times
- Atypical dose volumes emerging during the pandemic resulting in:
 - Higher costs
 - Less available supply for standard AD syringe volumes
 - Longer outbreak response lead times
 - Complex supply & implementation challenges in countries
 - Resulting in increased cost to programs through the need for air freight

STEPS FORWARD

Issuance of new SIE Tender in Q4 2023 to reset the market post COVID-19

Focus Areas:

- Regaining market losses experienced under COVID-19 pandemic response
- Improve Supply Security incorporating Pandemic Preparedness Response capacity and reducing lead times
- Increased sustainability, with focus on local production and procurement, reduced waste

