**Letitia James**
New York State Attorney General

# Attorney General James Sues Former CEO of Emergent BioSolutions for Insider Trading

### Former CEO Robert Kramer Sold His Company Shares and Received More Than $10.1 Million before Contamination Issues with the Production of the AstraZeneca COVID-19 Vaccine Became Public

### Emergent to Pay $900,000 in Penalties for Approving Kramer's Trading Plan

## January 15, 2026

NEW YORK – New York Attorney General Letitia James today sued Robert G. Kramer, the former CEO of health care contractor Emergent BioSolutions, Inc. (Emergent), for insider trading, and announced a settlement with Emergent for approving Kramer's illegal trading plan. In 2020, Emergent entered into $261 million in contracts with AstraZeneca PLC (AstraZeneca) to manufacture a large-scale commercial supply of its COVID-19 vaccine. Emergent later encountered manufacturing issues at its plant and discovered that large amounts of the AstraZeneca vaccines it produced were contaminated and unusable. An investigation by the Office of the Attorney General (OAG) found that amid these contamination issues, Kramer executed a plan to sell his company shares and received more than $10 million before the contamination issues were made public, in violation of New York's Martin Act. As a result of a settlement with OAG, Emergent will pay $900,000 in penalties and improve its executive trading policies. Attorney General James is seeking damages, disgorgement, and costs from Kramer.

"Corporate executives who use insider information to illegally trade company stocks and make a profit betray the public's trust," said **Attorney General James**. "At the height of the COVID-19 pandemic, Robert Kramer illegally profited millions by selling his company shares, while knowing that Emergent faced issues producing the AstraZeneca vaccine for millions of people. Kramer's actions were illegal and unethical, and we are holding him accountable."

Emergent is a biopharmaceutical company that contracts with pharmaceutical companies and the federal government to provide vaccines and other health care services. In the summer of 2020, Emergent announced two contracts with AstraZeneca worth a combined $261 million to manufacture a large-scale commercial supply of their COVID-19 vaccine. After the announcement, Emergent's stock price rose 43.6 percent from $94.99 to $136.49. Starting in September and early October, Emergent experienced manufacturing difficulties and noticed contamination issues in its production of the vaccine.

The lawsuit alleges that Kramer knew about the manufacturing and contamination issues and executed a trading plan before those issues were made public. The OAG's investigation found that on October 6, 2020, an executive vice president responsible for manufacturing operations provided Kramer with a copy of a PowerPoint presentation that included slides about aborted, contaminated batches of the vaccine. On October 13, 2020, Emergent concluded that multiple batches of vaccines were likely to be lost due to contamination. A day later, Kramer asked his investment advisor to implement a stock trading plan, which would allow him to sell some of his Emergent stock at set dates and prices. Company executives often use good-faith trading plans under Securities and Exchange Commission (SEC) Rule 10b5-1 to trade on a pre-arranged schedule. However, neither federal nor New York law permits such plans to be used to evade insider trading laws.

The contamination problem continued and remained unresolved through November 2020 and threatened Emergent's ability to manufacture the AstraZeneca vaccine in time with the expected production schedule outlined in its contracts. The lawsuit alleges that in early November 2020 SEC filings and analyst calls, Emergent discussed the importance of the Emergent-AstraZeneca contract, but omitted the serious unresolved contamination issues with the vaccine. On November 13, 2020, Emergent approved Kramer's trading plan, which he then executed, all while the company was amid a manufacturing crisis. Kramer received more than $10.1 million as a result of his sale of stock, which took place in January and February 2021 as outlined in his trading plan. Shortly after Kramer completed his sales on February 8, 2021, the market price of Emergent stock began to decline consistently, and has not recovered since. In April 2021, the U.S. Food and Drug Administration ordered a permanent halt to Emergent's production of the AstraZeneca vaccine.

New York's Martin Act forbids the trading of stock by company insiders who are in possession of material non-public information.

Today's settlement requires Emergent to pay $900,000 in penalties and improve its executive trading policies. Attorney General James is seeking damages, disgorgement of all ill-gotten gains, and costs from Kramer for violating state securities laws.

This case is being handled by Assistant Attorney General T. Austin Brown of the Investor Protection Bureau and Special Counsel Steven J. Glassman of the Economic Justice Division, with assistance from Assistant Attorney General Nina Varindani and Legal Assistants Elijah Maksimov and Eddie Aguilar. The Investor Protection Bureau is led by Bureau Chief Shamiso Maswoswe and Deputy Bureau Chief Kenneth Haim. The Investor Protection Bureau is part of the Division of Economic Justice, which is led by Chief Deputy Attorney General Chris D'Angelo and overseen by First Deputy Attorney General Jennifer Levy.