



Grand Challenges Canada®  
Grands Défis Canada

**BOLD IDEAS WITH BIG IMPACT®**

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**From Innovation to Impact**

**ANNUAL REPORT**

April 2017 to March 2018



## Table of Contents

<b>A MESSAGE FROM THE CHAIR OF THE BOARD</b> .....	<b>4</b>
<b>A MESSAGE FROM THE OUTGOING CHIEF EXECUTIVE OFFICER</b> .....	<b>6</b>
<b>A MESSAGE FROM THE INCOMING CO-CHIEF EXECUTIVE OFFICERS</b> .....	<b>7</b>
<b>HIGHLIGHTS</b> .....	<b>8</b>
Snapshot of 2017–18 .....	8
Lives Saved and Improved .....	8
Key Outputs.....	10
Activities and Inputs.....	11
<b>STRATEGIC PLAN</b> .....	<b>12</b>
Vision and Mission.....	12
Innovation Platform.....	12
Strategic Objectives.....	13
<b>PROGRAM ARCHITECTURE</b> .....	<b>14</b>
1. Transition To Scale.....	15
2. Stars.....	19
3. Saving Lives at Birth (SL@B) .....	22
4. Saving Brains .....	24
5. Global Mental Health .....	27
6. Water Innovation Engine: Urban Sanitation .....	28
7. Creating Hope In Conflict: A Humanitarian Grand Challenge.....	28
8. Indigenous Innovation Initiative.....	30
9. Global Health Investment Fund .....	30
10. Every Woman Every Child Innovation Marketplace.....	31
11. Kangaroo Mother Care Development Innovation Bond.....	32
<b>LESSONS LEARNED</b> .....	<b>33</b>
Gender Lens on Innovation .....	33
Phased Approach to Transition To Scale.....	34
Structuring Funding at Transition to Scale .....	34
Failing Forward.....	35
<b>CORPORATE PROFILE</b> .....	<b>37</b>
Governance.....	37
Accountability .....	38
Operations.....	39
Human Resources.....	39
Communications.....	40
Administration.....	40
Gender Equality, Environmental Sustainability, and Human Rights and Inclusion.....	40
<b>FINANCIAL SUMMARY</b> .....	<b>44</b>
Leverage and Repayables.....	44

# ANNUAL REPORT 2017–2018

BOLD IDEAS WITH BIG IMPACT



Grand Challenges Canada®  
Grands Défis Canada

<b>MANAGEMENT DISCUSSION AND ANALYSIS</b> .....	<b>45</b>
Risk Management.....	46
Scientific Advisory Board.....	46
<b>AUDITED FINANCIAL STATEMENTS</b> .....	<b>47</b>
<b>ANNEX 1: BOARD OF DIRECTORS</b> .....	<b>64</b>
<b>ANNEX 2: INVESTMENT COMMITTEE</b> .....	<b>65</b>
<b>ANNEX 3: SCIENTIFIC ADVISORY BOARD</b> .....	<b>66</b>
<b>ANNEX 4: ORGANIZATION CHART</b> .....	<b>68</b>



## A MESSAGE FROM THE CHAIR OF THE BOARD



This year has been a time of transition. Perhaps the most significant transition was the decision by founding CEO Dr. Peter Singer to step down from his leadership role with Grand Challenges Canada as of June 30, 2018. On behalf of the entire Board of Directors and our partners and innovators, I would like to thank Peter for his vision and leadership in creating and leading Grand Challenges Canada. In his time with Grand Challenges Canada, Peter nurtured a deep well of talent and an exceptional group of next-generation leaders. As highlighted in the remainder of this report, under Peter's leadership, Grand Challenges Canada has funded over 1,000 innovations championed by innovators in almost 90 countries. By 2030, these projects are expected to save more than one million lives and improve more than 25 million lives.

With Peter's departure, the Board of Directors took the opportunity to launch an extensive search for a new CEO, to continue to build Grand Challenges Canada as a truly global innovation organization. Working with a leading international search firm, we identified many strong candidates. After much reflection and thought, we found that the candidates with the most compelling vision and the track record of success were to be found inside our own organization. It is my pleasure to welcome our new co-CEOs, **Karlee Silver** and **Jocelyn Mackie**. Over the past eight years, Karlee and Jocelyn have proven their passion for innovation, their strong leadership and their strategic vision for the future. I look forward to working with these dedicated and inspiring women leaders in the years to come.

Building on this theme of transition, during the past year, the Board of Directors took time to reflect on and refine our vision and mission, to renew and refresh our approach going forward:

***Our new vision: A world in which innovation accelerates the achievement of the Sustainable Development Goals.***

***Our refined mission: To catalyze innovation that saves and improves the lives of the most vulnerable in Canada and low- and middle-income countries.***

As an organization, we will work diligently with our funders, partners and innovators towards this ambitious vision.

These transitions are coming at a point of strength for the organization, as Grand Challenges Canada continues to thrive. To this end, I was very pleased to see the launch of a new Grand Challenge this year, **Creating Hope in Conflict: A Humanitarian Grand Challenge**, funded by USAID and UK DFID. This new initiative is identifying and supporting ground-breaking solutions that engage the private sector and draw from the experiences of affected communities, in order to significantly improve – and in many cases, save – the lives of vulnerable people affected by conflict.

I am also excited about the partnership with Indigenous leaders, the McConnell Foundation and Johnson & Johnson, which is focused on incubating the **Indigenous Innovation Initiative**. This important initiative is being designed to leverage Grand Challenges Canada's innovation platform to enable Indigenous innovators to build solutions that address pressing challenges in their communities in Canada.



To conclude, I would like to thank the broad network of individuals and organizations that make our work possible. I continue to be impressed by and grateful to our volunteer Board of Directors. In particular, I would like to recognize our committee chairs: **Johanne Charbonneau**, Chair of the Audit & Finance Committee, and **Morris Rosenberg**, Chair of the Governance & Human Resources Committee, for their outstanding contributions over the past year. I would also like to thank our Investment Committee, chaired by **Gerhard Pries**, and our Scientific Advisory Board, which was skillfully led this year by our Vice-Chairs, **Anita McGahan** and **Stanley Zlotkin**, which are critical contributors to our success.

Our work would not be possible without the support of our partners and funders. In particular, I would like to thank **Global Affairs Canada** and **Minister Marie-Claude Bibeau** for their significant support of Grand Challenges Canada. Additionally, I want to acknowledge the partnerships with the **Bill & Melinda Gates Foundation**, the **U.S. Agency for International Development's Office of U.S. Foreign Disaster Assistance**, the **U.K. Department for International Development**, and the **Australian Department of Foreign Affairs and Trade**, which have allowed us to explore promising areas where Grand Challenges Canada can catalyse innovation to save and improve the lives of the most vulnerable.

Best regards,

**Guylaine Saucier** CM, FCPA  
Chair of the Board of Directors



## A MESSAGE FROM THE OUTGOING CHIEF EXECUTIVE OFFICER



Earlier this year I announced that after a decade as CEO of Grand Challenges Canada (GCC), I would be stepping down as of June 30, 2018. In order to ensure that GCC is sustainable, I wanted to leave my role as CEO when GCC is stronger than ever. I am thrilled that two outstanding woman leaders, Jocelyn Mackie and Karlee Silver, have succeeded me as co-CEOs. Selected on merit after an exhaustive national search, their succession represents purposive gender equality in succession planning and an innovative, feminist co-CEO leadership model. I encourage fellow CEOs to nurture high potential woman leaders within their organizations to enable them to compete successfully to lead.

As a co-founder, I am just as committed to the success of this remarkable organization as ever. I want to pay tribute to and remember with great fondness and admiration our remarkable founding Chairman, Joseph Rotman and thank GCC's Board and its current Chair, Mme Guylaine Saucier, for their support and encouragement.

It has been a great privilege to be able to launch and help to build a high-performing innovation platform. Over the past eight years, over \$450 million has been committed to fund our programs, which has enabled us to support 1,000 innovations and thousands of innovators in over 90 countries. I feel proud of what we have accomplished and believe all Canadians can also feel proud of GCC as well.

As I reflect on my time at GCC, I think about the things that have touched and inspired me the most. Without question, I've been most influenced by and found motivation in the people I have met who are living better, safer and healthier lives because of the innovations that we have nurtured. One woman, in particular, stands out for me. She lived in rural Haiti and had suffered for her entire life from untreated epilepsy. Through the innovative work of Zanmi Lasante, her condition was diagnosed and she received affordable and effective treatment. The transformation in her life was incredible – when we met, she was joyful and full of life, and had developed her own small business (a stall in the local market). I know that the team at GCC has changed the trajectory of her life, and the lives of so many other people and their families, and will continue to do so in the future.

I like to think that our work at Grand Challenges Canada has helped to pave the way for a broader focus on challenges and development innovation in Canada and Internationally and that, going forward, we will continue to lead the way, in areas like gender equality, humanitarian innovation and indigenous innovation. I am particularly proud and excited by the Indigenous Innovation Initiative; in my view, this is the most important (and risky) undertaking we have been a part of since we launched GCC in 2010.

Leading Grand Challenges Canada for the past decade has been the greatest professional honour and privilege of my life. GCC's journey is only beginning and I am confident the organization will reach even greater heights in the coming years.

Best Regards,

**Peter A. Singer, OC**



## A MESSAGE FROM THE INCOMING CO-CHIEF EXECUTIVE OFFICERS



Grand Challenges Canada has never been more impactful and still remains an organization full of potential. It is an honour to be given the opportunity to lead this organization, which we have helped build over the past eight years. In the years ahead, we aim to deliver on the vision of Grand Challenges Canada's founders, and the inspiring renewed vision and mission articulated by the Board.

We thank the Board of Directors for its confidence in our leadership, and for their dedication to seeing Grand Challenges Canada thrive through the pursuit of our vision and mission. We look forward to working closely with the Board under the skilled leadership of its chair, Mme Guylaine Saucier, along with our many partners and hundreds of innovators, to deliver on our shared vision.

We are also deeply grateful to our predecessor – mentor, champion, and friend – Dr. Peter Singer. His are big shoes to fill and we thank him for his leadership, as he progressively made more room for us to aspire to fill them. The outcomes that are highlighted throughout this report are a product of Peter's leadership and dedication. We see this report as a celebration of what we have accomplished together in this past year, his final year as CEO, and the impact that we can anticipate in the future.

What keeps us motivated are the individuals and families whose lives are changed through our work. For example, thinking about the young woman who travels with her husband, infant and toddler from her village to the outskirts of Delhi to work on a construction site of a new housing complex. She has convinced her husband to seek work with this particular construction company because she heard from fellow migrant workers that it supports a child care centre, where their children will be cared for, provided nutritious meals and provided opportunities to learn and play while they are both at work. Staff members at the centre, which is run by a local NGO and supported financially by the construction company, have received training in quality child care from Mobile Creches. This creative partnership, one that was enabled with support from Grand Challenges Canada, means that this young woman has the chance to earn a living while her children have a strong chance to succeed in life. This is the kind of impact we seek to replicate for millions more young women, children and other vulnerable people around the world, and in Indigenous communities in Canada.

Finally, we are honoured to lead an outstanding team. As we have heard many times, at Grand Challenges Canada, we 'punch above our weight.' This is only possible because of the dedication and smart work of the talent within the organization. We look forward to continuing to punch above our weight with the team to achieve Grand Challenges Canada's vision and mission.

Best regards,

**Jocelyn Mackie**  
Co-Chief Executive Officer

**Karlee Silver**  
Co-Chief Executive Officer



## HIGHLIGHTS

*“Canada will build innovation into its international assistance, encouraging greater experimentation and scaling-up of new solutions to development challenges...”*

– Canada’s Feminist International Assistance Policy

### Snapshot of 2017–18

The following diagram captures a snapshot of Grand Challenges Canada’s progress and impact in 2017–18.



#### 1 Grand Challenge launched

Creating Hope in Conflict: A Humanitarian Grand Challenge, in partnership with USAID and DFID



#### \$40.1 million leveraged

through investors and partners



#### 159 new projects funded

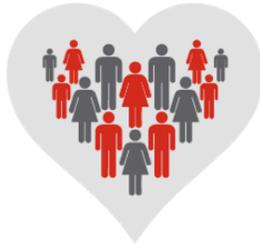
139 seed projects and  
20 TTS projects

One of the most notable achievements in 2017-18 was that Grand Challenges Canada’s commitment to gender equality was recognized through a GE02 score from Global Affairs Canada. This commitment goes beyond supporting women-led innovations and social enterprises to ensuring that all innovators are supported to adopt a gender lens in their work. Grand Challenges Canada is also proud to be incubating the **Indigenous Innovation Initiative**, an Indigenous innovation platform that will enable Indigenous innovators and communities to identify and solve their own challenges, transform lives and drive inclusive growth and health outcomes.

### Lives Saved and Improved

Grand Challenges Canada’s primary objective is to save and improve lives. Because we work to achieve this objective through innovation, we are interested not only in the immediate impacts and outcomes of our work over the lives of the projects that we fund but also in the potential for longer-term, transformative outcomes by 2030.

The projected outcomes to 2030 and actual cumulative outcomes since 2010 from our current portfolio of innovations are:



**450,000–1.6M lives saved by 2030**  
through the use of innovative products and  
services that **save lives**

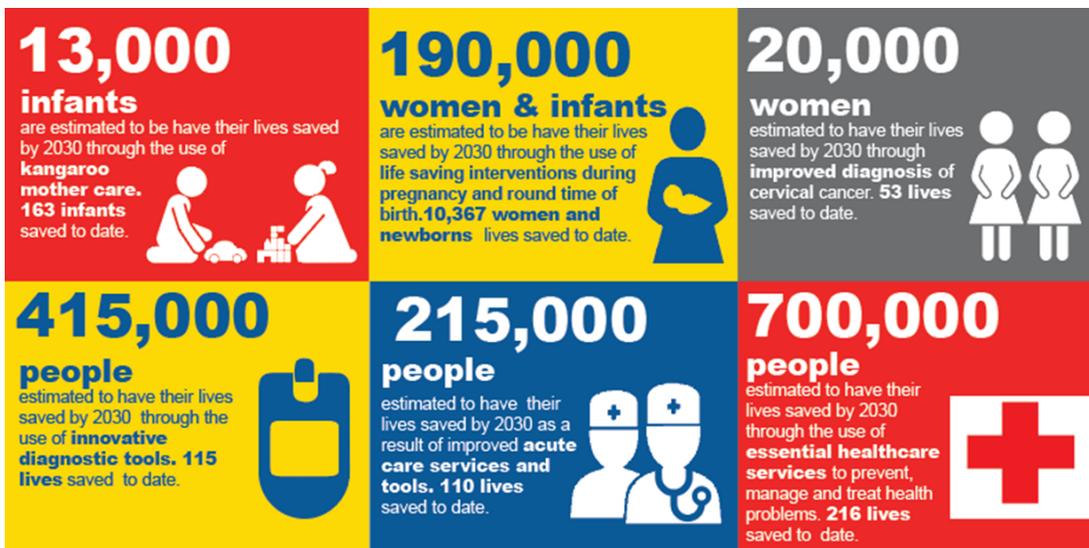
**13,000 lives have been saved to date**



**11M–35M lives improved by 2030**  
through the use of innovative products and  
services that **improve lives**

**1.5M lives have been improved to date**

The following figures provide an overview of some of the primary ways in which our innovators are saving and improving the lives of the poor and most vulnerable in low- and middle-income countries:





## Key Outputs

In addition to our strong focus on lives saved and improved, we also track a range of key **cumulative** outcomes and outputs, as follows:



### 1026 innovations

Supported from low- and middle-income countries and Canada



### 202% leverage rate

For every \$1 that Grand Challenges has invested, \$2.02 has been leveraged from investors and partners



### 95 countries

Where innovative projects or services are being implemented



### 85 policies influenced

through engaging government officials & decision-makers



## Policies Influenced

The following are examples from the **85 policies** influenced:



**Stars in Global Health (Round 3):** Project showed that applying a positive deviance approach (addressing living conditions, physical and mental health, basic rights, violence and abuse, and access to community activities) in Vietnam results in a significant improvement in quality of life of people with severe mental illness (Trang Nguyen Thi Thu, Vietnam). Based on the results of this project, three more provinces in Vietnam have committed to applying funds to roll out this model.



**Stars in Global Health (Round 4):** Project introduced a low-cost, easy-to-use breast ultrasound scan and breast healthcare algorithm for low-resource settings. Implemented in Uganda, results showed the feasibility of integrating this approach into existing health care systems. The standardized breast ultrasound report that was created was adopted by the Association of Radiologists in Uganda and is now widely used as the standard report form in Uganda.



**Stars in Global Health (Round 6):** Project implemented prevention strategies to limit silica dust exposure in agate-processing industries in India to combat lung cancer, silicosis, and tuberculosis. Through the installation of local exhaust ventilation systems and deployment of educational tools, dust levels were reduced by 50 to 90 percent in pilot sites. As a result, this dust control approach was adopted by a non-participant in a large factory in Khambat.

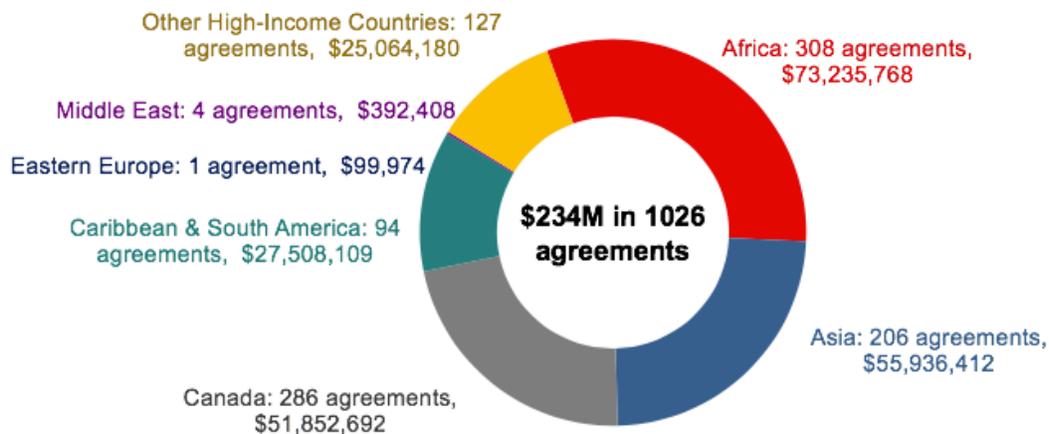


**Stars in Global Health (Round 6):** Team illustrated that by making pharmaceutical information available and accessible to the public in the Philippines, they can increase the number of informed consumers and maintain market competitiveness. As a result, the FDA implemented the team's suggest mapping policy that requires pharmacies to submit GPS coordinates as part of the registration requirements.

Photos (top to bottom): Trang Nguyen Thi Thu, Imagining the World, Governing Council of the University of Toronto, Philippine Business for Social Progress, Inc.

## Activities and Inputs

Since 2010, Grand Challenges Canada has supported 1,026 agreements for innovation projects, totalling \$234 million CAD, with 95 countries where innovative projects or services are being implemented, as illustrated in the following figure (distribution by \$).





## STRATEGIC PLAN

In 2017–18, Grand Challenges Canada’s Board of Directors approved an updated Strategic Plan entitled **Vision 2030**. The key elements of this plan are as follows.

### Vision and Mission

Grand Challenges Canada is dedicated to supporting **Bold Ideas with Big Impact**®. Funded by the Government of Canada and by other partners, Grand Challenges Canada is an adaptable platform to implement government priorities. Grand Challenges Canada funds innovators in low- and middle-income countries and in Indigenous communities in Canada. The bold ideas Grand Challenges Canada supports integrate science and technology, social and business innovation – known as **Integrated Innovation**®.

**Our vision:** *A world in which innovation accelerates the achievement of the Sustainable Development Goals.*

**Our mission:** *To catalyze innovation that saves and improves the lives of the most vulnerable in Canada and low- and middle-income countries.*

### Innovation Platform

Grand Challenges Canada is an **innovation platform** that seeds and transitions to scale scientific, social and business innovation, to drive sustainable impact at scale. Our platform:

- 1. Leverages resources and expertise from public, private and philanthropic partners:** Grand Challenges Canada has engaged partners from across sectors and countries to support transformative ideas, amplifying the impact of public investments in innovation.
- 2. Deploys both grant and non-grant financing:** Grand Challenges Canada makes use of a broad range of financial tools, including an array of investment approaches, to support the promising innovations recommended by our Investment Committee as they transition to scale. We have found that each innovation is unique and requires its own tailored investment approach to enable it to scale sustainably.
- 3. Supports gender equality in all aspects of our organization and programming:** Grand Challenges Canada promotes gender equality by ensuring that the innovators we support have considered the ways in which their innovation, governance and activities can contribute to the empowerment of women and girls. We also lead by example to ensure Grand Challenges Canada is an organization that embodies gender equality in its governance and decision-making.
- 4. Applies the best of public and private approaches to evaluate impact, manage risk and knowledge, and to ensure affordable access:** Grand Challenges Canada has developed an integrated approach to impact measurement to track our organizational performance, our innovators’ capacity development and the social impact resulting from innovations.



## Strategic Objectives

Grand Challenges Canada will pursue the four **strategic objectives** outlined below.

**1. Optimize the impact of Grand Challenges Canada’s existing pipeline of seed and Transition To Scale development innovations**

By definition, the impact of innovation is in the future. Grand Challenges Canada has now supported over 100 innovations to transition to scale so that, by 2030, they can realize their true potential to save and improve lives in low- and middle-income countries. Many of these innovations have an explicit focus on gender equality and/or have significant gender equality outcomes.

**2. Build new pipelines of development and humanitarian innovations in greenfield areas and transition to scale the most promising solutions**

As current challenges mature and move towards exit, Grand Challenges Canada will identify new grand challenges that can save and improve lives through transformative innovation, with a particular focus on gender equality, as outlined in the previous section. Each new program will include a rigorous, milestone-based approach with clear go/no-go decision points.

**3. Incubate the Indigenous Innovation Initiative**

Grand Challenges Canada is the host of the Indigenous Innovation Initiative, which is leveraging Grand Challenges Canada’s innovation platform, approach, experience and technical expertise to enable Indigenous innovators and communities to identify and solve their own challenges, transforming lives and driving inclusive growth and health.

**4. Grow Grand Challenges Canada’s reputation and capabilities, both globally and domestically, as a resource and platform for innovation with impact**

In addition to the specific programmatic objectives and activities outlined above, Grand Challenges Canada will continue to be a Canadian resource and source of expertise on innovation with social impact.



## PROGRAM ARCHITECTURE

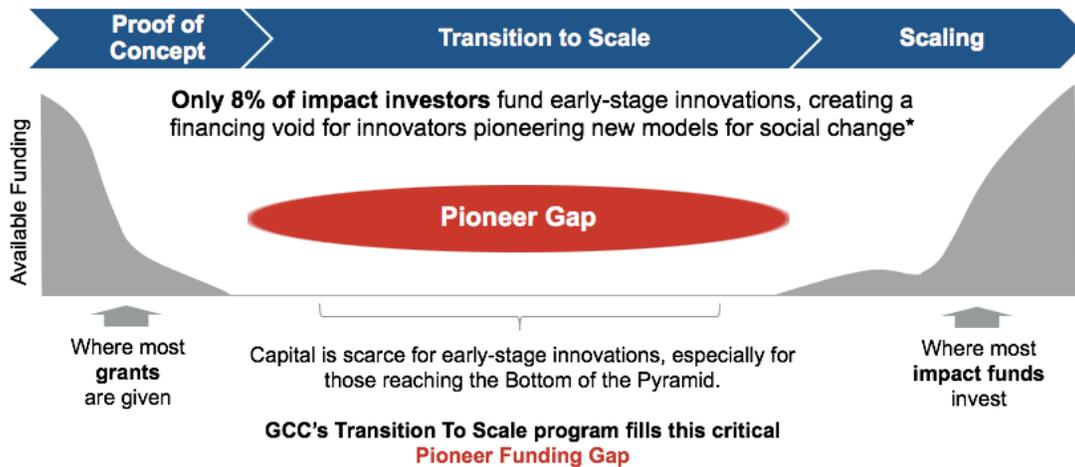
Grand Challenges Canada delivers our mission and realizes our vision by implementing a range of programs and other initiatives, as follows (over):

PRIORITIES	PROGRAMS
<b>DEVELOPMENT</b>	1. Transition To Scale
	2. Stars in Global Health
	3. Saving Lives at Birth
	4. Saving Brains
	5. Global Mental Health
	6. The Water Innovation Engine
<b>HUMANITARIAN</b>	7. Creating Hope in Conflict
<b>INDIGENOUS</b>	8. Indigenous Innovation Initiative
<b>OTHER INITIATIVES</b>	9. Global Health Investment Fund
	10. Every Woman Every Child Innovation Marketplace
	11. Kangaroo Mother Care Development Impact Bond

## 1. Transition To Scale

### Challenge

In the impact investing space, it is widely acknowledged that there is a funding gap between proof of concept and scaling, where innovations are iterating on their business models to deliver social change. This is called the pioneer gap:



*\*JP Morgan & Global Impact Investing Network's Annual Impact Investor Survey, 2016*

Grand Challenges Canada's Transition To Scale (TTS) program is designed to bridge this gap. Grand Challenges Canada is an impact-first investor that is willing to assume risk that other investors are not, and to provide vital support to enable the most promising innovations to transition to scale and sustainability.

Through this program, Grand Challenges Canada supports innovators to:

1. Develop and refine **business and implementation models**
2. Improve **technology, products and services**
3. Address gaps in **team and governance**
4. Improve **operations and/or commercial viability**
5. Validate **health outcomes and/or cost-effectiveness**
6. Build **smart partnerships**



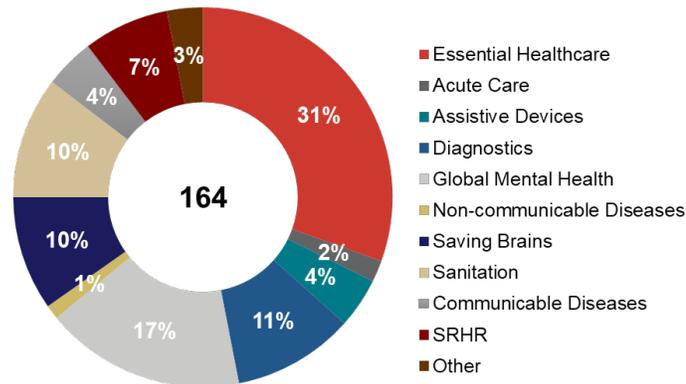
*Healthy Entrepreneurs conducts a training program for entrepreneurs in Uganda.*



## Portfolio

The TTS program funds a diverse portfolio of innovations:

**TTS Portfolio by Health Focus**



Key cumulative outputs for the TTS program are:



**164 innovations**  
supported around the world



**\$105.1M** in GCC funding;  
for every \$1 that has been invested,  
\$1.29 has been leveraged from  
investors and partners

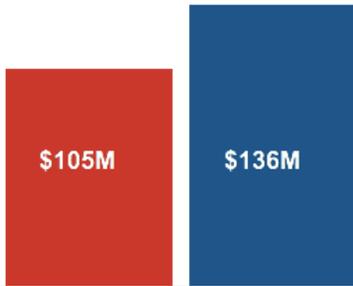


Innovators implementing  
in **35 countries**  
**70%** led by LMIC institutions  
**21%** led by Canadian institutions  
**9%** led by HIC institutions

In the past two years alone, the TTS program has committed \$41.7 million to support 65 innovations. The majority of these leveraged dollars have come from foundations and NGOs, but governments and multi-lateral organizations are also crucially important, contributing almost one-fifth of funds leveraged by TTS investment in 34 reproductive, maternal, newborn and child health innovations, as follows:



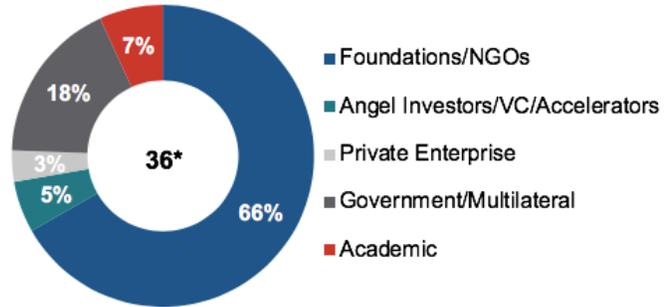
### TTS Total Leveraged Funds



GCC Investment Leveraged Funds

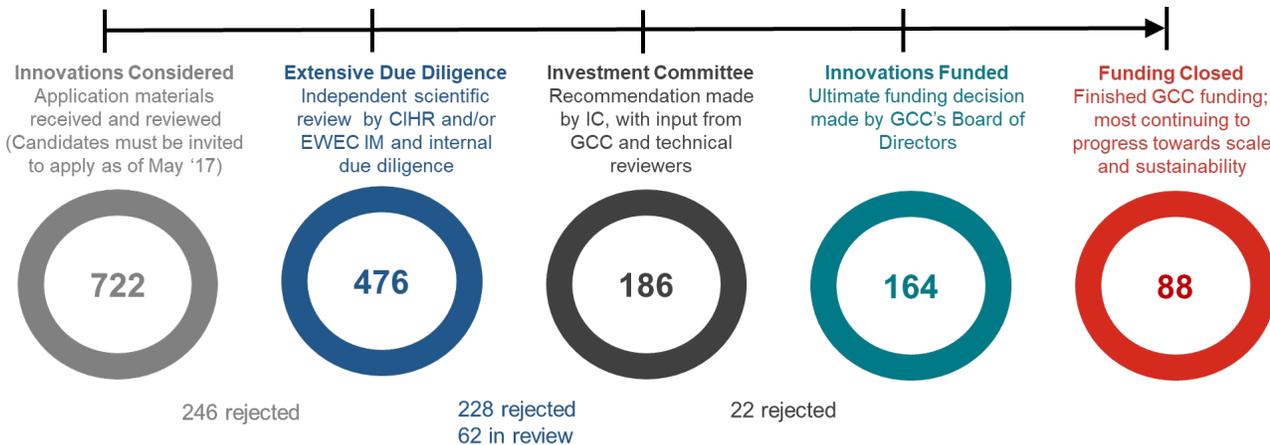
For every dollar committed by GCC to transition innovations to scale, **an additional \$1.29** has been invested by other partners

### MNCH Leveraged Funds by Source



Majority of leveraged funds are sourced from **NGOs, foundations and charitable institutions**

All innovations supported at TTS undergo an extensive selection, due diligence and approvals process, to ensure that only the most promising are ultimately supported. This process includes an independent scientific review led by our partners at the Canadian Institutes of Health Research, followed by presentation of investment recommendations to Grand Challenges Canada's Investment Committee and Board of Directors. The following diagram provides a summary of the maturity of the current pipeline of TTS innovations:



## Impact

The cumulative outcomes of the TTS program are illustrated in the **Highlights** section earlier in this report.

### CASE STUDY: Mobile Creches

Based in Delhi, India, **Mobile Creches** is a non-profit NGO that partners with construction companies to provide onsite, quality childcare for young children of migrant workers – children who would otherwise be left at home in unsafe living conditions. Grand Challenges Canada supported Mobile Creches to test whether they could train other NGOs to sustainably replicate their mobile crèche model.

With Transition To Scale funding, Mobile Creches was able to train ten NGOs to deliver care across 38 crèches to over 8,500 young children.

Children under three years of age who attended a crèche for more than six months had better development scores than those attending less than one month, and those children with good crèche attendance also had improved health and nutrition. A year after funding ended, 90 percent of initial NGO partners were still delivering crèches, including three with financial independence, two new partners had been added, and additional crèches were operational in several new cities.

Grand Challenges Canada originally estimated that, even without any further funding, this approach would have led to **more than 63,000 young children reached by 2030**, with potential for widespread replication to fill the care gap for the 12 million migrant children in India. In early 2018, Grand Challenges Canada began extensive due diligence on a potential reinvestment in Mobile Creches, to help them move into additional industries (e.g., agriculture, brickworks and textile manufacturing), allowing them to **increase the number of children – to almost 600,000 – who would access quality care and a better start to life by 2030**.



*Mobile Creches provides affordable, accessible mobile daycare at construction sites in India.*



## 2. Stars

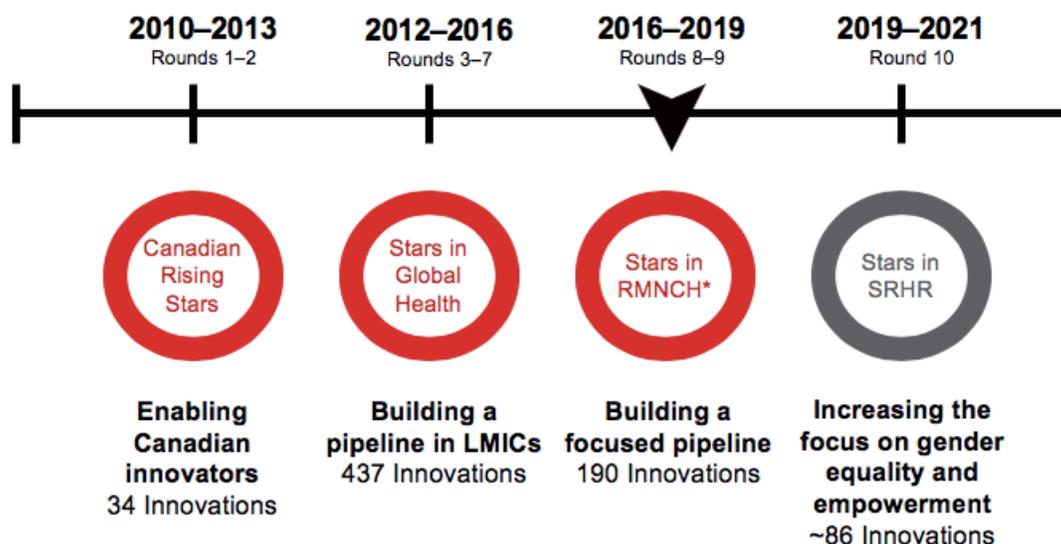
### Challenge

Health and well-being for all is essential to sustainable development, as highlighted in the 2030 Agenda for Sustainable Development. Innovation, in turn, is crucial for the achievement of the Sustainable Development Goals. Promising innovations, however, are often limited in their ability to attract initial funding to test and validate their impact and follow-on funding and support to enable them to achieve scale and sustainability, which greatly diminishes their ability to help achieve the Sustainable Development Goals.

Grand Challenges Canada launched the Stars program with the objective of solving complex global health challenges by supporting **bold ideas with the potential for big impact**. Investing small amounts of funding (approximately \$100,000 each) into a large number of diverse projects is a robust de-risking strategy to maximize the impact of investments in development innovation. Data gained during the Stars funding stage drives evidence-based decisions on which initiatives to transition to scale. The ultimate objective of this program is to develop a pipeline of innovations to feed – and thereby increase the impact and value for money of – the Transition To Scale portfolio (described in the previous sub-section).

The Stars program is nimble and can be responsive to Canada’s international development priorities – hence, the evolution of the program from Canadian Rising Stars through Stars in Global Health to the more recent pivot in response to the Feminist International Assistance Policy, to source more sexual and reproductive health and rights innovations under the umbrella of Stars in Reproductive, Maternal, Newborn and Child Health. An example of an exciting SRHR project funded through this program is highlighted in the Case Study box on Page 21.

The following diagram highlights the evolution of the Stars program innovation pipeline:



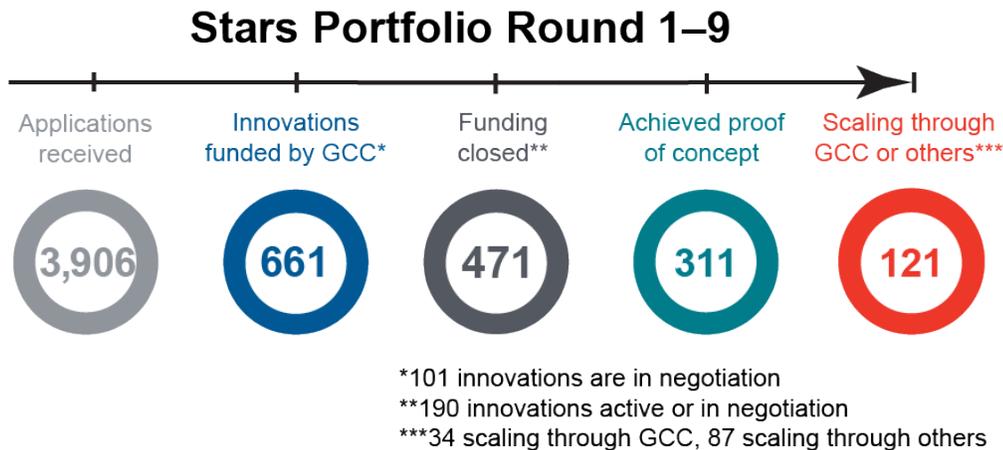
Evidence suggests that the Stars program empowers innovators who lack opportunities through other sources. For example, the percentage of female innovators being funded in the Stars program has increased in the two most recent rounds to 43 percent.



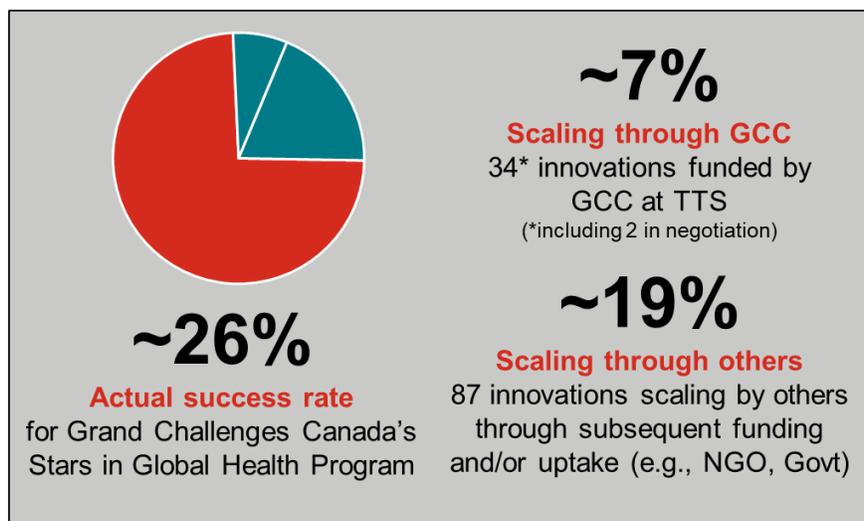
## Portfolio

To date, Grand Challenges Canada has committed \$69.8 million CAD to support 661 innovations that were implemented in 87 low- and middle-income countries. This funding leveraged an additional \$99.2 million CAD. Sixty-five percent of the projects funded through the program are led by innovators in low- and middle-income countries, with the remaining 35 percent led by Canadian innovators who are working with partners in low- and middle-income countries.

The following diagram provides an overview of the progression of Stars innovations from application through to being funded by Grand Challenges Canada or others to transition to scale:



The proportion of Stars innovations that attract transition-to-scale investment **exceeds the success rate** that might be expected in a venture capital model (which is typically closer to 10 percent), as outlined below. Importantly, almost three times more innovations that Grand Challenges Canada funds are later funded by external sources, which represents significant value for money.





## Impact

The Stars program has been successful at sourcing potentially high-impact innovations. Stars innovations transitioning to scale via Grand Challenges Canada funding make up ~30 percent of the TTS portfolio and are modeled to contribute the majority of Grand Challenges Canada’s lives saved and improved by 2030:

- *Top 5 Lives Saved: 4 from Stars; 0.424–1.32 million (~85% of Grand Challenges Canada total)*
- *Top 5 Lives Improved: 3 from Stars; 9.7–25.5 million (~65% of Grand Challenges Canada total)*



**OneBreath:** Cost-effective mechanical ventilation for LMICs



**Arbutus:** Sterile drill covers for low cost orthopedic surgery



**KA Imaging:** low-cost, low-dose, high resolution digital x-ray imager



**Flocked Swab:** Effective management of childhood diarrhea

## CASE STUDY: Impact on Sexual and Reproductive Health and Rights

In order for Zambia to meet its target of increasing the contraceptive prevalence rate from 33 percent to 58 percent by 2020, cost-effective and scalable solutions that increase access to family planning are required. The Marie Stopes (MS) Ladies Model uses retired, under- and unemployed nurses in an income generating model to increase access to family planning. MS Ladies travel between low-income, high-density areas of Zambia, offering comprehensive family planning services and HIV testing in women’s homes and in community spaces near “hotspots”, such as markets. MS Ladies are trained to provide high-quality family planning services, including both short-acting and long-acting reversible contraception methods.



*The Marie Stopes Ladies at Marie Stopes Zambia create access to family planning services.*

The Stars in Global Health grant, entitled *Scaling Up Access to Contraceptive Choice in Zambia through Mobile Community Nurses*, allows Marie Stopes Zambia to test the number of women that can be reached and the number of family planning services that can be provided through this model, as well as assess the willingness to pay for such services and the income that MS Ladies can earn. The quality of services provided is also being tested by conducting a clinical quality audit for family planning services. To date, over 4,000 women have been provided with contraceptive services through this innovative service delivery model. This innovation has the potential to mobilize an under-used resource to reach Zambia’s family planning goal and decrease maternal mortality.



## 3. Saving Lives at Birth (SL@B)



A PARTNERSHIP OF



### Challenge

More than 40 percent of maternal and newborn deaths and stillbirths occur on the day of birth, and newborn mortality rates account for 44 percent of all under-five child deaths. Further, virtually all of the 303,000 maternal deaths, 2.7 million newborn deaths, and 2.6 million stillbirths that occur each year happen in low- and middle-income countries.

The Saving Lives at Birth partnership brings together USAID, NORAD, the Bill & Melinda Gates Foundation, the UK's Department For International Development (DFID), the Korean International Cooperation Agency (KOICA) and Grand Challenges Canada (with funding from the Government of Canada) to overcome this challenge by supporting the development and transition to scale of ground-breaking innovations in low- and middle-income countries that accelerate substantial and sustainable progress against maternal and newborn deaths and in the prevention of stillbirths. The Saving Lives at Birth program fills a gap in maternal and newborn health innovation by creating a highly competitive platform through which to source innovations of scientific excellence.



A low birth weight baby wears a Bempu bracelet to help detect body temperature changes.

### Portfolio

The following outputs have been generated over the first seven rounds of the Saving Lives at Birth program:



**143 awards**  
93 seed awards  
28 validation awards  
22 TTS awards



**\$94.2M CAD**  
in SL@B awards  
**\$106M CAD**  
in leveraged funding



Innovators in  
**21 countries**,  
implementing in  
**29 LMICs**



One of the major learnings about this portfolio is that because 76 percent of the portfolio is product or technology-based the time to impact will be longer than for social or business innovations. As a result, the majority of successful innovations will require validation funding and more than 2–3 years to generate proof of concept. In order to support and enable innovators to move from idea to impact, the partners started supporting the SL@B Venture Advisory Platform this year. This platform will provide the stage-based, bespoke support required to accelerate the time to scale for the most promising innovations. A structured evaluation platform has also been launched to generate analytics, tools and recommendations, to improve the overall quality of the program.

## Impact

The following figure summarizes the impact to-date from this portfolio:



The following three innovations have contributed most of the lives saved to-date:



Photo credit: JSI Nepal

**Chlorhexidine (CHX) Cord Care**  
*John Snow International*

**8,473 newborn** lives saved through use of chlorhexidine for preventing infection in Nepal. GCC estimates up to **18,000 lives** could be saved by 2030.

*Purpose: determined best way to package and deliver CHX across Nepal.*



Photo credit: Jocelyn Brown

**Bubble Continuous Positive Airway Pressure (bCPAP)**  
*Rice University*

**1,497 newborn** lives saved through provision of respiratory support using the bCPAP in Malawi hospitals.

*Purpose: roll-out of bCPAP in full partnership with the Government of Malawi.*



Photo credit: <http://www.massgeneral.org>

**Every Second Matters: Uterine Balloon Tamponade (ESM-UBT)**  
*Massachusetts General Hospital*

**397 maternal lives** saved through treatment of PPH using ESM-UBT in Kenya and Sierra Leone. GCC estimates up to **13,000 lives** could be saved by 2030.

*Purpose: created a ready-packaged UBT and training model.*

In addition, the three innovations that follow (over) have contributed to improving the most lives to date. They are all led by large NGOs, in collaboration with local governments:



Photo credit: AMREF

### Saving mothers and babies with reliable solar power

*Amref Health Africa*

**48,787 births** attended by a skilled provider in a rural facility in Uganda equipped with solar power, fetal Doppler, and digital data management systems.

GCC estimates that **250 lives** could be saved by 2030.



Photo credit: Africare

### Collaborative Community-based Technology

*Africare Senegal*

**9,800 births** attended by a skilled provider. To date, over 23,000 pregnant women have received community support services to increase demand for and access to quality prenatal care in rural Senegal.

GCC estimates that **150,000 newborn lives** could be improved and **1,800 maternal and newborn lives** could be saved by 2030.



Photo credit: <https://quevivianiasmadres.wordpress.com/blog/>

### Que Vivan Las Madres!

*Centro de Investigación Epidemiológica en Salud Sexual y Reproductiva (CIESAR)*

**4,105 births** attended by a skilled provider trained in the program. A social marketing campaign engaging Indigenous populations and traditional birth attendants led to a 19% increase in institutional deliveries.

GCC estimates that over **22,000 births** could be attended by a skilled provider trained in the program by 2030.

## 4. Saving Brains



A partnership of:



Grand Challenges Canada®  
Grands Défis Canada



AGA KHAN FOUNDATION  
CANADA



Bernard  
van Leer  
FOUNDATION

BILL & MELINDA  
GATES foundation



the  
ELMA  
FOUNDATION



FUNDAÇÃO  
Maria Cecília  
Souto Vidigal



Palix Foundation



UBS  
Optimus Foundation



World Vision  
For Children. For Change. For Life.

### Challenge

The early years of a child's life are critical for brain development, with over a million new neural pathways formed every second during a developing child's first 1,000 days. The adversity children face during this critical window disrupts normal brain development, causing setbacks that last into adulthood. When we neglect to support families and young children, they fall further away from achieving their potential with respect to education, intelligence and income. This helps lock communities into cycles of adversity and poverty. The enormity of this issue is clear: worldwide, one in three kids – or 200 million children – are falling behind on basic skills like learning to pay attention, playing well with others, and learning the basics to be ready for school.

Saving Brains supports new products, services and implementation models designed to nurture early brain development, developing holistic interventions that address the multitude of adversities facing young children.





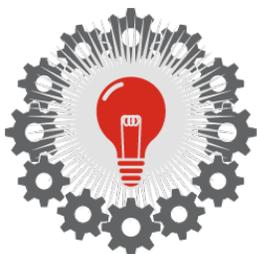
They ensure:

- Good health and nutrition
- Good opportunities to play and learn
- Protection from violence and maltreatment.

At scale, Saving Brains can translate to massive economic gains and help break cycles of poverty and adversity.

## Portfolio

Through the Saving Brains program, we have assembled one of the largest portfolios of innovation in early child development in the world. The following figure captures the inputs and outputs to date from this program:



**115 innovations** supported, including  
13 studies (focus phase)  
86 seed projects  
16 TTS projects



**\$53.5M in GCC funding**



Innovators implementing  
in **35 countries**  
**84%** led by LMIC institutions  
**16%** led by Canadian institutions

The program has seeded a critical mass of innovations aligned with the *Nurturing Care Framework*:



Most innovations improve the **quality of the relationships and care** young children receive



Over two thirds of the innovations include a **home-visitation** component with families



Most innovations are **services** (not products) to families with young children, with innovative delivery models and using a wide **diversity of service providers**



Funded institutions are largely **academic organizations and NGOs**, with few social enterprises



*Graphic Credits:* Michelle Fosse from Noun Project (house); John T. Garcia from Noun Project (institution); Oksana Latysheva from Noun Project (services)



## Impact

To date, Saving Brains innovations have contributed to the following outcomes:



**32,305 children with improved development** through use of innovative products & services



**39,822 children receiving innovations** designed to improve child development



**39,371 caregivers** delivering innovations to improve early childhood development



**4,235 service providers** delivering innovations to improve early childhood development



**3 million children estimated to be using interventions** to improve early childhood development by 2030

18

## Lessons

Saving Brains has shown even short “pilots” of 18–24 months can have demonstrable impacts on the development of young children. In a recent publication, the program demonstrated that improvements in child development are associated with improved home environment, child- parent relationships and other indirect measures, and these intermediate metrics can be used to help detect the most promising innovations that warrant further investment early in the scaling process<sup>1</sup>. Saving Brains innovations are more likely to be led by women innovators than those from other programs, and 90 percent of innovations contribute meaningful and measurable reductions in gender inequalities. Examples of Saving Brains innovations improving gender equality:



**Fathers’ clubs** change attitudes of new fathers in Vietnam regarding caregiving, improve support for exclusive breastfeeding, and improve father engagement in play activities.



The **YWCA of Malawi** provides psychosocial support to adolescent mothers on parenting skills, self-esteem and resilience, and bonding with their children. Issues intimate partner violence are also addressed.



**Kidogo** in Kenyan slums creates safe and affordable daycare options so mothers have quality places to leave children while at work.

<sup>1</sup> Radner, James M., Ferrer, Marvin J.S., McMahon, Dominique, Shankar, Anuraj H., and Silver, Karlee L. (2018), “Practical considerations for transitioning early childhood interventions to scale”, The Annals of New York Academy of Sciences.



## 5. Global Mental Health

### Challenge

Mental disorders contribute to **14 percent of the global burden of disease**. Seventy-five percent of this burden occurs in low- and middle-income countries, where **scarce resources** and a **shortage of trained professionals** mean individuals living with mental disorders have limited access to evidence-based treatments. Even in contexts where treatment is available, **widespread stigmatization** faced by those living with mental illness means that they are often unwilling or unable to access this care.

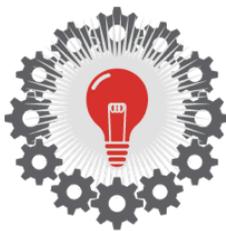
To this end, Grand Challenges Canada's Global Mental Health program focuses on funding innovations that can improve treatments and expand access to care.



*Strong Minds offers facilitated peer support, such as this community mental health group in Uganda.*

### Portfolio

The following **figure** captures the cumulative inputs to the Global Mental Health program and its outputs to date:



**85 innovations**  
Supported, including  
**16** under the AGHI  
Contribution Agreement



**\$45M CAD** in GCC funding,  
including **\$3.6M** invested in the  
Mental Health Innovation Network



Innovators implementing  
in **31 countries**;  
**72%** led by LMIC institutions  
**24%** led by Canadian institutions  
**4%** led by HIC institutions

### Impact

Outcomes from these projects are:



**>40,000 people** with improved  
mental health and well-being



**>180,000 people** using innovative  
mental health services



**6.7 million people** reached  
through innovative outreach  
and awareness campaigns



## 6. Water Innovation Engine: Urban Sanitation

### Challenge

Worldwide, approximately 663 million people lack access to a clean and safe water source and an estimated 1.2 billion more rely on improved water sources that are nonetheless contaminated. In low- and middle-income countries, environmental contamination leads to 94 percent of all cases of diarrhea, resulting in approximately 1.5 million deaths per year that mainly occur in children. Further, women and girls face high risks of violence and sexual harassment when travelling to public latrines or openly defecating. The World Health Organization estimates that improving water, sanitation and hygiene could prevent approximately 9.1 percent of the entire global burden of disease and 6.3 percent of all-cause deaths worldwide. These findings highlight the importance of investments in effective urban sanitation innovations.

The potentially transformative impact of improving access to clean water presents a unique opportunity for the Water Innovation Engine, an initiative funded by the Australian Department of Foreign Affairs and Trade to support innovations in water and urban sanitation, and to play a leadership role by catalyzing a range of stakeholders, including the private sector, to invest in a wide range of innovations throughout the sanitation value chain. As the implementing partner of the Urban Sanitation Challenge, Grand Challenges Canada is applying our innovation platform to identify and support the most promising urban sanitation innovations – enabling them to transition to scale and maximizing their impact on the lives of women and children. In addition to funding from the Government of Australia, Grand Challenges Canada continues to leverage support from Global Affairs Canada to build a robust portfolio of innovations in urban sanitation.

### Portfolio

To date, \$8.7 million has been invested to transition to scale nine innovations that address particular elements of the global urban sanitation challenge.

### Impact

Our long-term impact models suggest that, if successful, three urban sanitation innovations alone could **improve ~2 million lives by 2030** through sustained, regular use of improved sanitation facilities, as a result of the innovations in safe waste removal and processing from communities.

## 7. Creating Hope In Conflict: A Humanitarian Grand Challenge

CREATING  
**HOPE**  
IN CONFLICT:  
A HUMANITARIAN  
GRAND CHALLENGE



**USAID**  
FROM THE AMERICAN PEOPLE



Grand Challenges Canada®  
Grands Défis Canada



## Challenge

More than 136 million people around the world live in areas experiencing humanitarian crises. Millions of these people are unreachable by traditional humanitarian aid delivery, due to armed conflict. As the length, frequency and scope of the world's conflicts increase, it is becoming more difficult to reach affected people in insecure areas with life-saving and life-improving humanitarian assistance. We need new solutions that respond to the needs of vulnerable, inaccessible communities – yet, less than one percent of humanitarian aid is focused on investing in the innovations necessary to reach them.

To overcome this challenge, the U.S. Agency for International Development, the U.K. Department for International Development and Grand Challenges Canada are partnering on **Creating Hope in Conflict: A Humanitarian Grand Challenge**. This program will identify and support ground-breaking solutions that engage the private sector and draw from the experiences of affected communities, in order to significantly improve – and in many cases, save – the lives of vulnerable people affected by conflict. Its goal is to identify solutions that allow communities to respond more nimbly to complex emergencies and take steps to create better lives for themselves.

## Portfolio

Creating Hope in Conflict is focused on four key focus areas:

1. **Safe Water and Sanitation:** We are looking for bold ideas, technologies, processes and approaches that enable rapid provision of safe water and safe disposal of waste and sewage in the most vulnerable households and/or enable implementers to rapidly scale up programs.
2. **Energy:** We are looking for bold ideas to generate energy. We are particularly interested in alternative energy solutions that can be set up and maintained in conflict situations, and that power life-saving and life-improving services, such as health, information, water and sanitation, and education.
3. **Life-Saving Information:** We are looking for bold ideas that use and improve access to information and data, to increase the impact of humanitarian assistance at the local level and enable more effective connections between affected populations and humanitarian actors.
4. **Health Products and Services:** We are looking for bold ideas that enable non-experts to provide quality care; empower skilled staff who choose to work in conflict zones; allow faster or less costly importation and distribution of quality essential health supplies in conflict zones; and enable affected communities to manufacture necessary high-quality and safe supplies, or sterilize and reuse them.

In response to the first Request for Proposals, 615 applications were received from 86 countries, 48 percent of which were from low- and middle-income countries and 18 percent of which were from people in conflict-affected countries. In total, these applications total over \$150 million CAD in requested funding. Only 33 percent of the innovators who applied were women; this disparity has led the team to think about how to better reach and encourage women to apply for the next round of funding.

Successful innovators will be announced late in 2018, with a second call for innovations to be launched in early 2019.



## 8. Indigenous Innovation Initiative



**Indigenous  
Innovation  
Initiative**

La fondation  
**McConnell**  
Foundation

*Johnson & Johnson*

The Indigenous Innovation Initiative is a potentially transformative new initiative hosted by Grand Challenges Canada. Although still early in its development and implementation, this initiative is focused on building an Indigenous innovation platform that will support Indigenous innovators in their own communities in Canada. The Indigenous Innovation Initiative is delivered in partnership with the McConnell Foundation and Johnson & Johnson. When fully implemented, its goal will be to enable Indigenous innovators and communities to identify and solve their own challenges, transforming lives and driving inclusive growth and health.

Led by **Jeff Cyr**, Vice President Indigenous, the Indigenous Innovation Initiative is built on a foundation of Indigenous ways of knowing and being, and is deeply rooted in Indigenous values. Its work is guided by the **Indigenous Innovation Council**, which provides guidance, leadership and insight on all aspects of its work. Members of the council include:

- **Stephen Kakfwi**, former Premier of the Northwest Territories
- **Wendy Phillips**, Elder, University of Toronto, Scarborough
- **Nadine St. Louis**, Sacred Fire Productions
- **Melanie Goodchild**, Waterloo Institute for Social Innovation and Resilience
- **Max Fineday**, Canadian Roots Exchange

The Indigenous Innovation Initiative is founded on the idea that, given the proper resources, Indigenous innovators will use their knowledge and tenacity to continue to find opportunities and apply their wisdom to solving challenges in areas such as mental health, housing, economic development and youth employment. The Indigenous Innovation Initiative aims to remedy resource gaps and assist in building innovation capacity for Indigenous innovators.

## 9. Global Health Investment Fund

The Global Health Investment Fund (GHIF) is a \$108 million USD impact investment fund. Through a pioneering group of investors – including a \$10 million CAD anchor investment from Grand Challenges Canada (funded by the Government of Canada) – the Global Health Investment Fund is helping to advance promising interventions to fight public health challenges in low- and middle-income countries, such as malaria, tuberculosis, HIV/AIDS, and maternal and infant mortality. The fund was created to overcome a critical market failure: the lack of availability of investment capital to take promising global health innovations to scale in low- and middle-income countries.

### Portfolio

As of March 31, 2018, GHIF had made ten investments totalling \$76 million USD and had earmarked an additional \$11 million for follow-on investments. It is anticipated that two additional investments will complete the fund. Investments through the fund include a blend of debt, equity and project finance, with investments in: vaccines (\$26 million), diagnostics (\$25 million), pharmaceuticals (\$19 million) and devices (\$6 million). More information can be found at [www.ghif.com](http://www.ghif.com).



## Impact

Current estimates of the potential impact of the current GHIF portfolio are that it could improve 12 million lives and save over 100,000 lives annually, if all projects are successful and achieve scale.

## 10. Every Woman Every Child Innovation Marketplace

### Challenge

The Every Woman Every Child Innovation Marketplace is a strategic alliance of development innovation organizations that includes the **Bill & Melinda Gates Foundation, USAID, Grand Challenges Canada, NORAD** and others. Launched by the UN Secretary-General in September 2015 as part of the *Global Strategy for Women's, Children's and Adolescents' Health*, the Innovation Marketplace seeks to accelerate the path to scale and sustainability for the most impactful women's, children's and adolescents' health innovations, irrespective of which organization initially provided the seed investment.

The goal of the Innovation Marketplace is to catalyze at least 20 investments in promising innovations by 2020 and, by 2030, to see at least 10 of these innovations widely available with significant impact.

### Portfolio

To date, the *Every Woman Every Child* Innovation Marketplace has sourced 226 tested innovations from its anchor partners, the Grand Challenges network and external partners. Through a curation process, 51 innovations have been prioritized for investment and scaling support. As of June 2018, the Innovation Marketplace has catalyzed \$2,450,000 CAD in investments for four innovations that have, in turn, leveraged an additional \$3,212,500 CAD in funds. The Innovation Marketplace has also provided connections to government and private partners to increase their likelihood for scale and sustainability. A further seven deals amounting to \$3,250,000 CAD in Grand Challenges Canada funding and \$5,260,000 CAD in leveraged funds are expected to be finalized shortly.

### Lessons

With a focus on identifying and articulating the value of the Innovation Marketplace to stakeholders and improving operational efficiency, a comprehensive needs assessment was conducted in 2017–18 that included an in-depth analysis of innovations in its portfolio, innovator needs and anchor partner feedback. The assessment identified the limitations of the broad, multi-stakeholder approach that had been pursued to date and led to a more focused approach that optimizes the value-add to each type of stakeholder, including innovators, smart partners, funders and support organizations.

Going forward, the Innovation Marketplace will build clusters of innovations that are similar in the type of innovation, type of innovator organization, stage of development and pathway to scale, that hold the greatest potential for widespread scaling in LMICs by 2030. Such an approach is designed to attract external investors, and the right partners and supports, with a goal of increasing the number and quality of connections that lead to meaningful transactions. The Innovation Marketplace will also pay special attention to understand innovator needs on their paths to scale that go beyond funding, and to build a network of smart partners and support mechanisms that speak to these needs. This includes connections to government, private sector partners, accelerator programs and venture advisors.



## CASE STUDY: SubQ Assist

Through a Saving Lives at Birth grant, a team from the University of Michigan developed SubQ Assist, an assistive medical device designed to act as fail-safe guide for minimally trained community health workers to insert long-acting contraceptive implants, to help increase access to long-term contraception in rural areas of low- and middle-income countries. The device acts as a template for insertion directly underneath a patient's skin, preventing accidental insertion in the subcutaneous fat or muscle. The minimal training required to use this innovation makes it possible to shift the task of insertion from doctors and nurses to frontline health workers.



In March 2018, through the Innovation Marketplace's support, SubQ Assist was approved for Grand Challenges Canada Transition To Scale funding, which will be instrumental in setting the device up for commercialization success. The Innovation Marketplace has further provided SubQ Assist with connections to Bayer – manufacturer of a contraceptive implant, Jadelle, which is considered ideal for SubQ Assist insertion – as a potential licensing partner. The Innovation Marketplace will continue to work with the SubQ Assist team to support them along their path to impact.

## 11. Kangaroo Mother Care Development Innovation Bond

Low birth weight contributes to 60 to 80 percent of all neonatal deaths and is associated with increased morbidity, as well as a higher risk of impaired cognitive development. Low-birth-weight infants generally require extra care to avoid illness and death from secondary, preventable complications. About 96.5 percent of the 20 million low-birth-weight infants born each year are in developing countries, where incubators and similar technologies are often scarce, over-crowded or unreliable, as well as costly.

Kangaroo Mother Care (KMC), which involves skin-to-skin contact of the newborn with a caregiver, is an effective, low-cost alternative to conventional intensive care for low-birth-weight infants. With near-universal usage, it has been estimated that Kangaroo Mother Care could save the lives of up to 450,000 infants per year. Despite compelling evidence, usage of quality Kangaroo Mother Care remains low in most of the world.

In 2015, Grand Challenges Canada supported Kangaroo Foundation Colombia to test a novel approach to scaling up quality KMC in Cameroon and Mali, which proved successful in providing over 3,000 low-birth-weight newborns with quality KMC. To fund the rollout of Kangaroo Mother Care on a larger scale in Cameroon, Grand Challenges Canada continues to work with the MaRS Centre for Impact Investing, Social Finance UK, the Government of Cameroon, the World Bank and Nutrition International to design and implement a Development Impact Bond – an outcomes-based financial instrument. In a Development Impact Bond, investors provide working capital for an intervention to achieve agreed outcomes: in this case, improved health of low-birth-weight infants through quality Kangaroo Mother Care. Outcomes funders commit to making payments to the investors only if the outcomes are achieved.



Grand Challenges Canada has now assumed the role of the investor for this Development Impact Bond, which aligns well with our mandate of funding innovative approaches to improve health outcomes. Grand Challenges Canada is also uniquely positioned to take on the role of investor, given our past support of KMC initiatives and our involvement in the design phase, thus enabling the Development Impact Bond to be launched as quickly as possible.

## LESSONS LEARNED

There are three areas of learning that we would like to highlight for FY 2017–18:

1. Gender Lens on Innovation
2. Phased Approach to Transition to Scale
3. Structuring Funding at Transition to Scale

### Gender Lens on Innovation

A primary area of emphasis in our learning agenda for FY 2017–18 has been around applying a gender lens to all of our innovation programs and activities. As outlined in greater detail in our Corporate Profile below, we are gender intentional in how we source, support, enable and scale innovations, aiming to ensure that a gender lens is incorporated throughout our investment process. During due diligence, for example, each innovator is assessed and scored on the degree to which gender equality considerations are integrated into their innovation, business or scaling model, organizational and governance structure, value chain and more. Our goal is then to support all innovators to improve or expand gender equality considerations in their work. To that end, this year Grand Challenges Canada launched a gender equality portal on our website ([www.grandchallenges.ca/gender](http://www.grandchallenges.ca/gender)), which provides a platform for innovators to access thought leadership and tools to support them in conducting robust gender analyses and, where warranted, developing and implementing specific gender equality strategies.

While our commitment goes well beyond supporting women-led innovations and social enterprises, applying a gender lens to our own funding processes led us to undertake an in-depth look at the gender of the project leads that applied for and/or received funding in our TTS portfolio. This analysis revealed that 35 percent of our MNCH portfolio consists of innovations led by women innovators, compared to a total of 40 percent of all applicants being women-led innovations.

When we disaggregated these figures further, we discovered that women applicants from low- or middle-income countries and/or those leading for-profit social enterprises contributed most to this drop.

These results highlight an opportunity at TTS to do more to both find and support women-led innovations, with specific attention paid to women innovators from low- or middle-income countries and women entrepreneurs. One of the strategies we will explore in the coming year will be to provide targeted support designed to increase access to innovation networks and mentors for women innovators in low- and middle-income countries.



## Phased Approach to Transition To Scale

A second area of learning this year was around the need for a phased approach to TTS. One of the most prevalent roadblocks we've seen in our TTS portfolio is that many innovators do not have the investment readiness to take on a full \$1 million TTS investment upon entry into our TTS program. To overcome this challenge, this past year, Grand Challenges Canada shifted from a one-size-fits-all TTS framework to a phased approach, where right-sized investments are made that align with the needs and stage of development of each innovation:

TTS 1	TTS 2	TTS 3	TTS 4
<ul style="list-style-type: none"><li>• up to \$150K</li><li>• Developing plan for scale and sustainability</li></ul>	<ul style="list-style-type: none"><li>• up to \$500K</li><li>• Validating elements of business/ operating model and/or health outcomes</li></ul>	<ul style="list-style-type: none"><li>• up to \$1M</li><li>• Refining scaling strategy and strengthening smart partnerships</li></ul>	<ul style="list-style-type: none"><li>• up to \$2M+</li><li>• Enhancing the conditions required for scaling</li></ul>

Our goal is to support innovations as they graduate from earlier phases in the TTS process to more advanced phases. Since launching the new framework in September 2017, 31 percent of investments have been phased at TTS 1, 45 percent at TTS 2 and 24 percent at TTS 3. We are starting to make limited TTS 4 investments and expect this to be an important step to ensure innovations are able to attract more traditional investments, government adoption and/or revenue generation that can fuel further scale and sustainability.

## Structuring Funding at Transition to Scale

Grand Challenges Canada utilizes a combination of grant and debt instruments to support innovations at TTS. We seek to work with innovators and other funders to identify the form of capital that will be most useful and appropriate for the sustainable health of the organization or intervention, while still trying to achieve a reasonable return of capital for an impact-first and not-for-profit investor. Given the wide range of innovations Grand Challenges Canada funds at TTS, we have gained a deep appreciation for the **flexibility and patience** required to effectively support early-stage enterprises through the pioneer gap, especially those serving base-of-the-pyramid populations.

Our TTS portfolio is diversified by geography (Africa, Asia, South America), institution (academic, for-profit, non-profit), scaling model (public, private, hybrid), stage (TTS 1–4), solution type (service, product, both), market (urban, peri-urban, rural) and health focus area. While this diversity enables us to identify and support the most innovative and impactful solutions, despite their structure or strategy, it also demands that a breadth of investment vehicles be available for us to apply. In addition, our ability to continue investing with long-time horizons and with a high tolerance for risk has also proven critical, to ensure that innovators have the runway and latitude they require to overcome additional challenges that arise when serving the base of the pyramid. At present, our toolkit includes grants, conditional grants, term loans, revenue share loans and convertible notes. Going forward, our goal is to also be able to make equity investments once our funding agreements allow for it.



This year, we developed a framework that outlines the most appropriate types of financial instruments Grand Challenges Canada uses (or, in the case of direct equity, would like to use) based on the stage of the innovation, institution, and business model employed. We also consider other factors, such as use of funds, innovator financial position and financial health, as well as co-investor terms, conditions and timelines. The framework allows for greater clarity and consistency as to when and how we deploy grant and risk capital across our portfolio and health sectors. For example, innovations implemented by for-profit, social enterprises solely targeting the base of the pyramid warrant different considerations compared to academic institutions looking to license their innovations through a dual-market approach. Based on the lessons we have learned, we purposely designed the framework to be both comprehensive and flexible enough to best guide our structuring decisions for all of the many types of unique innovations seeking sustainable impact at scale. We will be testing and learning from the use of the framework over the coming year.

## Failing Forward

Grand Challenges Canada recognizes that the **risk of failure is inherent to innovation but that not all failure is equal**. We seek to prevent failures that result from negligence or lack of innovator ability, knowhow or networks. At the same time, we aim to promote agility and “smart” failures that enable deliberate learning and systematic iteration on the path to scale. The following are two examples of innovators who learned and iterated to address and overcome challenges on their path to scale.

**earAccess**, which delivers high-quality, low-cost hearing devices to the poor, is a good example of an innovation that has graduated between phases of the TTS process and whose risk assessment has changed as a result. Grand Challenges Canada’s phased investments have enabled earAccess to iterate on their model as they transition to scale, enhancing their potential to sustainably go to scale and drive impact.

Over the course of their work with Grand Challenges Canada, earAccess shifted first from opening its own clinics to working with hearing clinics, and then iterated again to partner with pharmacies and vision clinics, for which they can provide a bigger value-add.

The phased approach to TTS investments has allowed Grand Challenges Canada to not only best support earAccess at each phase, but also to steward funds responsibly, **aligned with the specific needs and challenges of each phase of the TTS process**.

With Grand Challenges Canada’s initial TTS investment, earAccess was given a ‘high’ project risk rating, because of the company’s decision to enter a different market than at proof-of-concept and the need to find a new manufacturer to support this new market. With the TTS follow-on investment, the project risk was reduced to ‘medium’, as a result of growing sales traction and its ability to secure a long-term manufacturer.

**Pivot**, a Rwandan fecal sludge management company, is an example of an innovation that ultimately failed at TTS but provided some key lessons about risk mitigation. Pivot was originally funded by Grand Challenges Canada with a blend of grant and loan financing. While there is consensus in the sector on



*earAccess founder and CEO Audra Renyi aims to make hearing aids accessible to the poor worldwide.*



*Pivot's crew manages pit latrines in Rwanda and brings the waste to a safe processing facility to turn it into biofuel.*

the integrity of Pivot's waste processing innovation from a technical perspective, Pivot's scaling plans were severely hindered during the funding period for several reasons, notably including the lack of an enabling environment to access financing for scaling, leading to unexpectedly prolonged timelines to secure financing for a city-scale waste processing plant.

One of the most significant lessons that emerged during the funding period was around the capacity of a start-up social enterprise like Pivot to bid on multiple municipal-level tenders to scale its innovation. Municipal-level financing is generally

sought by large, established engineering firms that bid on multiple projects simultaneously and have diversified revenue streams to provide a buffer for prolonged approval timelines; thus, a model built on large-scale public procurement may be better suited to large engineering firms. Pivot, as a start-up social enterprise, learned that it lacked the necessary financing or bandwidth to successfully bid for municipal contracts and hence found itself in a challenging position, ultimately leading to its operational wind-down. An important lesson to draw is that, where scale-up is underpinned on public procurement, innovators must plan adequately for resource needs and unforeseen delays.

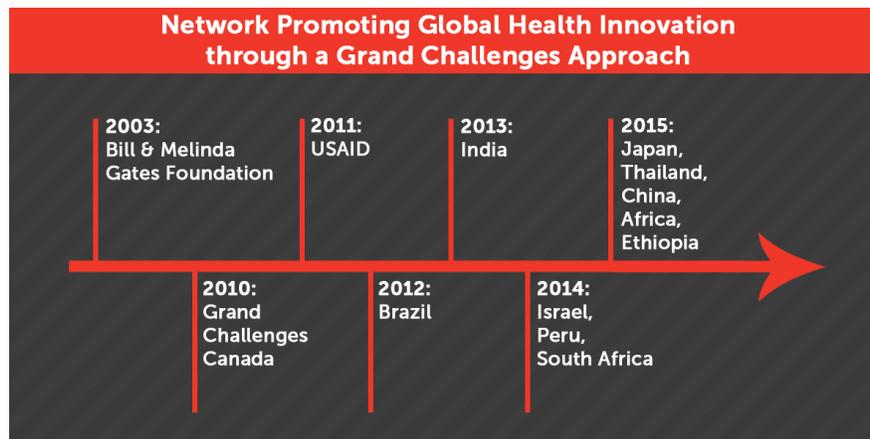
Grand Challenges Canada remains connected with Pivot's "smart" partners (which have either invested in Pivot or are providing strategic guidance). All have expressed their support for Pit Vidura, the pit-emptying services established by Pivot and funded by Grand Challenges Canada. Pit Vidura continues to operate and generate interest across a range of stakeholders seeking innovative pit-emptying solutions for densely-packed, low-income neighborhoods. Pit Vidura is also acknowledged by the City of Kigali as the only legal pit-emptying service currently serving the market.

## Our Partners

Grand Challenges Canada's program partners include the following organizations and institutions:



Grand Challenges Canada is an anchor partner in the network of global Grand Challenges organizations:



## CORPORATE PROFILE

Grand Challenges Canada is an **innovation platform** that seeds and transitions to scale **scientific, social and business innovation** to drive sustainable impact at scale. We work closely with our partners, notably including Global Affairs Canada.

### Governance

Grand Challenges Canada is a federally incorporated, not-for-profit organization. We are governed by an independent Board of Directors, chaired by **Guylaine Saucier**. For a complete list of members of the Board of Directors, please see **Annex 1**. The Board's responsibilities are:

- To oversee the development of and approve the strategic framework and the multi-year business plan
- To approve major policy changes and changes to the strategic framework
- To approve new program or organizational partnerships
- To review and approve the framework for each program's Requests For Proposals
- To review and approve the organization's annual budget
- To monitor corporate performance.

In 2017–18, the Board of Directors met four times, with occasional supplementary teleconferences and a full Board Retreat in December 2017.

There are three sub-committees of the Board of Directors:

- **Audit & Finance Committee**, chaired by Johanne Charbonneau
- **Governance & Human Resources Committee**, chaired by Morris Rosenberg
- **Investment Committee**, chaired by Gerhard Pries, please see **Annex 2** for a list of the members of the Investment Committee.

In addition, Grand Challenges Canada's Scientific Advisory Board provides advice and mentorship to management to enable the success of Grand Challenges Canada, with special attention to overseeing the scientific integrity of its programs. The Scientific Advisory Board reviews and provides specific



advice on annual reports, portfolio reviews and the performance measurement system, as well as acting as ambassadors of Grand Challenges Canada. We are thrilled to have **Carol Dahl** join as the new Chair of the Scientific Advisory Board, and are grateful for the active roles our Vice Chairs **Anita McGahan** and **Stanley Zlotkin** played this year during the Chair transition. For a complete list of members of the Scientific Advisory Board, please see **Annex 3**.

## Accountability

Risk management and global access are at the core of Grand Challenges Canada’s approach to accountability.

## Risk Management

Risk monitoring, reporting and mitigation are critical to ensuring the success of the innovation platform. Significant risks that are identified by any team member or otherwise brought to the attention of management are managed attentively and are discussed with the Audit & Finance Committee and the relevant funder on a quarterly basis, or more frequently if needed. Our Corporate Risk Tracker, updated semi-annually, tracks and considers mitigation tactics for over 60 possible types of risk. Risk mitigation approaches are recommended by the Audit & Finance Committee and implemented by Grand Challenges Canada’s team. The mitigation approach and outcomes are tracked to ensure progress and to capture best practices and learning.

In addition, this year management and the Board began a process of discussing and assessing the organization’s **risk tolerance**, both at the project level and at the organization level. While *risk management* is an objective concept and involves steps to prevent negative or harmful consequences in the face of existent risks (as discussed above), *risk appetite* is a funder’s tolerance for risk and is subjective. Although risk refers to a potentially negative impact or outcome, choosing to take smart risks can be very positive for an organization. We believe that taking smart risks at the project level is inherent and required for an innovation platform like Grand Challenges Canada. We have been guided by the work of The Commons, a partnership of the Open Road Alliance, the Rockefeller Foundation and other not-for-profit granting organizations that have prepared a Toolkit on Risk Management and Risk Appetite.<sup>2</sup> Over the coming year, we will be testing our initial assessment of our risk tolerance in the following “Project” and “Organizational” areas.

Project Risks
<p><b>1. Innovation Risk:</b> The risk that an innovation does not achieve the intended outcome. This is the risk that the technical, social and/or business innovation does not work – we want to test novel approaches to overcome barriers that are currently limiting social impact and, by definition, we will not know if it works until it is tested. This is risk that is usually needed to achieve the upside social return.</p>
<p><b>2. Executional Risk:</b> The risk that a project will fail because of challenges with the project team, implementation plan or other aspects of how the project is managed and implemented.</p>
<p><b>3. Institutional Risk:</b> The risk that a project will fail because of challenges with the institution or enterprise that receives the funding and is delivering the project.</p>
<p><b>4. External Risk:</b> Risks that are beyond the direct control of the project team and/or Grand Challenges Canada (i.e., political instability, outbreaks, natural disasters, etc.)</p>

<sup>2</sup> [https://openroadalliance.org/wp-content/uploads/2017/01/Open\\_Road\\_Risk\\_Toolkit\\_01.2017.pdf](https://openroadalliance.org/wp-content/uploads/2017/01/Open_Road_Risk_Toolkit_01.2017.pdf)



Organizational Risks
1. <b>Financial:</b> The potential to lose money or financial value.
2. <b>Reputational:</b> The potential for an event to negatively impact how Grand Challenges Canada is viewed or perceived
3. <b>Governance:</b> The potential for an event to affect Grand Challenge Canada's compliance with legal, regulatory, or tax requirements or good governance practices.
4. <b>Impact:</b> The potential for an event to undermine or negatively impact Grand Challenge Canada's outcomes.

In next year's Annual Report, we expect to be able to report on an overall risk tolerance assessment and describe lessons learned.

### Global Access

Grand Challenges Canada makes a concerted effort to ensuring the innovations funded will be made accessible and affordable to those most in need in the target market. Our Global Access Policy guides our approach and involves entering into various forms of agreements with innovators we support (i.e., license and distribution agreements). We also require open access publishing and timely dissemination of results, which is governed by our Data Access Policy.

### Operations

Grand Challenges Canada reports on three elements of our Operations annually, as follows:

1. Human Resources
2. Communications
3. Administration

### Human Resources

This was a year of transition, with several departures. Most notably, founding CEO Dr. Peter Singer announced that he would be stepping down from this role on June 30, 2018. The Board of Directors began the process of identifying a new CEO and retained an international executive search firm to guide the process. This process has now been completed with the announcement of two co-CEOs: **Dr. Karlee Silver** and **Ms. Jocelyn Mackie**. Please see the Messages from the Chair, the Outgoing CEO and the incoming co-CEOs for additional reflections on this transition and what it means for Grand Challenges Canada.

An organization chart can be found in **Annex 4**, reflecting the complement of Operations, Programs and Indigenous Innovation Initiative resources as of March 31, 2018. In Fiscal Year 2017–2018, Grand Challenges Canada had 38.5 full-time-equivalent staff.



## Communications

In FY 2017–2018, Grand Challenges Canada was featured in over 342 original media stories and issued 10 press releases. The story with the highest reach was Forbes' story, "[A Social Entrepreneur's Tasty Solution to Iron Deficiency](#)," with 40 million readers. Some additional highlights of our media coverage are captured in the collage on the following page.

## Administration

Grand Challenges Canada aims to maintain efficient operating expenses in comparison to program expenditures. The percentage of operations compared to program expenditures can vary from year to year, as our annual program expenditures likewise vary from year to year, depending on where we are at in the lifecycles of various programs. In FY 2017–18, our operating expenses were higher as a percentage of program expenditures compared to when we are operating at steady-state program spending. This lower program spending is discussed in the **Management Discussion and Analysis** section. We are currently in the process of assessing the optimal operations expenditure for a platform like ours, particularly as we increase our knowledge management and translation activities and try to meet a demand for greater support for innovators.

## Gender Equality, Environmental Sustainability, and Human Rights and Inclusion

To manage the critical and interrelated development aims of gender equality, environmental sustainability, and human rights and inclusion, Grand Challenges Canada takes a multi-pronged approach. First, we require that all funded innovators comply with our Policy on Gender Equality, Environmental Sustainability, and Human Rights and Inclusion. Second, each innovation that we consider for funding is assessed on the extent to which the innovation furthers these aims; funding milestones are used where appropriate to ensure that risks are mitigated and opportunities for improvements realized. Third, we have developed a roster of expert advisors to provide support to staff and/or innovators as needed. Fourth, we have developed and implemented a robust Gender Equality Strategy (see [www.grandchallenges.ca/gender](http://www.grandchallenges.ca/gender)) and Strategic Environmental Assessment.

## Gender Equality

Grand Challenges Canada focuses a **gender lens** on all of our programs and activities. We are gender-intentional in how we source, support and scale innovations. This focus is reflected by our GE2 score from Global Affairs Canada. As an organization, we support and enable **feminist innovation**. This commitment goes beyond supporting women-led innovations and social enterprises, ensuring that all innovators are supported to adopt a gender lens in their work. Through this approach, we are building the capacity of hundreds of organizations around the world to identify and adopt strategies to improve gender equality. We are turning innovators into **change agents for gender equality**.





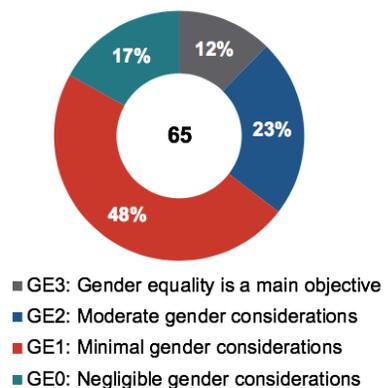
As an early milestone, each innovator is required to undertake a gender analysis of their proposed intervention, business model or organization. Grand Challenges Canada then works with the innovators to enable them to enhance the positive gender equality outcomes from their innovations. Every innovation supported by Grand Challenges Canada is coded at different points in the funding lifecycle:

1. **Seed** – All awards are coded (GE0–GE3; see graphic on next page for explanation of the codes) as a part of the approvals process (prior to funding) and at award close.
2. **Transition To Scale (TTS)** – Each innovation being brought forward to the Investment Committee and Board of Directors is coded (GE0–GE3) based on gender considerations. The assigned code broadly denotes the degree to which gender considerations have been included in the innovation design, value chain, organizational and governance structure, plans for transition to scale, monitoring and evaluation, and in the outcomes achieved. Once funding is approved and negotiations are underway, deal leads for TTS investments work with innovators – and in particular, those with lower gender equality scores (GE0 or GE1) – to develop a value-add plan that may include support from a gender advisor or project-specific milestones to conduct gender analysis and/or develop a gender equality strategy that will help the organization improve its GE score.

Grand Challenges Canada has developed a gender equality landing page on our website, which provides a platform for innovators to access thought leadership (developed by Grand Challenges Canada and partners in the field) and tools to support them in their gender analyses and, where warranted, development and implementation of gender equality strategies. The intention is for Grand Challenges Canada’s support (both internal and external) to result in an increase in GE scores across the portfolio when innovations are formally re-evaluated at the end of their funding period. Grand Challenges Canada also reports (and requires innovators to report) results, performance indicators and data relevant to defining impacts on women/girls and men/boys that are gender-disaggregated.

To facilitate the implementation of our Gender Equality strategy, training sessions have been held with Grand Challenges Canada staff and gender consultants, and tools have been created and are used by Grand Challenges Canada staff and innovators. This will ensure that Grand Challenges Canada staff and management have the skills and tools needed to guide and support innovators as they work on integrating gender equality into their innovations. Grand Challenges Canada has also built a roster of gender equality expert support available for innovators.

**MNCH Portfolio Gender Scores**





## CASE STUDY: Aakar Innovations

Aakar Innovations is an Indian social enterprise that provides access to affordable, biodegradable sanitary pads through a rural hub-and-spoke model of mini-production facilities and distribution networks. It is representative of innovations in Grand Challenges Canada's portfolio that have an explicit focus on gender equality, and thus receive a GE score of 3. Aakar's mission is to enable underserved women and girls to manage their periods with dignity and to make informed decision.

Aakar not only works to increase access to and affordability of menstrual pads, but also to influence deeply engrained taboos and gender norms on menstruation common in rural parts of the country, through awareness campaigns and educational initiatives about their bodies. Aakar also considers the role of women throughout the value chain, offering entrepreneurial and business skills training to rural women entrepreneurs, with several hubs led and managed by all-women self-help groups.



*Women working at Aakar making bio-degradable sanitary pads.*

## Environment

Grand Challenges Canada has a Strategic Environmental Assessment (SEA) in place that governs practices across our organizational activities with respect to environmental sustainability. These practices include a policy with which innovators must comply as a condition of funding, and screening of all potential innovations by staff and expert consultants, where necessary, to ensure environmental considerations are taken into account prior to and over the course of funding (e.g. inclusion of environmental assessment milestones, where appropriate). Such practices help to ensure that risks to the environment are minimized and opportunities for positive environmental impacts are identified and encouraged for all innovations we fund.

Innovators may initially be asked to describe: potential environmental impacts of the innovation and/or its implementation, their nature, magnitude and probability; plans to enhance positive impacts or mitigate negative ones; and strategy and metrics to monitor environmental impacts. Critical reviews of proposals by external Venture Advisors with expertise in environmental sustainability can provide the basis for the inclusion and measurement of metrics of environmental impact, as well as project milestones for the development and implementation of environmental monitoring plans, and/or other future environmental due diligence requirements. Projects with negligible environmental impacts may proceed without further analysis, while those with higher potential environmental impacts will require further review and analysis, as well as potential mitigation measures or an environmental assessment in accordance with the Canadian Environmental Assessment Act, 2012.

## Human Rights and Inclusion

Grand Challenges Canada is committed to furthering the integration of, and enabling conditions for, promoting the human rights principles of equality, non-discrimination, participation, inclusion, transparency and accountability, from proposal development through implementation. Grand Challenges Canada works with innovators to strengthen their focus on these key human rights principles in the design of the innovation(s), and in the systems and processes used in the implementation of the innovation(s) in the specific context in which they are working. More specifically,



innovators who have submitted a proposal or are implementing an innovation must consider how the innovation will, at a minimum, 'do no harm' with respect to the human rights of project stakeholders and beneficiaries. In the design and implementation of the innovation(s), the innovator must take into consideration how the innovation will:

- Identify ways in which the innovation can support poverty reduction in the local population, particularly for women and girls
- Ensure equality and non-discrimination, including on the basis of gender, for project stakeholders and beneficiaries
- Foster the participation and inclusion of more marginalized stakeholders and beneficiaries among the local population, with an emphasis on women and girls
- Promote transparency and accountability among stakeholders and beneficiaries of the innovation and its intended impact.

Prior to funding and during implementation (as appropriate), innovators answer a set of questions about their innovation to demonstrate the extent to which the proposed innovation has been designed with consideration for human rights and inclusion principles, and with the intent of addressing inequalities and reducing poverty, where applicable. A Human Rights and Inclusion 'screen' is applied to each proposal, to determine if an adequate situational analysis has been undertaken by the innovator that assesses the political, social, economic and cultural situation of the local population vis-a-vis their basic human rights; external Venture Advisors with expertise in human rights and inclusion are engaged where appropriate, including routine 'auditing' of internal screening. Grand Challenges Canada will also consider whether the innovation has been designed to maximize the potential for reducing poverty and discrimination, promoting equality, inclusion and empowerment, and upholding accountability and transparency through its implementation.

In the design and implementation of their innovations, innovators must particularly take into consideration the socio-economic and cultural status of women and girls, and how the innovation can, at a minimum, ensure the rights of women and girls are not undermined and, where possible, their socio-economic status and basic human rights improved by the innovation.

## FINANCIAL SUMMARY

Grand Challenges Canada reports annually on two elements of our finances:

- **Leverage and Repayables:** Summarizes the total funding that we have leveraged as an organization and our current portfolio of projects funded by non-grants or repayables.
- **Audited Financial Statements:** For fiscal year 2017–18, with fiscal year 2016–17 as a comparator.

### Leverage and Repayables

To date, Grand Challenges Canada has leveraged a total of \$472,928,331 CAD from funding sources other than the Government of Canada. This leverage is in the form of (over):



- **Program leverage:** Funding provided by other funders in the programs that Grand Challenges Canada supports. Examples include funding from our partners in the Saving Lives at Birth Program.

**Total as of March 2018:** \$217,628,985 CAD

- **Project leverage:** Funding that projects are able to leverage as a result of the funding provided by Grand Challenges Canada. These funders include individual angel investors, venture capital impact investors, private foundations, local governments, corporate entities (including multi-national corporations) and NGOs.

**Total as of March 2018:** \$245,236,090 CAD

- **Operations leverage:** Primarily, this is funding provided to Grand Challenges Canada from the Rotman Family Foundation.

**Total as of March 2018:** \$10,063,256 CAD

As noted last year, a portion of the leveraged funding set out above flows through Grand Challenges Canada.

In addition, Grand Challenges Canada has a portfolio of \$33,521,974 CAD in **non-grant investments** (repayables) to support innovations as they transition to scale. To date, \$921,663 has been repaid.

## Management Discussion and Analysis

Overall, management is pleased with the performance of the organization and our ability to meet the demands of implementing the Reproductive, Maternal, Newborn and Child Health (RMNCH) Contribution Agreement, as well as executing under other funding agreements, as listed in our financial statements. We would like to acknowledge the contributions of the entire Grand Challenges Canada team for their continued diligence and flexibility to be able to design, implement and manage programs to achieve the highest level of impact.

Last year's total spending was \$30,652,625, with this year's total spending at \$25,631,434. Both years represent lower than optimal spending for our platform but are a result of winding down, and then ramping up operations under different funding agreements. Last year was a year focused on winding down operations under the Development Innovation Fund (DIF), and this year was focused on ramping up to deliver on the RMNCH Contribution Agreement. We anticipate being at a more optimal spending level over the next two years, as we reach full deployment on the RMNCH Contribution Agreement. As a signal of this, the Board of Directors approved over \$40 million in seed and TTS grants or repayables this year; however, most of these funds will be deployed in subsequent years, as it takes management time to negotiate these deals and disburse the funds, because we advance funds prudently in quarterly or semi-annual milestones.

This year we also introduced a new phased approach to TTS, which allows us not only to provide innovators with appropriate capital and support based on their specific needs, but also has allowed us to right-size our internal due diligence process, providing greater efficiency and deal flow. This revised approach should result in greater spending next year. We will continue to evaluate how this approach impacts our spending projections in the future.



Grand Challenges Canada has made great progress toward diversification of revenue in the past year. Non-Government of Canada funding increased from ~10 percent to ~15 percent overall by the end of the 2017–2018 fiscal year. We continue to work to diversify our funding sources, to allow for greater scale and reach across our programs and initiatives, including newer programs such as Creating Hope in Conflict and the Indigenous Innovation Initiative.

This is the first year our fiscal framework shows an operational reserve (surplus), due to the first repayable payments coming back to Grand Challenges Canada from our innovators. These repayables originated from investments made through the Development Innovation Fund in Health. To date, we have received \$1,016,465 in payments, with an additional \$300,000 expected in the near future. This operational reserve, approved by our Board, will be used to help with unfunded expenses and, to the extent possible, cash flow constraints.

Lastly, we are very pleased that charitable registration for the Grand Challenges Canada Foundation was granted by the Canada Revenue Agency shortly after the end of the 2017–18 fiscal year (in June 2018).

## Risk Management

In FY 2017–2018, four new risk occurrences were reported to, and discussed with, the Audit & Finance Committee. Three risk occurrences related to innovator projects, and one risk occurrence was about insufficient working capital for Grand Challenges Canada from a funder. All four risk occurrences have been resolved without any known material negative consequences to the organization to date. There is one risk event from FY 2015–2016 that is still in the process of resolution. Based on guidance from the Audit & Finance Committee and the Board of Directors, internal processes are adjusted to mitigate risk occurrences when appropriate.

The key risks that management and the Board were focused on mitigating throughout the year included: important unfunded expenses for the organization, lack of/delays in renewal of some programs, ineligible expenses incurred by innovators and some restrictive clauses in Grand Challenges Canada's agreements with funders.

## Scientific Advisory Board

Each year, we invite the Scientific Advisory Board to offer their analysis of Grand Challenges Canada's performance and impact. Highlights from their assessment of FY 2017–18 include:

- Grand Challenges Canada has reached a point of maturity as an organization. Instead of primarily supporting programmatic initiatives, Grand Challenges Canada has now built ideas and capabilities using its proven models.
- One of the most important opportunities that Grand Challenges Canada faces is in benefitting from this experience to amplify the sustained impact of current and future initiatives.
- Other opportunities exist in Grand Challenges Canada's initiatives to:
  - Disseminate the lessons emerging from the portfolios to accelerate progress
  - Utilize a full suite of financial tools that best meet innovator needs
  - Orchestrate hand-offs to government and private investors for sustainability and scale.



Realizing the potential of these opportunities depends on the allocation of committed resources for their fulfillment.

The Scientific Advisory Board opined that Grand Challenges Canada provides a strong return on investment: it has had an enormous impact on saving and improving lives by leveraging partners, using innovative financing mechanisms, and applying continuous internal learning and improvement. They also suggested that Grand Challenges Canada’s model has evolved from one that only facilitates broad sourcing of ideas to one that builds the human and intellectual resources that will allow the next generation of innovations and innovators to save and improve lives.

Finally, the Scientific Advisory Board suggested that, as currently designed, the Transition To Scale program addresses the pioneer gap, which is only the first part of the transition-to-scale process. As a result, Grand Challenges Canada would benefit from a range of strategies for accomplishing a hand-off of successful pioneer projects into truly scaled implementation.

## **Audited Financial Statements**

The following are the Audited Financial Statements for Grand Challenges Canada for the fiscal year 2017–2018, with comparative figures for the fiscal year 2016–2017.



## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of  
**Grand Challenges Canada**

We have audited the accompanying financial statements of **Grand Challenges Canada**, which comprise the statement of financial position as at March 31, 2018, and the statements of operations and changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's responsibility for the financial statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditors' responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



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## Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of **Grand Challenges Canada** as at March 31, 2018, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Toronto, Canada  
June 19, 2018

*Ernst + Young LLP*

Chartered Professional Accountants  
Licensed Public Accountants



A member firm of Ernst & Young Global Limited



GRAND CHALLENGES CANADA

STATEMENT OF FINANCIAL POSITION

As at March 31

	2018 \$	2017 \$
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	13,233,448	12,644,312
Due from University Health Network [note 3]	204,592	617,820
Accounts receivable	1,446,373	179,988
Contributions receivable	780,485	2,397,431
Prepaid expenses and deposits	41,341	24,510
<b>Total current assets</b>	<b>15,706,239</b>	<b>15,864,061</b>
Capital assets, net [note 4]	290,630	404,873
	<b>15,996,869</b>	<b>16,268,934</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	9,524,960	8,619,013
Deferred contributions [note 5]	5,538,883	7,649,921
<b>Total current liabilities</b>	<b>15,063,843</b>	<b>16,268,934</b>
<b>Net assets</b>		
Unrestricted	933,026	-
	<b>15,996,869</b>	<b>16,268,934</b>

See accompanying notes

On behalf of the Board:

Director

Director



GRAND CHALLENGES CANADA

STATEMENT OF OPERATIONS AND  
CHANGES IN NET ASSETS

Year ended March 31	2018 \$	2017 \$
<b>REVENUE</b>		
Grant [notes 5 and 6]	25,281,609	30,531,841
Interest [note 7]	164,524	85,199
Other revenue [note 8]	1,118,327	35,585
	<b>26,564,460</b>	<b>30,652,625</b>
<b>EXPENSES</b>		
Programs		
Issued grants	17,856,463	17,231,169
Non-grant projects [note 9]	1,410,280	4,287,121
	<b>19,266,743</b>	<b>21,518,290</b>
Program support activities	740,118	2,598,362
Operations		
Personnel	3,974,026	4,458,559
Materials and supplies	125,693	151,416
Equipment and infrastructure	505,211	619,891
Due diligence, travel and results management	1,019,643	1,306,107
	<b>5,624,573</b>	<b>6,535,973</b>
	<b>25,631,434</b>	<b>30,652,625</b>
<b>Excess of revenue over expenses for the year</b>	<b>933,026</b>	<b>-</b>
Unrestricted net assets, beginning of year	-	-
<b>Unrestricted net assets, end of year</b>	<b>933,026</b>	<b>-</b>

See accompanying notes



GRAND CHALLENGES CANADA

STATEMENT OF CASH FLOWS

Year ended March 31

	2018	2017
	\$	\$
<b>OPERATING ACTIVITIES</b>		
Excess of revenue over expenses for the year	933,026	-
Add non-cash item		
Amortization of capital assets	114,243	88,512
Changes in non-cash operating working capital balances related to operations		
Decrease (increase) in accounts receivable	(1,266,385)	429,565
Decrease in contributions receivable	1,616,946	409,038
Decrease (increase) in due from University Health Network	413,228	(617,820)
Decrease (increase) in prepaid expenses and deposits	(16,831)	56,738
Increase (decrease) in accounts payable and accrued liabilities	905,947	(4,752,115)
Decrease in due to University Health Network	-	(127,742)
Increase (decrease) increase in deferred contributions	(2,111,038)	695,877
<b>Cash provided by (used in) operating activities</b>	<b>589,136</b>	<b>(3,817,947)</b>
<b>INVESTING ACTIVITIES</b>		
Additions to capital assets	-	(175,069)
<b>Cash used in investing activities</b>	<b>-</b>	<b>(175,069)</b>
<b>Net increase (decrease) in cash during the year</b>	<b>589,136</b>	<b>(3,993,016)</b>
Cash, beginning of year	12,644,312	16,637,328
<b>Cash, end of year</b>	<b>13,233,448</b>	<b>12,644,312</b>

See accompanying notes



## GRAND CHALLENGES CANADA

### NOTES TO FINANCIAL STATEMENTS

March 31, 2018

#### 1. PURPOSE OF THE ORGANIZATION

Grand Challenges Canada (the “Organization”) is dedicated to supporting Bold Ideas with Big Impact®. Funded by the Government of Canada and other partners, the Organization funds innovators in low- and middle-income countries and Canada. The bold ideas of Grand Challenges Canada supports the integration of science and technology, social and business innovation – known as Integrated Innovation®.

The Organization works closely with Global Affairs Canada (“GAC”) and the Canadian Institutes of Health Research (“CIHR”), to catalyze scale, sustainability and impact. The Organization also works with other governments, foundations, private sector and organizations. The Organization is hosted in Toronto at the Sandra Rotman Centre at the University Health Network.

The Organization was incorporated as Grand Challenges Canada on March 19, 2008 under the *Canada Corporations Act* as a corporation without share capital. The Organization continued its incorporation under the *Canada Not-for-profit Corporations Act* on January 29, 2014. The Organization is a not-for-profit organization within the meaning of the *Income Tax Act* (Canada).

On March 10, 2017, Grand Challenges Canada Foundation (the “Foundation”) was incorporated as a corporation without share capital under the *Canada Not-for-profit Corporations Act* and is a not-for-profit organization within the meaning of the *Income Tax Act* (Canada). The Organization has the ability to elect the majority of the Foundation’s directors. The purpose of the Foundation is to receive donations that will be used to relieve poverty and promote health and support the activities of the Organization. There have been no financial transactions in the Foundation during the current or prior year.

#### 2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared in accordance with Part III of the *CPA Canada Handbook – Accounting*, which sets out generally accepted accounting principles for not-for-profit organizations in Canada and includes the significant accounting policies summarized below.



## GRAND CHALLENGES CANADA

### NOTES TO FINANCIAL STATEMENTS

March 31, 2018

#### 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

##### Revenue recognition

The Organization follows the deferral method of accounting for contributions, which include grants. Contributions are recognized in the accounts when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Restricted contributions are deferred when initially recorded in the accounts and recognized as revenue in the year in which the related expenses are recognized.

##### Project payments

All contractual project payments are subject to the provision of funds by donor partners. They are recorded as an expense when approved and when innovators meet all terms and conditions of the agreements. Refunds on previously disbursed project agreements are credited against the current year expenses when the project is active or to other income when the project is closed.

##### Non-grant projects

The Organization provides funding for projects in the form of loans receivable, convertible loans and repayable grants ("non-grant projects"). Loans and repayable grants are advanced to borrowers in tranches, subject to the satisfaction of certain terms and conditions, including milestone events. Loans and repayable grants are repayable at maturity or over a repayment period, and may bear interest. Certain loan agreements include a provision that permits the Organization to convert the outstanding principal amount of a loan into authorized equities of the borrower.

The degree of certainty that economic benefits (i.e. interest or repayment of funds on non-grant projects) will flow to the Organization is insufficient to warrant the recognition of these non-grant projects as assets when issued. Therefore, these non-grant projects are expensed as they are incurred.



## GRAND CHALLENGES CANADA

### NOTES TO FINANCIAL STATEMENTS

March 31, 2018

Interest earned or the return of funds from non-grant projects are recognized when funds have been received or are receivable, reasonably estimable and with reasonable assurance of collection. Interest received is recorded as interest revenue in the Statement of Operations and Changes in Net Assets, and the return of funds is recorded as other revenue in the Statement of Operations and Changes in Net Assets.

#### 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

##### Capital assets

Capital assets are recorded at cost and amortized over their estimated useful lives on a straight-line basis. The estimated useful life of each asset class is as follows:

##### Tangible

Computer equipment	3 years
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##### Intangible

Software	5 years
Website	3 years

##### Net assets

The Organization's net assets consist of the accumulation of revenues over expenditures from operations and include unrestricted and restricted amounts for special purposes, and reserved amounts.

##### Financial instruments

Financial instruments, including accounts and loans receivable and accounts payable and accrued liabilities, are initially recorded at fair value and subsequently measured at amortized cost, net of any provision for impairment.



GRAND CHALLENGES CANADA

NOTES TO FINANCIAL STATEMENTS

March 31, 2018

3. DUE FROM UNIVERSITY HEALTH NETWORK

The Organization has an agreement with the University Health Network for human resources and administrative services provided by the University Health Network. The settlement of accounts between the University Health Network and the Organization is done on a regular basis. Amounts are non-interest bearing.

4. CAPITAL ASSETS

	2018		
	Cost \$	Accumulated amortization \$	Net book value \$
<b>Tangible</b>			
Computer equipment	27,938	13,969	13,969
<b>Intangible</b>			
Software	500,495	256,511	243,984
Website	155,086	122,409	32,677
	<b>683,519</b>	<b>392,889</b>	<b>290,630</b>

	2017		
	Cost \$	Accumulated amortization \$	Net book value \$
<b>Tangible</b>			
Computer equipment	27,938	4,656	23,282
<b>Intangible</b>			
Software	500,495	177,705	322,790
Website	155,086	96,285	58,801
	<b>683,519</b>	<b>278,646</b>	<b>404,873</b>



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## GRAND CHALLENGES CANADA

### NOTES TO FINANCIAL STATEMENTS

March 31, 2018

#### 5. DEFERRED CONTRIBUTIONS

Deferred contributions represent unspent resources externally restricted for expenses in future years. Changes in the deferred contributions balance are as follows:

	2018	2017
	\$	\$
<b>Balance, beginning of year</b>	<b>7,649,921</b>	6,954,044
Amounts received during the year	<b>22,390,086</b>	28,830,287
Contributions receivable	<b>780,485</b>	2,397,431
Interest earned on funds received in advance	<b>69,722</b>	85,199
Amounts recognized as revenue during the year		
Grant revenue	<b>(25,281,609)</b>	(30,531,841)
Interest	<b>(69,722)</b>	(85,199)
<b>Balance, end of year</b>	<b>5,538,883</b>	7,649,921



GRAND CHALLENGES CANADA

NOTES TO FINANCIAL STATEMENTS

March 31, 2018

6. GRANT REVENUE

Grant and interest earned on funds received in advance that is recognized as revenue in the year are from the following sources:

<i>[note 5]</i>	2018 \$	2017 \$
Global Affairs Canada – Maternal, Newborn and Child Health	20,625,366	6,847,797
Department for International Development – UK	1,815,368	3,335,537
Union de Banques Suisses Optimus Foundation	920,831	206,292
Bill and Melinda Gates Foundation	462,658	287,156
U.S. Agency for International Development	331,986	7,356
ELMA Foundation	251,039	240,667
United Nations Foundation	235,998	-
Anonymous	154,775	-
Johnson & Johnson	144,302	-
J.W. McConnell Family Foundation	139,189	40,000
Development Innovation Fund	98,026	11,827,227
Department of Foreign Affairs and Trade – Australia	87,119	-
Pivotal Ventures LLC	14,952	-
Global Affairs Canada – Advancing Global Health Innovations	-	7,284,550
Global Affairs Canada – Scaling Health Innovations Partnership	-	540,458
	<b>25,281,609</b>	<b>30,617,040</b>

In fiscal year 2015–2016, Global Affairs Canada (“GAC”) entered into a contribution agreement with the Organization for a maximum of \$158,730,672 for the Maternal, Newborn and Child Health (“MNCH”) Innovation Platform. The agreement is effective from March 3, 2016 to March 3, 2025.



## GRAND CHALLENGES CANADA

### NOTES TO FINANCIAL STATEMENTS

March 31, 2018

#### 6. GRANT REVENUE (continued)

In fiscal year 2013-2014, the Department for International Development – UK (“DFID”) entered into a contribution agreement with the Organization with a maximum of £2,000,000 for the Saving Lives at Birth program. The agreement was effective from April 1, 2013 to March 31, 2017. Three amendments were signed for an additional amount of £5,100,000 and to extend the effective end date to November 30, 2019.

In fiscal year 2014-2015, the Union de Banques Suisses Optimus Foundation (“UBSOF”) entered into a contribution agreement with the Organization for a maximum of CHF1,750,000 for the Saving Brains program. The agreement is effective from February 10, 2015 to February 10, 2018. An amendment was signed to increase the funding commitment to CHF1,850,000 and to extend the effective end date to February 10, 2020.

In fiscal year 2015-2016, the Bill and Melinda Gates Foundation (“BMGF”) entered into a grant agreement with the Organization for a maximum of US\$2,506,978 for the Innovation Marketplace Initiative. The agreement is effective from November 30, 2015 to November 30, 2020.

In fiscal year 2016-2017, the U.S. Agency for International Development (“USAID”) entered into a cooperative agreement with the Organization for a maximum of US\$500,000 for the Every Woman Every Child Innovation Marketplace Initiative. The agreement is effective from October 1, 2016 to September 30, 2021. In fiscal year 2017-2018, USAID also entered into an agreement with the Organization for a maximum of US\$7,474,606 for the Humanitarian Grand Challenge. The agreement is effective from August 1, 2018 to July 31, 2020.

In fiscal year 2016-2017, The ELMA Foundation (“ELMA”) entered into an agreement with the Organization for a maximum of \$2,440,000 for the Saving Brains program. The agreement is effective from April 1, 2016 to March 31, 2021.

In fiscal year 2016-2017, the United Nations Foundation (“UNF”) entered into an agreement with the Organization for a maximum of US\$158,766 for the Every Woman Every Child Innovation Marketplace Initiative. The agreement was effective from November 1, 2016 to December 31, 2017.



## GRAND CHALLENGES CANADA

### NOTES TO FINANCIAL STATEMENTS

March 31, 2018

#### 6. GRANT REVENUE (continued)

In fiscal year 2017-2018, an anonymous donor (“Anonymous”) entered into an agreement with the Organization for a maximum of US\$84,000 to support operational costs of the Organization. The agreement is effective from July 1, 2017 to December 31, 2017. An amendment was signed for an additional amount of US\$84,000 and to extend the effective end date to June 30, 2018.

In fiscal year 2017-2018, Johnson & Johnson (“J&J”) entered into an agreement (via The Resource Foundation) with the Organization for a maximum amount of US\$150,000 for the Indigenous Innovation Initiative. The agreement is effective from January 1, 2018 to December 31, 2019. In fiscal year 2016-2017, J&J also entered into an agreement with the Organization for a maximum amount of US\$100,000 for the Global Mental Health program. This agreement was effective from February 28, 2017 to March 15, 2018. Finally in fiscal year 2017-2018, J&J also entered into an agreement with the Organization for a maximum amount of US\$15,000 to support attendance at the Grand Challenges meeting held in October 2017.

In fiscal year 2017-2018, the J.W. McConnell Family Foundation (“McConnell”) entered into two agreements with the Organization for a maximum amount of \$88,348 and \$750,000 for the Indigenous Innovation Initiative. The first agreement was for the period of June 20, 2017 to March 31, 2018, and the second one is for the period of January 1, 2018 to December 31, 2019.

In the 2008 federal budget, the Government of Canada announced the creation of the Development Innovation Fund (“DIF”). The agreement was for \$220,141,134 covering the period from January 10, 2010 to March 31, 2017. The remaining expenses are non-cash amortization of capital assets.

In fiscal year 2017-2018, the Department of Foreign Affairs and Trade – Australia (“DFAT-AU”) entered into an agreement with the Organization for a maximum of US\$3,000,000 for the Urban Sanitation program. The agreement is effective from June 19, 2017 to December 30, 2019.

In fiscal year 2016-2017, Pivotal Ventures LLC (“Pivotal”) entered into an agreement with the Organization for a maximum of US\$15,000 to support attendance at the Grand Challenges meeting held in October 2017.



## GRAND CHALLENGES CANADA

### NOTES TO FINANCIAL STATEMENTS

March 31, 2018

#### 6. GRANT REVENUE (continued)

In fiscal year 2016-2017, GAC entered into a contribution agreement with the Organization for a maximum of \$7,699,353 CAD for the Advancing Global Health Innovations (“AGHI”) Initiative. The agreement is effective from September 6, 2016 to March 31, 2019.

In fiscal year 2013-2014, GAC entered into a contribution agreement with the Organization for a maximum of \$9,975,000 for the Scaling Health Innovations Partnership Initiative. The agreement was effective from October 2, 2013 to October 2, 2015. The Organization received a no-cost extension to extend the effective end date to October 2, 2018.

#### 7. INTEREST REVENUE

Interest revenue includes interest earned on funds received in advance and from non-grant projects.

	2018	2017
	\$	\$
Interest from funds received in advance	69,722	85,199
Interest from non-grant projects <i>[note 9]</i>	94,802	-
	<b>164,524</b>	85,199



## GRAND CHALLENGES CANADA

### NOTES TO FINANCIAL STATEMENTS

March 31, 2018

#### 8. OTHER REVENUE

Other revenue includes repayment of capital from non-grant projects and other sources of funding. During fiscal year 2017-2018, the Organization recovered \$921,663 from its investment in the Global Health Investment Fund [note 9], and received other contributions that supported program support activities and operations:

	2018	2017
	\$	\$
Non-grant projects [note 9]	921,663	-
Other contributions	196,664	35,585
	<b>1,118,327</b>	<b>35,585</b>

#### 9. NON-GRANT PROJECTS

In addition to issuing grants, the Organization provides funding for projects in the form of loans receivable, convertible loans and repayable grants. Due to the start-up nature of the projects being funded and long duration of repayment terms, it is difficult to place a fair valuation on the Organization's loans and potential equity instruments. As a result, the Organization has expensed these investments. During fiscal year 2017-2018, the Organization received its first interest payment from a non-grant project of \$94,802 [2017 – nil].

In addition to these non-grant projects, in 2013 the Organization made an investment contribution to the Global Health Investment Fund, a partially guaranteed fund designed to catalyze investment activity that can deliver new technologies to address urgent global health challenges and improve livelihoods around the world. Since there is no certainty about the timing of the return on invested capital, no value was attributed to the investment when made in 2013 and the contribution was expensed. During fiscal year 2017-2018, the Organization received \$921,663 from its investment contribution to the Global Health Investment Fund.

Subsequent to year-end, the Organization amended the repayment terms of a repayable grant agreement to receive a one-time payment of EUR200,000. Upon receipt of these funds, the agreement will be terminated. In addition, on May 3,

10



## GRAND CHALLENGES CANADA

### NOTES TO FINANCIAL STATEMENTS

March 31, 2018

2018, the Organization converted an outstanding loan receivable of US\$858,000 for 315,998 common shares. These transactions will be recorded in fiscal year 2018-2019.

#### 10. FUNDING COMMITMENTS

The Organization has commitments to make funding payments to various organizations subject to funding being provided by the Government of Canada and other donor partners, and subject to compliance by recipients with the terms and conditions of funding agreements.

Funding payments payable to various organizations are as follows:

	\$
2019	13,218,000
2020	19,828,000
	<u>33,046,000</u>

#### 11. LEASE COMMITMENTS

The future minimum annual lease payment for operating leases is as follows:

	\$
2019	278,000

#### 12. RECLASSIFICATION

Certain comparative figures have been reclassified to conform to the current year's presentation.



## Annex 1: Board of Directors

GRAND CHALLENGES CANADA Members of the Board of Directors	
Name	Affiliations
<b>Alain Beaudet</b>	<ul style="list-style-type: none"> <li>Former President, Canadian Institutes of Health Research</li> </ul>
<b>Cédric Bisson</b>	<ul style="list-style-type: none"> <li>Partner, Teralys Capital</li> </ul>
<b>Daniel Carucci</b>	<ul style="list-style-type: none"> <li>President, Global Health Consulting Inc.</li> <li>Global Medical Director, McCann Health and Global Medical Director, McCann Health Global Scientific Council</li> <li>Former Vice President for Global Health, United Nations Foundation</li> <li>Former Director, Grand Challenges in Global Health Initiative, Foundation for the National Institutes of Health</li> <li>Former Director, Malaria Program, Naval Medical Research Center</li> </ul>
<b>Johanne Charbonneau</b>	<ul style="list-style-type: none"> <li>Former Vice President and Chief Financial Officer, CBC/Radio-Canada</li> <li>Former VP Resources and Chief Financial Officer, Canada's International Development Research Centre</li> <li>Former Chair, CPA Ontario</li> </ul>
<b>Mohamed Hassan</b>	<ul style="list-style-type: none"> <li>Co-Chair of IAP, the global network of science academies</li> <li>Chairman, Council of the United Nations University</li> <li>Former President, African Academy of Sciences</li> <li>Former Executive Director, Academy of Sciences for the Developing World (TWAS)</li> </ul>
<b>Mwelecele Malecela</b>	<ul style="list-style-type: none"> <li>Director in the Office of the Regional Director, World Health Organization Regional Office for Africa (WHO–AFRO)</li> </ul>
<b>Gerhard Pries</b>	<ul style="list-style-type: none"> <li>Management Partner and Chief Executive Officer, Sarona Asset Management</li> </ul>
<b>Morris Rosenberg</b>	<ul style="list-style-type: none"> <li>Former President and Chief Executive Officer, The Pierre Elliott Trudeau Foundation</li> <li>Former Deputy Minister, Department of Foreign Affairs, Trade and Development (now Global Affairs Canada)</li> </ul>
<b>Guyline Saucier</b>	<ul style="list-style-type: none"> <li><b>Chair of the Board of Directors, Grand Challenges Canada</b></li> <li>Former Chair of the Board of Directors, Canadian Broadcasting Corporation</li> <li>Former Director, Bank of Canada</li> <li>Former Chair, Canadian Institute of Chartered Accountants (CICA)</li> </ul>
<b>Peter A. Singer</b>	<ul style="list-style-type: none"> <li>Former Chief Executive Officer, Grand Challenges Canada</li> </ul>



## Annex 2: Investment Committee

GRAND CHALLENGES CANADA Members of the Investment Committee	
Name	Affiliations
<b>Cédric Bisson</b>	<ul style="list-style-type: none"> <li>• Partner, Teralys Capital</li> </ul>
<b>Paul Dufour</b>	<ul style="list-style-type: none"> <li>• Fellow and Adjunct Professor at the Institute for Science, Society and Policy in the University of Ottawa</li> <li>• Principal, PaulicityWorks</li> </ul>
<b>Evelyn Gitau</b>	<ul style="list-style-type: none"> <li>• Director of Research Capacity Strengthening, African Population and Health Research Center</li> </ul>
<b>Charles Larson</b>	<ul style="list-style-type: none"> <li>• McGill University Global Health Program</li> <li>• National Coordinator, Canadian Coalition for Global Health Research</li> </ul>
<b>Gina Ogilvie</b>	<ul style="list-style-type: none"> <li>• Professor, Faculty of Medicine, University of British Columbia</li> <li>• Canada Research Chair, Global Control of HPV-related Cancer</li> <li>• Assistant Director, Women's Health Research Institute</li> <li>• Senior Public Health Scientist, BC Centre for Disease Control</li> </ul>
<b>Gerhard Pries</b>	<ul style="list-style-type: none"> <li>• <b>Chair of the Investment Committee, Grand Challenges Canada</b></li> <li>• Management Partner and Chief Executive Officer, Sarona Asset Management</li> </ul>
<b>Lally Rementilla</b>	<ul style="list-style-type: none"> <li>• President, Quantius Inc.</li> <li>• Board and Investment Committee Member, Pique Ventures Investments (VCC)</li> <li>• Associate Fellow, Creative Destruction Lab</li> </ul>



## Annex 3: Scientific Advisory Board

GRAND CHALLENGES CANADA Members of the Scientific Advisory Board	
Name	Affiliations
<b>Jane Aubin</b> Canada	<ul style="list-style-type: none"> <li>• <b>Chair, Stars Subcommittee</b></li> <li>• Professor Molecular Biology, University of Toronto</li> </ul>
<b>Taye Balcha</b> Ethiopia	<ul style="list-style-type: none"> <li>• Director General, Armauer Hansen Research Institute</li> </ul>
<b>Raquel Bernal</b> Colombia	<ul style="list-style-type: none"> <li>• Associate Professor of Labor Economics and Econometrics in the Economics Department, Universidad de los Andes in Bogotá, Colombia</li> </ul>
<b>Nan Buzard</b> Switzerland	<ul style="list-style-type: none"> <li>• Head of Innovation, International Committee of the Red Cross</li> </ul>
<b>Gary Cohen</b> United States	<ul style="list-style-type: none"> <li>• Executive Vice President and President Global Health and Development, Becton, Dickinson and Company (BD)</li> </ul>
<b>Pamela Collins</b> United States	<ul style="list-style-type: none"> <li>• <b>Chair, Global Mental Health Subcommittee</b></li> <li>• Director of Global Mental Health, University of Washington</li> </ul>
<b>Carol Dahl</b> United States	<ul style="list-style-type: none"> <li>• <b>Chair, Grand Challenges Canada Scientific Advisory Board</b></li> <li>• Executive Director, The Lemelson Foundation</li> </ul>
<b>Mary de Silva</b> United Kingdom	<ul style="list-style-type: none"> <li>• Head of Population, Environment and Health, Wellcome Trust</li> </ul>
<b>Christine Debouck</b> United States	<ul style="list-style-type: none"> <li>• President, Ardennes Biosciences LLC</li> </ul>
<b>Sylvia Deganus</b> Ghana	<ul style="list-style-type: none"> <li>• Head of Obstetrics and Gynecology, Tema General Hospital</li> </ul>
<b>Evelyn Gitau</b> Kenya	<ul style="list-style-type: none"> <li>• Director of Research Capacity Strengthening, African Population and Health Research Center</li> </ul>
<b>Paul Gunstensen</b> United Kingdom	<ul style="list-style-type: none"> <li>• Director of WASH, The Stone Family Foundation</li> </ul>
<b>Stanley Kutcher</b> Canada	<ul style="list-style-type: none"> <li>• Professor of Psychiatry, Sunlife Financial Chair in Adolescent Mental Health</li> <li>• Director, World Health Organization Collaborating Center at Dalhousie University</li> </ul>
<b>Joy Lawn</b> United Kingdom	<ul style="list-style-type: none"> <li>• Professor of Maternal, Reproductive and Child Health</li> <li>• Director, MARCH Centre</li> </ul>
<b>Joan Lombardi</b> United States	<ul style="list-style-type: none"> <li>• <b>Chair, Saving Brains Subcommittee</b></li> <li>• Senior Advisor to the Bernard van Leer Foundation on Global Child Development Strategies and to the Buffett Early Childhood Fund on National Initiatives</li> </ul>
<b>Crick Lund</b> South Africa	<ul style="list-style-type: none"> <li>• Director, Alan J Flisher Centre for Public Mental Health</li> <li>• Professor, Department of Psychiatry and Mental Health, University of Cape Town</li> </ul>



Name	Affiliations
<b>James Thuch Madhier</b> Canada	<ul style="list-style-type: none"> <li>• Founder and Executive Director, The Rainmaker Enterprise</li> </ul>
<b>John W. McArthur</b> United States	<ul style="list-style-type: none"> <li>• Senior Fellow, Global Economy and Development Program, Brookings Institution</li> </ul>
<b>Anita McGahan</b> Canada	<ul style="list-style-type: none"> <li>• <b>Vice Chair, Grand Challenges Canada Scientific Advisory Board</b></li> <li>• <b>Chair, Transition To Scale Subcommittee</b></li> <li>• Professor of Strategic Management, Rotman School of Management, University of Toronto</li> </ul>
<b>James Orbinski</b> Canada	<ul style="list-style-type: none"> <li>• <b>Chair, Humanitarian Subcommittee</b></li> <li>• Professor and Inaugural Director, Dahdaleh Institute of Global Health Research, York University</li> </ul>
<b>Sandeep Prasad</b> Canada	<ul style="list-style-type: none"> <li>• Executive Director, Action Canada for Sexual Health &amp; Rights</li> </ul>
<b>Sara Pantulino</b> United Kingdom	<ul style="list-style-type: none"> <li>• Managing Director, ODI</li> </ul>
<b>Shekhar Saxena</b> Geneva	<ul style="list-style-type: none"> <li>• Director, Department of Mental Health and Substance Abuse, World Health Organization (WHO)</li> </ul>
<b>Yongyuth Yuthavong</b> Thailand	<ul style="list-style-type: none"> <li>• Former Minister of Science and Technology, Thailand</li> </ul>
<b>Stanley Zlotkin</b> Canada	<ul style="list-style-type: none"> <li>• <b>Vice Chair, Grand Challenges Canada Scientific Advisory Board</b></li> <li>• <b>Chair, Saving Lives at Birth Subcommittee</b></li> <li>• Chief, Global Child Health and Senior Scientist, Research Institute, The Hospital for Sick Children</li> </ul>



## Annex 4: Organization Chart

