



Minutes of Board meeting #14

Video/Teleconference

11.30-14.30 GMT, 24-25 June 2021

Board members

- Jane Halton, Chair of the Board
- Cherry Kang, Christian Medical College Vellore, Vice-Chair of the Board
- Jeremy Farrar, Wellcome Trust (Day 1-From 11.50-12.40pm; Charlie Weller, Delegate Day 1-From 12.40pm)
- Nadine Gbossa, International Fund for Agricultural Development
- Veronika von Messling, Federal Ministry of Education and Research
- Ichiro Kurane, Ministry of Health Labour and Welfare, Japan
- John Nkengasong, Africa CDC (Day 1-From 12.45pm)
- David Reddy, Medicines for Malaria Venture
- Peter Piot, London School of Hygiene & Tropical Medicine
- Rajeev Venkayya, Takeda
- Charlotte Watts, UK Department for International Development (Day 1-From 11.50-12.58pm/From 13.40pm; Day 2- From 12.20pm)

Non-voting members

- Richard Hatchett, CEO CEPI
- Peggy Hamburg, JCG Chair (Day 2-From 12.40pm)
- Helen Rees, SAC Chair (Day 1-From 11.50-12.30pm, Day 2 - Full)
- Soumya Swaminathan, World Health Organization (Day 1-From 13.10pm, Day 2-Full)
- Muhammed Chawla, World Bank (Delegate for Muhammad Pate, Day 1-From 12.00pm)

Apologies

- Peggy Hamburg, JCG Chair (Day 1)
- John Nkengasong, Africa CDC (Day 2)
- Muhammad Pate, World Bank (Day 2)

Guests

- Andrew Rodriguez, Boston Consulting Group (BCG) (Day 2 - Item 7)

Observers

Investors council

- Austria: Norbert Feldhofer
- Canada: Jennifer Lai
- Ethiopia: Abebe Genetu
- Finland: Outi Kuivasniemi
- Gates Foundation: Hanna Cameron
- Germany: Kerstin Kaempf
- Japan: Taguchi Okubo (Day 1); Kazuho Taguchi (Day 2)
- Malaysia: Mohd Redzuan
- Mexico: Ambassador Ulises Canchola
- New Zealand: Peter Bartlett
- Norway: Maha-Noor Khan
- UK: Sarah Legrand
- Wellcome Trust: Charlie Weller (IC chair) (Esme Mroz-Dawes, Delegate Day 1-From 12.40pm)
- USAID: Tracey Goldstein
- Korea: Seung Yeon Lee
- Indonesia: Penny Herasati
- Saudi Arabia: Hani Jokhdar

Management

- Mads Høgholen
- Frederik Kristensen
- Joseph Simmonds-Issler
- Richard Wilder
- Melanie Saville (Items 0, 2, 3, 4, 5, 6, 7, 8)
- Luc Debruyne (Items 0, 2, 3, 4, 6, 7, 8)
- Rachel Grant (Items 0, 2, 3, 4, 5, 6, 7, 8)
- Magnus Holme (Item 8)
- Nicole Lurie (Items 0, 2, 3, 4, 5, 6, 7, 8)
- Samia Saad (Items 0, 2, 3, 4, 5, 6, 7, 8)
- Astrid Helgeland (Items 6, 7, 8)
- Zesanatt Pequeno

Day I

Item I: Opening

- Jane Halton opened the meeting, noting the significant public presence of CEPI, and issues related to pandemic preparedness and CEPI's mission in the recent G7 discussions, and that this brings opportunities and challenges. She expressed formal thanks on behalf of the Board to all CEPI staff for their work and achievements.
- No new conflicts were declared.
- **Resolution:** The Board approved the March meeting minutes.
- **Resolution:** The Board delegated signature of the March meeting minutes to Jane Halton and Cherry Kang.

Investors Council report

Charlie Weller presented on behalf of the Investors Council, having met before the Board, with the following updates and comments:

- The Kingdom of Saudi Arabia was welcomed to the group.
- A nomination process was conducted for the Investor Council Deputy Chair role. Finland and the US will share the position.
- A key topic of discussion was related to developments in the wider ecosystem. Investors welcome CEPI's attempts to position itself to ensure synergies in a dynamic environment; noted that the adoption of parts of the CEPI 2.0 mission in the global discourse is evidence of success; and encouraged CEPI to continue to engage in the Global South. Investors encouraged CEPI to consider the factors that had helped it succeed, as discussions around the future architecture progress.
- Investors were broadly supportive of the intended increased role for CEPI in manufacturing and look forward to further details. Investors encouraged CEPI to work closely in collaboration with others, progressing the Memorandum Of Understanding with the African Union, and collaboration with Health Environment Research Agenda for Europe (HERA).
- The investors had discussed CEPI potentially taking on a stronger role in therapeutics, with mixed views, and a concern that such role not damage the focus on vaccines. Investors would like to see more details on how management would proceed and return to the Board before proceeding.
- Investors reflected on the work to implement CEPI 2.0, noting that CEPI had changed a lot from 2017 to pre-pandemic 2020, and then has changed further during the pandemic. It was noted that any review of the operating model should include governance, and that the Investors Council governance Working Group should engage with this work.

Opening discussion:

- The Board had an initial discussion regarding the potential importance of CEPI playing a role in therapeutics.

CEO opening remarks: Richard Hatchett provided framing remarks for the meeting, noting:

- The Board was meeting at a critical time in the COVID-19 pandemic and global political attention to how to prepare the world for future pandemics. Profound inequities in the delivery of vaccines and other countermeasures are apparent, and COVAX is trying to narrow those inequities.
- There is considerable political attention and several ongoing processes relating to the issues covered by CEPI's mission.
- There are a wide number of regional efforts, as well as global efforts. CEPI views this positively – and a chance to mobilise political will and funding to reduce the risk of future epidemics and pandemics as a global challenge – where CEPI and others will work together.
- The UK Pandemic Preparedness Partnership report to the G7 centres around CEPI's 100-day target. The report was welcomed by the G7, and the Chief Scientific Advisers were asked to develop an implementation plan, which CEPI has already been engaged on, and Italy will carry into the G20.
- CEPI is working closely with many partners, including with civil society, with the African Union, China, Pan American Health Organization (PAHO)/WHO, the European Commission, development partners, and others.

In discussion:

- CEPI created momentum around the 100-day target, which is now getting mileage. Many details will need to be defined, but there is an opportunity to make real progress.
- CEPI needs to be staffed to deliver in the new environment, with the appropriate support to the CEO.
- It is critical to note that another pandemic could be far worse than COVID-19. However, the opportunity the world has is to genuinely tackle the threat of epidemics and pandemics in advance to the benefit of future generations.
- There is a trend towards regional efforts. That noted, CEPI has a global mandate and experience and therefore will play a critical role and can help avoid fragmentation.
- CEPI's success to date has been founded on agility, making quick decisions, and taking measured risks. CEPI 2.0 should retain this, and the more CEPI adds, the more careful it needs to be to avoid bureaucratization or slowing down. Being methodical on building on strengths and successes will be key.
- There are challenges to COVAX, and it is important to reflect on what CEPI can and should do to achieve equitable access, while acknowledging CEPI is only one actor in a complex landscape.
- For CEPI to expand its remit, it needs to be certain that if and as it steps up, it preserves decisiveness and nimbleness.

Item 2: COVID-19/COVAX

On Covax: Richard Hatchett

- There is a need to both work to improve outcomes now, and reflect on how to do better in the future. Both require working with countries, industry, global and regional partners, and others.
- As of 24 June, around 90 million doses had been delivered through COVAX to 130+ countries. Projections suggest delivering a total of 1.9 billion doses in 2021. In addition, sharing of 1 billion doses is anticipated in 2021, and there are ongoing discussions around supply towards increasing COVAX's access to 5 billion doses through 2022.
- Challenges ahead include securing doses sooner, progressing on manufacturing and supply chain issues, absorptive capacity, and setting ambitions for COVAX in 2022.

On the status of the CEPI funded COVAX R&D portfolio: Melanie Saville

- Future priorities include maximising doses, clinical research to maximise access of existing vaccines, new vaccines with optimised profiles, and continued investments in our enabling science programmes.
- CEPI issued a call for Broadly Protective SARS-CoV2 and Beta-Coronavirus vaccines, and applications are under review.
- At present it appears vaccines have robust efficacy against the new variants seen so far.

On finances, and fundraising: Mads Høgholen, and Samia Saad

- CEPI has received modest new contributions since the last Board. At present, CEPI has raised BUSD 1.8B for its COVID-19 response, including BUSD 0.1 that last year was repurposed from CEPI's core portfolio.
- CEPI is working through whether it will receive repayment on its forgivable loans, and with the current outlook, anticipates getting at least MUSD163 back. This contributes to a current net positive cashflow of over MUSD300.
- Fundraising has been challenging when the global focus is on delivery, not R&D.

On manufacturing: Melanie Saville: Since the last Board a particular area of focus has been manufacturing, CMC, and supply chains. CEPI co-hosted a summit in March, has been actively working with and driving the Manufacturing SWAT team, and a new Working Group has been set up under COVAX. One area of note is the input supply marketplace CEPI is establishing, to help address supply shortages, and has already helped produce 8 million doses that would otherwise not have been produced. Melanie noted there has been extensive engagement with partners within COVAX, but also outside, including the World Trade Organization (WTO), and this remains a pressing focus for the short-term, and long-term.

In discussion:

- CEPI is exploring how it can increase supplies of vaccine in context of a very challenging epidemiological and equity perspective. This includes reviewing mix and match studies, clinical

trials, dose levels, optimising manufacturing, working on regulatory issues and alignment, focussing on supply chains, working with partners globally and exploring all avenues.

- CEPI's enabling science portfolio is a significant contribution and a global good.
- Manufacturing is a key bottleneck, with very high interest, and most countries wanting to take on. Coordination and expectation management needed. CEPI may be able to play a leadership role.
- Diagnostics are also critical as part of preparedness and response.

Day 2

Item 3: Manufacturing

Melanie Saville noting the need globally for a diversified global vaccine manufacturing footprint to sustainably supply vaccines through inter-epi/pandemic periods, particularly in underserved regions, before articulating the need to continue to strengthen CEPI's focus on manufacturing for the longer term.

CEPI's strategy within CEPI 2.0 includes a focus on establishing a scalable resilient manufacturing network to improve vaccine capacity, capability, and preparedness for public health outbreak response especially in low- and middle- income countries (LMICs); and to harness innovations in technology that can accelerate pandemic response, reduce size and costs and ensure equitable access in LMICs. Following the intensive efforts through COVAX, where CEPI co-leads the Manufacturing Working Group, CEPI now plans to build a separate manufacturing department, to expand partnering arrangements and networks, to support regional vaccine manufacturing roadmaps, to provide technical support to financing institutions, and to support manufacturing innovations. CEPI will not fund manufacturing capacity and site construction. In discussion:

- Areas including upscaling, assessing quality of facilities, GMP compliance are critical.
- There are considerable learnings from the global influenza programme on regional efforts to build manufacturing capacity for vaccines. Sustainability of sites is a key issue, especially when every country is seeking to build capacity. The African Union is taking a leadership role in Africa.
- A country receiving tech transfer needs to create a receptive environment, with appropriate legal and administrative framework.
- It is critical to ensure a strong expert workforce is trained and retained. Once CEPI commits to providing support, it must be a good partner and continue to engage for the long term.
- Vaccine manufacturing is complicated and requires planning considerably in advance of Phase 3 studies. CEPI is well placed to support, including building the appropriate expertise.
- mRNA is a huge advance but may not be relevant for all virus families and is not the only approach that should be pursued.
- CEPI needs to be careful to manage expectations. There is a wider need for realism publicly on what can be achieved in terms of manufacturing, and when.

Item 4: Therapeutics

A discussion was held on whether CEPI should consider taking a role in work on therapeutics, as advocated in the UK G7 PPP report. In discussion:

- Bringing together separate entities has been hard in COVID-19. Consolidation is more appealing than fragmentation.
- The science indicates an increasing closeness between vaccines and therapeutics.
- While there is a clear need for a "CEPI for vaccines" and many reasons to look at CEPI taking therapeutics on, before doing so it is critical to look at whether this must be CEPI. This would be a substantial expansion of scope, would require more experts, resources, and would require a strong risk and benefit assessment.

Resolution: The Board asked CEPI Management to conduct due diligence. Management to work with the CEPI Board Executive and Investment Committee and bring a proposal back to the September Board. **Due: September 2021**

Item 5: Influenza (Flu)

Melanie Saville noted the Board had asked CEPI Management to present on CEPI's engagement and position in relation to flu. There is a well-established ecosystem for flu which will continue to develop.

Melanie noted that CEPI's work on prototype pathogens, and on Disease X, allows for some engagement on flu; and that CEPI could selectively invest in platforms and improvements, activities relative to LMICs, and efforts to reduce cost of goods, as well as prototype pathogens. Finally, Melanie highlighted that CEPI will look at the lessons from COVID-19, engage with other existing initiatives, and consider how best to partner to leverage such activities, which may not require further investment.

Resolution: CEPI should keep a close watch on flu and make selective investments in other contexts towards wider objectives such as regulatory, platforms, or other wider work. CEPI Management should share a summary of CEPI's position with the Board Chair. **Due: Q3 2021**

Item 6: Preparing for CEPI 2.0

Frederik Kristensen presented on the ongoing work on CEPI's strategy development, noting a draft programme document would be presented to the Board in September and which would support resource mobilisation efforts thereafter. Joe Simmonds-Issler noted that as part of preparing for CEPI 2.0, CEPI was initiating an extensive piece of work on its operating model, acknowledging that the size, funding level, scope, and profile of CEPI will be radically evolved in CEPI 2.0. Joe noted that Management was being supported by the Boston Consulting Group on the operating model work, which covers governance, structure, culture, people, and systems in a holistic fashion, and that a blueprint for what CEPI 2.0 might need to look like would return to the September Board. Finally, Joe noted that the Board will need to reflect on its role and focus for CEPI 2.0.

Item 7: Fundraising

Samia Saad gave a short presentation on CEPI's plans towards its replenishment in 2022, noting that for CEPI to succeed, it will need to be situated in broader political processes and have a clear offer in a dynamic ecosystem. It will also need to explore long-term sustainable financing instruments. CEPI is pursuing a replenishment campaign, and reviewing complementary innovative financing options, and working towards several critical upcoming events leading up to a UK-hosted replenishment event in February 2022. Finally, CEPI is working with investors and the OECD regarding the 2021 ODA coefficient for CEPI's COVID-19 efforts.

Item 8: Items to note

Resolutions: The Board approved the approach to the operating reserve calculation. The Board noted the updates on finance, the portfolio, HR, updated partnership agreements, committees, forward look, and follow up on outstanding actions.

Close of meeting: Jane Halton thanked all for active participation, CEPI Management for preparation, and closed the meeting. The Board then held a short-closed discussion.