EXHIBIT 2

DECLARATION OF JENNIFER LODGE

I, Jennifer Lodge, declare as follows:

1. I am the Vice President for Research & Innovation and Professor of Molecular Genetics and Microbiology at Duke University ("Duke") in Durham, North Carolina. I have held that position since January 2022. Before coming to Duke, I served as the Vice Chancellor for Research and Senior Associate Dean for Research for the School of Medicine at Washington University in St. Louis. My research has been funded continuously by NIH for more than two decades.

2. As Vice President for Research & Innovation, I have personal knowledge of the contents of this declaration, or have knowledge of the matters based on my review of information and records gathered by Duke personnel, and could testify thereto.

3. Duke University receives substantial annual funding from the National Institutes of Health ("NIH"). In Duke's 2024 fiscal year ("FY2024"), which ran from July 1, 2023 through June 30, 2024, Duke held approximately 2,800 individual NIH awards, providing expenditures of approximately $610M in direct costs and $258M in indirect costs (also known as "Facilities and Administrative costs" or "F&A costs"). An indirect rate cap of 15% on all NIH awards to Duke in FY2024 would have resulted in approximately $193M of lost research funding, and a reasonable prediction is that a 15% cap on NIH F&A costs would have immediate impacts of a similar magnitude. These vital funds supported groundbreaking biomedical research that Duke committed to the NIH to perform and that the NIH committed to fund. These NIH awards were made after significant evaluation, are highly competitive, and the research budgets are carefully reviewed by the NIH prior to making the award. Duke also spends substantial funds of its own to further support the NIH sponsored research. In FY2024, Duke provided approximately $239M of its own funds

to support Duke research which, proportional to Duke's sponsored research portfolio, is approximately $186M of Duke funds to support NIH-associated research.

4. The funding that Duke receives from the NIH supports critical and cutting-edge medical research, which millions of Americans benefit from and depend on. For example:

a. Duke is a world leader in cancer research, including cancer prevention and control, precision cancer medicines, cancer detection, neuro-oncology, and immuno-oncology. NIH-funded cancer research projects at Duke range from basic science studying the cells that cause cancer to active clinical trials of new therapies that change the outcome from death sentences to curable diseases. Here are just two examples of cancer research supported over the years by NIH funding to Duke:

i. Metastatic breast cancer: Investigators at Duke have developed an exciting new treatment for patients with metastatic breast cancer for whom all traditional treatments have failed. Elacestrant was approved by the FDA in 2023 and is showing enormous promise in patients.

ii. Brain cancer: Just this year the FDA approved a new drug specifically targeted against brain tumors called low-grade gliomas. The drug, vorasidenib, delays the progression of low-grade gliomas with specific genetic mutations, representing one of the most successful therapies in prolonging survival of brain tumor patients.

b. Duke's pediatrics research is giving kids a better chance at a healthy life. Duke researchers are finding new ways to help babies, children, and teenagers overcome serious illnesses and Duke is a leader in the development of treatments for inherited diseases that have historically been untreatable. Duke's NIH-funded research has led to advancements

in Pompe's disease, thymus transplantation in DiGeorge syndrome, and Krabbe's disease. Duke leads the NIH-funded Pediatric Trials Network (PTN), which focuses on making medications safer and more effective for all children. Under the Best Pharmaceuticals for Children Act (BPCA), the PTN works to provide the Food and Drug Administration (FDA) with information to inform label changes with the necessary information to prescribe the most appropriate doses of the medications to children. As a result of the research conducted by the PTN to date, prescribing information and label changes have been made for twenty medications and two devices. Duke's sustained work on NIH-funded pediatric studies means more children across America will grow up healthy and reach their full potential.

c. At this critical time, NIH-funded Duke researchers are tackling diseases like Alzheimer's Disease and other diseases of the brain and the nervous system, such as epilepsy, stroke, and cerebral palsy. To capitalize on emerging technologies, the Duke-UNC Alzheimer's Disease Research Center, a national leader in developing early diagnostic approaches, is developing an understanding of Alzheimer's root causes. As the population in the United States ages, this critical research will help older Americans stay healthy longer through more effective management strategies, new diagnostics, and new therapeutics that will treat age-related diseases impacting millions of families.

d. Duke is a leader in designing and implementing innovative clinical trials and speeding drugs to market. Duke's physician-scientists expertly manage all aspects of studies, from first in human to marketable drugs. For example, Duke is a leader in an NIH-funded cholesterol-lowering study, (the PREVENTABLE Study), which will evaluate the impact of statin drugs in 20,000 community-dwelling adults aged ≥75 years. PREVENTABLE represents a multi-agency collaboration involving the NIH, the National

Patient-Centered Clinical Research Network (PCORnet), the Veterans Affairs system, and independent health systems to address the leading cause of death in adults.

e. NIH-funded research at Duke is developing a universal flu vaccine to protect against all flu strains and eliminate the need for annual shots with varying effectiveness. In addition, Duke researchers are working hard on furthering our understanding of avian flu and developing a vaccine, which is especially crucial now as avian flu spreads to livestock and humans. This NIH-funded research is essential to our national security to protect our food supply and public health.

5. Facilities and Administrative costs are essential for research. The NIH's proposal to significantly cut F&A cost reimbursement to 15% would devastate the important research described in Paragraph 4. Duke faithfully accounts to the Department of Health and Human Services ("HHS") for these F&A expenses, and only costs that are directly allocable to sponsored research facilities and administration are included. Duke's F&A rate is negotiated with HHS approximately every four years and the proposed rate is carefully examined and audited by the Federal government. Duke relies on its longstanding partnership with the Federal government, including HHS and NIH, to support the actual costs that are recovered through Duke's F&A rate to complete funded research and meet the associated federal requirements.

6. Facility and Administrative (F&A) costs include costs such as:

a. operating and maintaining research facilities with specialized heat, lighting, vacuum, and purified water systems, as well as hazardous waste disposal and security to ensure that biohazards, radioactivity and chemicals are securely used, stored and disposed;

b. upgrading existing lab facilities where NIH sponsored research occurs, to ensure that the plumbing, electric, HVAC, and safety facilities in our laboratories are up to code and safe for Duke researchers and support staff;

c. building new facilities to perform NIH sponsored research;

d. information technology ("IT") networks, high performance computing facilities, and data storage facilities, that enable researchers to analyze large amounts of data, store health data in a secure environment when required, and share certain data to enable other researchers as required by the NIH;

e. over 75 core service facilities, which include high-end equipment and facilities that no single investigator or project could afford to purchase and maintain, and provide efficiencies across NIH-funded projects; and

f. offices that have been put in place to fulfill federally mandated requirements, such as human subject and animal protections, conflict of interest, data security, scientific integrity, financial accounting and auditing, and export controls.

7. Cutting edge biomedical research that is performed at Duke, such as described in Paragraph 4, requires:

a. highly specialized equipment that requires procurement, maintenance, repair and replacement partially supported by F&A cost reimbursement. This includes equipment such as chemical hoods, centrifuges, PCR machines, electrophoresis equipment, microscopes, genomic sequencing equipment, chromatography systems, autoclaves, explosion-proof refrigerators and freezers, incubators, and mass spectrometers.

b. advanced computational resources, involving high-performance and ultra high-speed computing, secure and protected data networks which are essential for the protection

of data. Clinical and genomic data is stored in highly secure environments to ensure the privacy of individuals, and many NIH research projects require secure access to Duke Health patients' clinical and genomic data.

c. managing and conducting clinical trials requires access to appropriate space, clinical equipment and laboratories to perform testing and assessments, and access to secure data environments, networks, and data storage. Duke maintains Good Manufacturing Practice (GMP) facilities to ensure the safe formulation and production of investigational drugs and biologics for human use. Clinical trials also undergo rigorous oversight by program assurance personnel to ensure that the trial is conducted according to approved protocols and requirements.

8. Physical space is one of the largest components of F&A costs, and the amount of space available to researchers has a direct and obvious impact on the amount of research that can be conducted at Duke. A reduction of the reimbursement of the negotiated F&A rate would jeopardize needed upgrades and maintenance of research space, putting the funded research at risk. A roof or pipe leak can destroy hundreds of thousands of dollars of equipment, on-going experiments, and irreplaceable samples. Duke currently has several research buildings that house NIH-funded researchers that are scheduled for major infrastructure upgrades and would have to be shuttered without these upgrades. As a direct result of the proposed NIH F&A rate cap, Duke has halted renovation planning for five research facilities that would be decommissioned over the next two years if a 15% F&A rate is applied. A reduction of functional and safe laboratory space would significantly impede the ability of Duke's researchers to carry out NIH-funded research projects, creating great harm to Duke's research mission.

9. In addition, F&A costs fund the administration of NIH awards, including staff who ensure compliance with a vast number of regulatory mandates from agencies such as NIH. These mandates serve many important functions, including protecting human and animal subjects involved in research, ensuring research integrity, properly managing and disposing of chemical and biological agents used in research, managing financial conflicts of interest, administering and auditing funds, protecting intellectual property, preventing export controlled knowledge from being inappropriately accessed by foreign adversaries, and providing the high level of cybersecurity, data storage, and computing environments mandated for regulated data.

10. If—contrary to the 61.5% indirect cost rate Duke has negotiated with the Federal government—the indirect cost rate is reduced to 15%, this reduction will have deeply damaging effects on Duke University's ability to conduct research from day one. Duke's NIH-funded research expenditures have increased annually for each of the past four years and a 15% F&A rate cap on all NIH awards to Duke in FY2024 would have resulted in approximately $193M of lost research funding. Most critically, an F&A rate cap will necessarily and immediately result in large staffing reductions across the board. Duke has estimated that these reductions in F&A recovery would result in the loss of hundreds and, very likely, thousands of jobs in the coming months, which would harm Duke's ability to conduct currently funded NIH projects and ensure that the research is done with safety, integrity and compliance to the federal regulations and requirements. These specially trained personnel cannot necessarily be rehired in the future, and to even attempt to replace them would require substantial additional effort and cost in recruitment and training, which would in turn take time and money away from other work.

11. Duke University has for decades worked closely with the Federal government on research budgeting and planning in our shared goal of producing world-class research. Operating budgets

are built on an estimate of both direct and indirect sponsored funding to plan for annual staffing needs (*e.g.*, post-docs, PhD students, and other research staff), infrastructure support (*e.g.*, IT networks, regulatory compliance, and grant management support), equipment purchases, and facility operation and maintenance.

12. Disruptions to Duke's research will negatively affect the Durham area, the Research Triangle region, and the State of North Carolina. Duke is the largest employer in Durham County and the second largest private employer in North Carolina. Approximately 47,000 North Carolina residents are directly employed by Duke University and Duke University Health System—and both entities collaborate with state and local partners, including North Carolina state universities and nonprofit research enterprises such as the Research Triangle Institute (RTI), to help solve regional challenges through joint research and innovation. Duke's research also fuels spending in the regional economy, including by driving discoveries that launch new ventures, attract private investment, and make a positive social impact. Duke personnel and inventions have launched 126 active start-ups which raised over $2.4B in funding in the past five years. Over 65% of Duke start-ups in the past five years have been located in North Carolina and a massive reduction in Duke's research budget would immediately and seriously jeopardize these contributions to the local region.

13. Finally, slowdowns or halts in research by Duke and other American universities creates a serious risk that competitor nations that are maintaining their investments in research will surpass the United States on this front, threatening both our Nation's national security, research and development excellence, and its economic competitiveness. Offers of employment to our NIH-funded investigators from institutions in other countries will be highly attractive, and we will lose our best and brightest scientists to other nations.

14. While Duke maintains an endowment, it is neither feasible nor sustainable for Duke to use endowment funds or other revenue sources to offset shortfalls in indirect cost recovery, for several reasons:

a. The majority of Duke's endowment—around 72%—is restricted to specific donor-designated purposes, such as scholarships, faculty chairs, and academic programs. Duke is not legally permitted to use those funds to cover research infrastructure costs.

b. In addition, those endowment funds were donated to Duke with the intention of permanently funding Duke's activities. Fiduciary standards limit the amount of funds available to be spent on the designated purposes to approximately 4-6% per year of the value of the endowment depending on investment performance.

c. As a non-profit institution, Duke reinvests nearly all of its revenue into mission-critical activities, leaving little margin to absorb unexpected funding gaps.

15. The immediate impacts of a proposed 15% indirect rate cap are substantial and irreversible. The short-term budget impacts of the proposed 15% rate cap would require urgent action at Duke to ensure financial stability and would result in the loss of lifesaving research, current and future scientists and trainees, and international competitiveness in health sciences. In addition, the Research Triangle region and North Carolina would experience a very negative economic impact.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on February 18, 2025, at Durham, North Carolina.

/s/ Jennifer Lodge

Jennifer Lodge