RESOLVED that shareholders of Moderna Inc. (“Moderna”) ask the Board of Directors to commission a third-party report to shareholders, at reasonable expense and omitting confidential and proprietary information, analyzing the feasibility of promptly transferring intellectual property (“IP”) and technical knowledge (“know-how”) to facilitate the production of COVID-19 vaccine doses by additional qualified manufacturers located in low- and middle-income countries (LMICs), as defined by the World Bank.

SUPPORTING STATEMENT

Vaccine access remains inequitable.¹ The limited, unpredictable vaccine supply LMICs received for months after vaccines were first authorized and distributed in high-income countries contributes to continuing disparities nearly two years later.² The failure to prioritize vaccine equity creates reputational risk, threatens to hamstring the global economy, and costs Moderna millions of dollars in expenses, “write-downs” and missed opportunities to capture demand when all countries urgently sought doses.³

LMICs call for sustainable local manufacturing to ensure timely, reliable access to lifesaving vaccines, addressing delivery issues that impeded national vaccination plans.⁴ 120 LMIC manufacturers could produce mRNA vaccines, and at least 6 mRNA vaccines by manufacturers in LMICs are in clinical trials or approved.⁵ Moderna’s refusal to share IP and know-how requested by the World Health Organization (WHO) also delays WHO and LMICs’ efforts to develop similar vaccines by at least one year.⁶ With Moderna’s support, these manufacturers could produce doses in months, curbing the health and economic consequences of COVID-19 while generating licensing revenues for Moderna.⁷

The company’s “global public health strategy” commitments not to enforce patents for COVID-19 vaccines used in some countries and to build its own manufacturing plant in Kenya are insufficient to resolve vaccine equity issues, and do not enable countries to secure supply independently. Moderna said that it would take up to four years to construct its Kenya plant,⁸ a

¹ https://ourworldindata.org/covid-vaccinations
⁷ https://www.keionline.org/35364
⁸ https://www.washingtonpost.com/health/2021/10/07/moderna-vaccine-plant-africa/
process not yet started a year later.

Moderna faces criticism for abusive patenting practices and profiteering,\(^9\) with all of its profits generated from a vaccine co-developed by the US government using $10 billion in US government funding (including vaccine preorders).\(^10\) This creates a reputational tarnish and could threaten Moderna’s relationship with the US government, which funds several Moderna projects. Indeed, Moderna’s limited patent waiver, lawsuits against competitors, and inventorship dispute with the US government stand in contrast to Moderna’s own reliance on US government-granted permission to use others’ IP.\(^11\)

Moderna’s refusal to share vaccine IP and technical knowledge may also risk increased regulation and oversight. If governments cannot trust Moderna to ensure sustainable, equitable, timely access, they may impose rules impacting the control of pandemic technologies, as some experts propose.\(^12\) A report analyzing the feasibility of technology transfer could help investors evaluate whether Moderna’s actions are in shareholders’ long-term interest.

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\(^9\) [https://www.nature.com/immersive/d41586-022-01898-3/index.html](https://www.nature.com/immersive/d41586-022-01898-3/index.html)


\(^11\) [https://www.keionline.org/37751](https://www.keionline.org/37751); [https://www.npr.org/sections/health-shots/2022/08/26/1119608060/moderna-sues-pfizer-over-covid-19-vaccine-patents](https://www.npr.org/sections/health-shots/2022/08/26/1119608060/moderna-sues-pfizer-over-covid-19-vaccine-patents); [https://www.nature.com/articles/d41586-021-03535-x](https://www.nature.com/articles/d41586-021-03535-x)

\(^12\) [https://gh.bmj.com/content/7/7/e009709](https://gh.bmj.com/content/7/7/e009709)