UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

DIVISION OF
CORPORATION FINANCE

February 28, 2019

Margaret M. Madden
Pfizer Inc.
margaret.m.madden@pfizer.com

Re: Pfizer Inc.
Incoming letter dated December 20, 2018

Dear Ms. Madden:

This letter is in response to your correspondence dated December 20, 2018 and February 8, 2019 concerning the shareholder proposal (the "Proposal") submitted to Pfizer Inc. (the "Company") by Trinity Health et al. (the "Proponents") for inclusion in the Company's proxy materials for its upcoming annual meeting of security holders. We also have received correspondence from the Proponents dated January 18, 2019. Copies of all of the correspondence on which this response is based will be made available on our website at http://www.sec.gov/divisions/corpfin/cf-noaction/14a-8.shtml. For your reference, a brief discussion of the Division's informal procedures regarding shareholder proposals is also available at the same website address.

Sincerely,

M. Hughes Bates
Special Counsel

Enclosure

cc: Catherine M. Rowan
Trinity Health
rowancm@trinity-health.org

February 28, 2019

Response of the Office of Chief Counsel
Division of Corporation Finance

Re: Pfizer Inc.
Incoming letter dated December 20, 2018

The Proposal urges the compensation and benefits committee to report annually on the extent to which risks related to public concern over drug pricing strategies are integrated into the Company's incentive compensation policies, plans and programs for senior executives.

We are unable to concur in your view that the Company may exclude the Proposal under rule 14a-8(i)(7). In our view, the Proposal, which seeks disclosure on the extent to which certain risks are integrated into senior executive compensation decisions, transcends ordinary business matters because it focuses on the performance measures used to determine awards for senior executives and on the Company's drug pricing strategy, which appear to be significant issues for the Company. We are also unable to conclude that the Proposal micromanages the Company to such a degree that exclusion of the Proposal would be appropriate. Accordingly, we do not believe that the Company may omit the Proposal from its proxy materials in reliance on rule 14a-8(i)(7).

Sincerely,

Courtney Haseley
Special Counsel

DIVISION OF CORPORATION FINANCE
INFORMAL PROCEDURES REGARDING SHAREHOLDER PROPOSALS

The Division of Corporation Finance believes that its responsibility with respect to matters arising under Rule 14a-8 [17 CFR 240.14a-8], as with other matters under the proxy rules, is to aid those who must comply with the rule by offering informal advice and suggestions and to determine, initially, whether or not it may be appropriate in a particular matter to recommend enforcement action to the Commission. In connection with a shareholder proposal under Rule 14a-8, the Division's staff considers the information furnished to it by the company in support of its intention to exclude the proposal from the company's proxy materials, as well as any information furnished by the proponent or the proponent's representative.

Although Rule 14a-8(k) does not require any communications from shareholders to the Commission's staff, the staff will always consider information concerning alleged violations of the statutes and rules administered by the Commission, including arguments as to whether or not activities proposed to be taken would violate the statute or rule involved. The receipt by the staff of such information, however, should not be construed as changing the staff's informal procedures and proxy review into a formal or adversarial procedure.

It is important to note that the staff's no-action responses to Rule 14a-8(j) submissions reflect only informal views. The determinations reached in these no-action letters do not and cannot adjudicate the merits of a company's position with respect to the proposal. Only a court such as a U.S. District Court can decide whether a company is obligated to include shareholder proposals in its proxy materials. Accordingly, a discretionary determination not to recommend or take Commission enforcement action does not preclude a proponent, or any shareholder of a company, from pursuing any rights he or she may have against the company in court, should the company's management omit the proposal from the company's proxy materials.

Margaret M. Madden
Senior Vice President and Corporate Secretary
Chief Governance Counsel

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BY EMAIL (shareholderproposals@sec.gov)

February 8, 2019

U.S. Securities and Exchange Commission
Division of Corporation Finance
Office of Chief Counsel
100 F Street, N.E.
Washington, D.C. 20549

RE: Pfizer Inc. – 2019 Annual Meeting
Supplement to Letter dated December 20, 2018
Relating to Shareholder Proposal of
Trinity Health and co-filers[1]

Ladies and Gentlemen:

We refer to our letter, dated December 20, 2018 (the "No-Action Request"), pursuant to which we requested that the Staff of the Division of Corporation Finance (the "Staff") of the Securities and Exchange Commission (the "Commission") concur with our view that the shareholder proposal and supporting statement (the "Proposal") submitted by Trinity Health and co-filers may be excluded from the proxy materials to be distributed by Pfizer Inc. ("Pfizer") in connection with its 2019 annual meeting of shareholders (the "2019 proxy materials"). Trinity Health and the co-filers are sometimes referred to collectively as the "Proponents."

This letter is in response to the letter to the Staff, dated January 18, 2019, submitted by the Proponents (the "Proponents' Letter"), and supplements the No-Action Request. In accordance with Rule 14a-8(j), a copy of this letter also is being sent to the Proponents.

Although the Proponents' Letter is lengthy, it is nothing more than an attempt to overcome a critical fact that they failed to appreciate – namely, that incentive compensation, which is the focus of the Proposal, is broadly available to approximately 50,000 Pfizer employees worldwide and, therefore, is an ordinary business matter.

[1] The following shareholders have co-filed the Proposal: Adrian Dominican Sisters, American Baptist Home Mission Societies, Catholic Health Initiatives, Friends Fiduciary Corporation, Mercy Investment Services, Inc., Sisters of Charity of Saint Elizabeth, Sisters of St. Dominic of Caldwell New Jersey, and Sisters of St. Francis Charitable Trust.

I. The Proposal Deals with Matters Relating to Pfizer's Ordinary Business Operations.

The Proponents' Letter seeks to recharacterize the Proposal and the arguments set forth in the No-Action Request and misconstrues the Staff's guidance set forth in Staff Legal Bulletin No. 14J (Oct. 23, 2018) ("SLB 14J"). As described below and in the No-Action Request, because the Proposal deals with matters relating to Pfizer's ordinary business operations, the Proposal is excludable pursuant to Rule 14a-8(i)(7).

The premise of the Proponents' Letter is that the No-Action Request places undue emphasis on the "plan under which senior executives receive incentive pay, or the form that pay takes," in articulating why the Proposal focuses on an aspect of compensation available to Pfizer's general workforce. The Proponents' Letter recounts passages from Pfizer's proxy statement and other disclosures describing aspects of compensation arrangements and policies with respect to named executive officers, and then recounts the academic and public debate regarding incentive compensation. The pertinent question, however, is not whether there are processes relating to executive compensation that vary from processes applicable to compensation for the general workforce − of course there are. Rather, as described in SLB 14J, the pertinent inquiry is whether the Proposal focuses on aspects of compensation available to a wide swath of the employee population, rather than focusing on aspects of compensation available only to senior executives (and directors). The answer to that inquiry is a resounding yes. As described in the No-Action Request, the incentive compensation arrangements that are the focus of the Proposal include arrangements in which over 50,000 Pfizer employees participate.

In addition, despite the Proponents' contention, the No-Action Request does not elevate any particular form of compensation (*e.g.*, annual bonuses or performance share awards) over substance. Instead, the No-Action Request focuses on incentive compensation programs generally, and the incentive compensation targeted by the Proposal applies to a wide swath of Pfizer's employee population.

The Proponents' Letter also argues that the No-Action Request fails to address whether the eligibility of senior executives to receive the incentive compensation at issue in the Proposal otherwise implicates significant compensation matters. The No-Action Request already addresses this by describing the fact that the compensation targeted by the Proposal is broadly available to a significant portion of Pfizer's workforce and, therefore, does not implicate significant compensation matters. This argument aligns with the Staff's guidance in SLB 14J, which states that "the availability of certain forms of compensation to senior executives … that are also broadly available or applicable to the general workforce does not generally raise significant compensation issues that transcend ordinary business matters" and, further, that "it is difficult to conclude that a proposal does not relate to a company's ordinary business when it addresses aspects of compensation that are broadly available or applicable to a company's general workforce, even when the proposal is framed in terms of the senior executives and/or directors." Moreover, the Staff provided an example that is directly applicable to the instant situation: "a proposal that seeks to limit when senior executive officers will receive golden parachutes may be excludable under Rule 14a-8(i)(7) if the company's golden parachute provision broadly applies to a significant portion of its general workforce." Like that example, the incentive compensation that is the focus of the Proposal applies to 50,000 Pfizer employees, a significant portion of Pfizer's general workforce. Accordingly, as demonstrated in the No-Action Request, the Proposal is excludable under Rule 14a-8(i)(7).

II. Conclusion

For the reasons stated above and in the No-Action Request, we respectfully request that the Staff concur that it will take no action if Pfizer excludes the Proposal from its 2019 proxy materials. Should the Staff disagree with the conclusions set forth in this letter, or should any additional information be desired in support of Pfizer's position, we would appreciate the opportunity to confer with the Staff concerning these matters prior to the issuance of the Staff's response. Please do not hesitate to contact me at (212) 733-3451 or Marc S. Gerber of Skadden Arps, Slate, Meagher & Flom LLP at (202) 371-7233.

Very truly yours,

Margaret M. Madden

Margaret M. Madden

cc: Catherine M. Rowan
Director, Socially Responsible Investments
Trinity Health

Judy Byron, OP
Adrian Dominican Sisters

Colleen Scanlon, RN, JD
Senior Vice President and Chief Advocacy Officer
Catholic Health Initiatives

Kate Monahan
Shareholder Engagement Associate
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January 18, 2019

Via e-mail at shareholderproposals@sec.gov

Securities and Exchange Commission
Office of the Chief Counsel
Division of Corporation Finance
100 F Street, NE
Washington, DC 20549

Re: Request by Pfizer Inc. to omit proposal submitted by Trinity Health and co-filers

Ladies and Gentlemen,

Pursuant to Rule 14a-8 under the Securities Exchange Act of 1934, Trinity Health and eight co-filers (the "Proponents") submitted a shareholder proposal (the "Proposal") to Pfizer Inc. ("Pfizer" or the "Company"). The Proposal asks Pfizer's board to report to shareholders on the extent to which risks related to public concerns over drug pricing strategies are reflected in senior executive incentive compensation arrangements.

In a letter to the Division dated December 20, 2018 (the "No-Action Request"), Pfizer stated that it intends to omit the Proposal from its proxy materials to be distributed to shareholders in connection with the Company's 2019 annual meeting of shareholders. Pfizer argues that it is entitled to exclude the Proposal in reliance on Rule 14a-8(i)(7), on the ground that the Proposal deals with Pfizer's ordinary business operations. As discussed more fully below, Pfizer has not met its burden of proving its entitlement to exclude the Proposal on that basis, and the Proponents respectfully request that Pfizer's request for relief be denied.

The Proposal

The Proposal states:

RESOLVED, that shareholders of Pfizer, Inc. ("Pfizer") urge the Compensation Committee (the "Committee") to report annually to shareholders on the extent to which risks related to public concern over drug pricing strategies are integrated into Pfizer's incentive compensation policies, plans and programs ("arrangements") for senior executives. The report should include, but need not be limited to, discussion of whether (i) incentive compensation arrangements reward, or not penalize, senior executives for adopting pricing strategies, or making and honoring commitments about pricing, that incorporate public concern regarding prescription drug prices; and (ii) such concern is considered when setting targets for financial metrics.

Background

Rule 14a-8(i)(7) permits a company to omit a proposal that "deals with a matter relating to the company's ordinary business operations." Last season, several companies challenged proposals substantially similar to the Proposal on ordinary business grounds. The companies argued that the "thrust and focus" of the proposal was drug pricing or disclosure regarding pricing strategies rather than senior executive compensation and that the proposal sought to micromanage the companies by seeking detailed pricing-related disclosure. The Staff declined to allow exclusion.[1]

In October 2018, the Division clarified its views regarding certain shareholder proposals on senior executive compensation in Staff Legal Bulletin 14J ("SLB 14J").[2] SLB 14J states that "[t]he Division believes that a proposal that addresses senior executive and/or director compensation may be excludable under Rule 14a-8(i)(7) if a primary aspect of the targeted compensation is broadly available or applicable to a company's general workforce and the company demonstrates that the executives' or directors' eligibility to receive the compensation does not implicate significant compensation matters" (emphasis added). SLB 14J also extended the micro-management doctrine to proposals on senior executive and/or director compensation if they "seek intricate detail, or seek to impose specific timeframes or methods for implementing complex policies."

Pfizer relies on SLB 14J, urging that the Proposal addresses "aspects of senior executive compensation that are also available or applicable to the general workforce."[3] Pfizer also urges that the Proposal would micromanage the Company. Pfizer has not met its burden of proving that the Proposal is excludable on ordinary business grounds and we respectfully request that its request for relief be denied.

The Specific Incentive Compensation Arrangements Applicable to Senior Executives Should Be Considered the "Primary Aspect" of Compensation Targeted by the Proposal, Not the Plan or Program Under Which Both Senior Executives and Others Are Eligible to Receive Incentive Pay

Pfizer asserts that non-senior executives, as well as senior executives, are awarded[4] incentive compensation under plans that use financial performance metrics and that the availability of incentive pay under these plans to non-senior executives justifies exclusion.

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[1] Eli Lilly and Company (Mar. 2, 2018); Bristol-Myers Squibb Company (Mar. 16, 2018); Biogen, Inc. (Mar. 16, 2018).

[2] Staff Legal Bulletin 14J (Oct. 23, 2018).

[3] No-Action Request, at 4.

[4] Awards of stock options may be referred to as "grants," but for the sake of simplicity, this response refers throughout to incentive compensation "awards." In the case of certain long-term incentive compensation programs, an award may not translate directly into a payout of the same value because additional performance targets must be achieved after an award is made but before it is paid out to the executive.

Specifically, Pfizer asserts that it "currently has two incentive compensation awards that use financial performance metrics[5] and would be affected by the Proposal – Pfizer's Global Performance Plan ("GPP"), which provides annual bonuses to certain employees, and Pfizer's Performance Share Awards ("PSAs"), which are awards granted under Pfizer's long-term incentive plan." Awards under the GPP, according to Pfizer, are available to "virtually all overtime-exempt colleagues, other than sales colleagues who participate in sales incentive programs" and PSAs "are awarded to approximately 130 executives (including Pfizer's executive officers) who represent Pfizer's senior management."[6]

Pfizer's argument assumes that the "primary aspect of compensation"[7] addressed by the Proposal, within the meaning of SLB 14J, is the plan under which senior executives receive incentive pay, or the form that pay takes. That claim is unpersuasive for four reasons:

1. Many aspects of the incentive compensation arrangements for Pfizer's senior executives differ significantly for those available to other employees, even when they are governed by the same plan.
2. Pfizer's interpretation ignores the larger context of the academic and public debate on senior executive incentive pay, which, like the Proposal, focuses on designing compensation to reward value-maximizing and responsible behavior rather than on the form of compensation or the plan under which it is awarded.
3. Pfizer ignores the second prong of SLB 14J's test, which requires Pfizer to demonstrate that senior executives' eligibility to receive incentive compensation "does not implicate significant compensation matters."
4. Adopting Pfizer's view would allow the majority of shareholder proposals on senior executive pay to be excluded, impairing the communication and dialogue process that has yielded tangible improvements in pay practices.

Many Aspects of Senior Executive Incentive Pay Arrangements Differ Materially From Incentive Pay for Non-Senior Executives, Even When They Are Governed by the Same Plan

The Proponents submitted the Proposal to Pfizer because we believe shareholders would benefit from a fuller understanding of whether senior executive incentive compensation arrangements reward price increases, or discourage policies of price restraint, both of which can boost short-term performance, even though long-term success could depend on pricing moderation. High drug prices, for which Pfizer and other drug companies have

[5] Pfizer appears to believe, incorrectly, that the arrangements addressed by the Proposal are limited to financial performance metrics; the Company states that "Pfizer currently has two incentive compensation awards that use financial performance metrics and would be affected by the Proposal." The Proposal, however, contains no such limitation; it encompasses the use of non-financial metrics, the process used to set both financial and non-financial targets or goals, the interaction among arrangements for different types of incentive pay and policies such as incentive compensation clawbacks that can apply across pay types. Pfizer does not address any of these aspects of senior executive incentive pay in the No-Action Request.

[6] No-Action Request, at 4-5.

[7] Pfizer actually omitted the word "primary" from its argument, perhaps recognizing that the form of compensation might not be considered its "primary" aspect. We discuss below why the form of pay should not be considered the primary aspect of the senior executive incentive arrangements that are the Proposal's subject.

specifically on senior executives' incentive pay arrangements. As a result, there is no reason the Proposal would need to affect non-senior executives' incentive pay arrangements under those plans.

As discussed above, the proxy statement reveals an individualized approach to senior executive incentive arrangements, including the use of equity instruments with personalized performance criteria. Pfizer's NEO incentive pay arrangements incorporate individual performance evaluations, competitive benchmarking, and Committee involvement in setting and administering the arrangements.

Pfizer has not shown that non-NEO incentive pay arrangements share those features. Pfizer does not address the individualized arrangements for NEOs discussed above or supply any information about the incentive arrangements applicable to non-NEOs, other than to assert both the GPP and PSA awards "use financial performance metrics."[33]

Competitive market data on compensation like that used by the Committee to benchmark NEO bonuses and total LTI compensation are not likely available for lower-level employees, which would prevent Pfizer from benchmarking non-CEO incentive pay in the same way. As well, the absence of evidence that the Committee is involved in establishing and administering incentive arrangements for non-NEOs weakens Pfizer's claim.

In sum, the arrangements for the two groups are too distinct from one another for the senior executives' incentive pay arrangements to be considered available to non-senior executives. Pfizer has thus failed to meet its burden of proving that the primary aspect of senior executive incentive arrangements is also available to Pfizer's general workforce.

The Academic and Policy Debate Over Top Executive Incentives, Like the Proposal, Has Focused on Promoting Value-Enhancing Behavior and Deterring Misconduct, Regardless of Compensation Form or the Plan or Program Under Which Pay is Awarded

The societal debate over top executive pay, which focuses on amount and design considerations rather than simply the form in which pay is delivered, also undermines Pfizer's suggested interpretation of SLB 14J. Senior executive compensation has been widely studied and has been the subject of intense interest from investors, regulators and the general public for decades. In 1992, the Staff changed its longstanding position that shareholder proposals on executive compensation dealt with ordinary business, citing "widespread public debate concerning compensation policies and practices relating to senior executive officers and directors, and an increasing recognition that these matters raise significant policy issues."[34]

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[33] No-Action Request, at 4.

[34] See Kevin W. Waite, "The Ordinary Business Operations Exception to the Shareholder Proposal Rule: A Return to Predictability," Fordham L. Rev., Vol. 64, Issue 3, 1253, 1270 fn. 107 (1995).

been criticized, are a consistent subject of debate and may spur changes by payers, prescribers and regulators.

Individual incentive pay arrangements can be significant on their own, but they also interact with each other; for example, the use of revenue as a metric for the annual bonus may be offset to some extent by the use of metrics more closely related to long-term value creation, such as the achievement of research and development goals, in the long-term incentive plan. As well, policies like clawbacks can apply across incentive pay programs. Accordingly, the Proposal seeks disclosure on senior executive incentive compensation arrangements, without reference to a particular plan or program.

As evidence that the senior executive compensation addressed by the Proposal is also available to the general workforce, Pfizer cites the fact that "[a]pproximately 50,000 Pfizer employees worldwide participate in the GPP," or Global Performance Plan, under which annual bonuses are paid to "certain employees." According to Pfizer, that number represents "virtually all overtime-exempt colleagues, other than sales colleagues who participate in sales incentive programs."[8]

The GPP outlines the basic contours of the bonus process, including how the size of the bonus pool is set. The initial pool is calculated by adding all the participants' target incentive awards, which are the product of participants' salaries and a multiplier ranging from 0-200%. The final pool amount is determined by results on three financial metrics identified in the GPP,[9] with a limited qualitative review, used to fix the pool amount within the range corresponding to the financial results.[10]

Once the final pool is established, the process for awarding senior executive bonuses diverges from that used for other employees. At that point, the Executive Annual Incentive Plan ("EAIP") governs the process for members of the Corporate Management Committee.[11] The EAIP provides that the board's Compensation Committee (the "Committee") "shall give consideration to the contribution made by the [executive] to achievement of the Company's established objectives and such other matters as it shall deem relevant" in determining bonuses.[12] Comparative market data is used by the Committee in setting target bonus amounts.[13]

The EAIP imposes two additional requirements on senior executive bonuses. First, senior executives may not receive any bonus if adjusted net income is not positive.[14] Second, the maximum bonus that can be awarded to any senior executive for a year is .3% of that year's adjusted net income.[15]

[8] No-Action Request, at 4.
[9] GPP, sections 2, 4 and 5, exhibit 10.2 to Form 10-Q for period ended Oct. 1, 2017.
[10] 2018 Proxy Statement, at 65.
[11] EAIP, section II, exhibit 10.8 to 2012 Form 10-K; GPP, section 4(b).
[12] EAIP, section V.
[13] 2018 Proxy Statement, at 66.
[14] EAIP, section V.
[15] EAIP, section VI.

For non-senior executives, a second set of performance metrics is applied to subdivide the bonus pool into business units and other similar areas. Under the GPP, pool dollars are dollars are "allocated to the business unit, division or function in which [an eligible employee] worked . . . based on the achievement of pre-set annual goals for the business unit, division or function."[16] The CEO and other members of the executive leadership team carry out this allocation.[17] An individual non-senior executive's award is determined by adjusting her target incentive award for company-wide, business unit and individual performance against objectives, as judged by her manager.[18]

While management administers the bonus process for most employees, Pfizer's board has significant involvement in setting senior executive bonuses. The Committee establishes NEOs' target bonus amounts.[19] With input from the other independent members of the board, is responsible for evaluating Mr. Read's performance[20] and for reviewing and approving Mr. Read's recommendations about each senior executive's performance and contribution to Pfizer's overall performance.[21]

Pfizer also points to the fact that 130 executives receive Performance Share Awards ("PSAs"), a form of long-term incentive (LTI") compensation awarded to senior executives, to support its argument that senior executive incentive compensation arrangements are also available to the general workforce. The Proponents note that PSAs are only one of three kinds of LTI compensation awarded to Pfizer's senior executives; they also receive 5-year and 7-year Total Shareholder Return Units ("TSRUs"), option-like instruments that vest three years after the grant date.[22]

The amount of each NEO's LTI compensation award, which consists of both TSRUs and PSAs, depends on individual factors: "competitive market data (targeted to median), relative duties and responsibilities, the individual's future advancement potential, his impact on Pfizer's results and for retention purposes."[23] These factors would be considered "senior executive incentive compensation arrangements" under the Proposal, and it seems unlikely that they are the same factors used in determining non-senior executive LTI compensation amounts.

The special equity incentive awards made in 2017 to two senior executives, Mr. Read and John Young, then Group President of Pfizer Essential Health, also illustrate the individualized nature of senior executive incentive pay arrangements. Both men received Performance Total Shareholder Return Units ("PTSRUs"), a type of equity instrument—a TSRU with performance vesting criteria--that appears nowhere else in Pfizer's proxy

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16 GPP, section 5(a)(3).

17 2018 Proxy Statement, at 65.

18 GPP, section 5(a)(4).

19 2018 Proxy Statement, at 73.

20 2018 Proxy Statement, at 67.

21 2018 Proxy Statement, at 67.

22 2018 Proxy Statement, at 63.

23 2018 Proxy Statement, at 68.

statement.[24] Mr. Read's award was made "to ensure his continued leadership through a critical period in Pfizer's business transformation." Mr. Young's award was justified on the ground that his "continued leadership of our commercial business is essential to Pfizer's success during this transformation period."[25] The performance requirements attached to each award were specifically tailored to the retention objective and differed from performance criteria applicable to PSAs awarded to NEOs. Mr. Young also received restricted stick units ("RSUs"), like PTSRUs, a type of LTI compensation not awarded to any other NEO.[26] (Pfizer had stopped awarding RSUs in 2015.)[27]

As with bonuses, the board drives the process of determining senior executives' LTI compensation awards. The 2014 Stock Plan allows the Committee to delegate its powers to administer the plan to "any other persons or committee as it deems necessary or appropriate." The Committee may not, however, delegate authority to grant or amend awards to "individuals who are subject to Section 16 of the Exchange Act, or (ii) members of the Executive Leadership Team with respect to Awards intended to constitute "performance-based compensation" in accordance with Section 162(m) of the Code."[28] The Executive Leadership Team consists of the CEO and his direct reports.[29]

The Committee establishes the grant value of each NEO's LTI compensation award "based on competitive market data (targeted to median), relative duties and responsibilities, the individual's future advancement potential, his impact on Pfizer's results and for retention purposes."[30] Although the same financial metrics determine the final value of PSAs granted to senior executives and other PSA recipients, the Committee has authority under the 2014 Stock Plan to set different metrics for senior executives. The 2014 Stock Plan empowers the Committee to "determine the terms and conditions, not inconsistent with the provisions of the [2014 Stock] Plan, of any Award."[31] If a PSA is intended to qualify as "performance-based" compensation for tax purposes, which is limited to grants to members of the Executive Leadership Team, the Committee must condition receipt on achievement of "one or more performance goals established by the Committee"; 14 different performance objectives are listed as permissible.[32] Thus, the Committee enjoys a great deal of latitude in setting performance criteria for senior executives' PSAs.

Pfizer asks the Staff to conclude that the "primary aspect" of the Company's senior executive incentive pay arrangements is the form they take, or the plan under which incentive pay is awarded. But compensation plans, including Pfizer's, are flexible authorizing documents, which permit a wide variety of arrangements. Both the GPP, which Pfizer cites, and the 2014 Stock Plan, which authorizes the PSA awards Pfizer references, contemplate different arrangements for top executives and other award recipients. The Proposal focuses

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[24] 2018 Proxy Statement, at 85, 91.
[25] 2018 Proxy Statement, at 60.
[26] 2018 Proxy Statement, at 87.
[27] 2018 Proxy Statement, at 87 note(3).
[28] 2014 Stock Plan, section 3(a).
[29] 2014 Stock Plan, section 2(p).
[30] 2018 Proxy Statement, at 68.
[31] 2014 Stock Plan, section 3(a).
[32] 2014 Stock Plan, section 12(b).

Since the early 1990s, interest has not abated. Public outrage has increased as the gap between top executive pay and average worker pay has widened,[35] and executive compensation has been the subject of voluminous media coverage. In the case of pharmaceutical company CEOs, including Pfizer's, articles have linked high drug prices and generous CEO pay.[36] Investor interest has also grown, with higher votes on executive pay shareholder proposals: Proxy solicitor Georgeson reported average support of 25.3% of shares voted on the 34 executive compensation-related proposals that came to a vote in 2018,[37] whereas the eight proposals in Georgeson's executive compensation category in 1997 garnered average support of just 7.3%.[38]

Attention sometimes focuses on the absolute amount of pay, especially in the general media, and popular coverage of pay tends to cite the total compensation amount for an NEO that appears in the proxy statement's summary compensation table. But in the main, senior executive compensation, and senior executive incentive compensation in particular, draws academic, investor and regulator interest because the way it is designed can significantly affect corporate performance and behavior.

Top executives' control over the business makes it especially important to design their incentive compensation in a way that promotes value-maximizing and responsible behavior.[39] A company's CEO and other senior executives, with oversight from the board, establish the business strategy and make key decisions affecting the business. Top executives in the pharmaceutical industry decide whether to buy another company, sell a product, enter a new market, shift pricing strategies, forge a strategic partnership or re-domicile to another country, all of which can affect a company's financial results and long-term prospects.

Incentive pay arrangements for senior executives are often viewed, explicitly or implicitly, through the lens of agency theory. Agency theory posits that inefficiencies or costs are introduced when principals give agents control over the principals' resources. In the corporate context, the principals are shareholders who are not involved in running the business and the agents are corporate management.[40]

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[35] See "Americans and CEO Pay: 2016 Public Perception Survey on CEO Compensation," Stanford Graduate School of Business (available at https://www.gsb.stanford.edu/faculty-research/publications/americans-ceo-pay-2016-public-perception-survey-ceo-compensation) ("CEOs are vastly overpaid, according to most Americans." and "Most support drastic reductions.")

[36] See Matt Krantz, "Drug Prices Are High. So Are the CEOs' Pay," USA Today, Aug. 26, 2016; Beth Mole, "Pfizer CEO Gets 61% Pay Raise—to $27.9 Million—as Drug Prices Continue to Climb," Ars Technica, Mar. 16, 2018.

[37] Georgeson, 2018 Annual Corporate Governance Review, at 10.

[38] Georgeson, 1997 Annual Corporate Governance Review, at 10.

[39] See Alex Edmans et al., "Executive Compensation: A Survey of Theory and Evidence," at 6 (2017) ("CEOs can have a much larger impact on firm value than rank-and-file employees, which can fundamentally change the nature of the optimal contract.").

[40] Olivier Weinstein, "Ownership and the Business Firm: Implications for Corporate Governance and Social Responsibility," Accounting, Economics and Law, Vol. 2, Issue 2, at 41 (2012).

Managers may make decisions or take actions that benefit themselves but are harmful to the interests of shareholders. Managers can engage in empire building—acquisitions made to increase company size (and executive prestige) that don't maximize value for shareholders[41]—or hoard cash rather than investing it or returning it to shareholders. They can self-deal or entrench themselves.[42]

As a result, academics, compensation experts and investors often advocate that senior executive compensation be designed in a way that helps minimize agency costs, usually by aligning executives more closely with shareholders.[43] To that end, top executives tend to have a higher proportion of incentive or "at-risk" pay, as opposed to fixed pay, than others in the organization. Boards may impose stock ownership requirements on senior executives, and may require shares to be held until retirement. Equity compensation vesting periods and performance metrics may be designed to promote a long-term perspective and reward achievement of shareholder return goals.

Absent appropriate incentives, senior executives may make short-sighted capital allocation decisions. Public attention has focused on whether companies are repurchasing too much stock and underinvesting in their businesses, and that debate has intensified since 2017's tax reforms.[44] Some have noted that two aspects of top executive pay design—the use of earnings per share as a metric and the proportion of total pay made up of options and stock—may encourage executives to buy back stock.[45] Studies show that the amount of equity (option or stock) vesting in a given quarter is positively associated with lower combined growth in research and development and capital expenditures, controlling for investment opportunities and other aspects of CEO pay.[46]

Senior executive compensation arrangements can encourage irresponsible or unlawful conduct, with adverse societal consequences. The most high-profile example comes from the 2008-2009 financial crisis, which led Congress, regulators and academics to

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[41] Clara Xiaoling Chen, "The Agency Problem, Corporate Governance, and the Asymmetrical Behavior of Selling, General and Administrative Costs," Contemporary Accounting Research, Vol. 29, Issue 1, 252-53 (2011).

[42] Lucian Bebchuk & Jesse Fried, "Executive Compensation as an Agency Problem," NBE Working Paper 9813, at 1 (Apr. 2003).

[43] Michael C. Jensen & William J. Meckling, "Theory of the Firm: Managerial Behavior, Agency Costs and Ownership Structure," J. Fin. Econ., Vol. 3, No. 4, 305-360 (1976).

[44] E.g., Alix Langone, "Here's How America's Biggest Companies Are Spending Their Trump Tax Cuts (It's Not on New Jobs)," Time, May 17, 2018; Sayyajit Das, "Here's How Share Buybacks Can Come Back to Bite Shareholders," Marketwatch, Jan. 19, 2016; Jesse M. Fried & Charles C.Y. Wang, "Are Buybacks Really Shortchanging Investment?" Harvard Business Review, Mar.-Apr. 2018; James MacKintosh, "Who's Right: Warren Buffett or Larry Fink?" The Wall Street Journal, Mar. 2, 2017.

[45] E.g., Eleanor Bloxham, "Here's Why You Should Care About How CEOs Get Paid," Fortune, Oct. 20, 2015.

[46] Alex Edmans et al., "Equity Vesting and Investment," Review of Financial Studies, Vol. 30, Issue 7, 2229-2271 (July 2017).

scrutinize top executive incentive pay practices at financial institutions.[47] Certain practices, such as large cash bonuses driven by short-term operational results, were viewed as contributing to excessive risk-taking, which, in turn, led to recession.[48] As well, earnings management has been associated with larger amounts of stock-based pay in combination with executive stock ownership.[49]

The negative effects of poorly-designed incentives for top executives do not stem from the use of a particular form of compensation, or its award under a specific plan, but rather from the pay mix, vesting and holding rules, executive share/option ownership profile and specific performance metrics and targets used to determine compensation amounts. The behavior of two senior executives receiving the same forms of pay—bonus, stock options, and restricted stock, for instance—can be influenced very differently by these factors.

Michael Jensen and Kevin Murphy illustrate the impact of small design changes in "CEO Bonus Plans and How to Fix Them." Murphy and Jensen explain how a CEO bonus arrangement with a $100,000,000 profit hurdle--an amount below which no bonus is paid--can encourage gamesmanship and impair firm performance if profits consistently come in just below the hurdle. The same arrangement without the hurdle, though, would not spur destructive behavior.[50]

Similarly, using stock options to compensate senior executives can enhance or destroy shareholder value, depending on how the options are designed and on company- and executive-specific factors.

- Studies have found that a company with many growth opportunities and a risk-averse CEO can use options to align the CEO's risk tolerance with those of shareholders.[51]
- Firms with longer investment time horizons, as measured by more growth opportunities, long-lived assets and greater R&D intensity, tend to have

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[47] E.g., Hearing Before the Subcommittee on Financial Institutions and Consumer Protection of the Senate Committee on Banking, Housing and Urban Affairs, "Pay for Performance: Incentive Compensation at Large Financial Institutions," Feb. 15, 2012; Speech of Chairman Ben. S. Bernanke, "Lessons of the Financial Crisis for Banking Supervision," Federal Reserve Bank of Chicago Conference on Bank Structure and Competition, May 7, 2009 ("Certainly, an important lesson of the [financial] crisis is that the structure of compensation and its effect on incentives for risk-taking is a safety-and-soundness issue.").

[48] See, e.g., Lucian Bebchuk & Jesse Fried, "Paying for Long-Term Performance," 158 U. Penn. L. Rev. 1915, 1917 (2010) ("The crisis of 2008–2009 has led to widespread recognition that pay arrangements that reward executives for short-term results can produce incentives to take excessive risks.").

[49] Qiang Cheng & Terry Warfield, "Equity Incentives and Earnings Management," The Accounting Review, Vol. 80, Issue 2 441-476 (2005).

[50] Kevin J. Murphy & Michael C. Jensen, "CEO Bonus Plans and How to Fix Them," Harvard Business School NOM Unit Working Paper No. 12-022, at 8 (2011)

[51] E.g., Ingolf Dittman et al., "How Important Are Risk-Taking Incentives in Executive Compensation?" Rev. of Fin., Vol. 21, Issue 5, 1805-1846 (Aug. 2017).

longer pay duration, a weighted average of vesting periods for all components of executive pay.[52]
- Research has shown that the likelihood of financial statement fraud is positively related to the amount of in-the-money stock options held by the CEO,[53] suggesting that the same option award could have varying incentive effects depending on the executive's existing holdings.

Allowing Pfizer to exclude a proposal explicitly limited to senior executive incentive compensation because that compensation is paid under a plan that is also used to pay other Pfizer employees would paint with too broad a brush. Shareholders should be able to communicate with one another and with company boards about whether top executive pay, whatever the form, is appropriately tailored to foster long-term value creation. The Proposal does just that; it asks whether and how incentive pay arrangements encourage senior executives to adopt a long-term perspective on revenue generation and pricing. Pfizer should therefore not be permitted to omit the Proposal on ordinary business grounds.

Pfizer Does Not Address the Second Prong of the SLB 14J Test, Whether its Senior Executives' Eligibility to Receive the Compensation Targeted by the Proposal "Implicate[s] Significant Compensation Matters"

SLB 14J permits exclusion only if the company meets its burden of showing that both:

- A primary aspect of the targeted compensation is broadly available or applicable to a company's general workforce, and
- The executives' or directors' eligibility to receive the compensation does not implicate significant compensation matters.

Pfizer has made no argument on the second part of the test. It would be logical to conclude that senior executives' eligibility to receive incentive pay implicates significant compensation matters, given that incentive compensation accounts for a substantial proportion of total pay. For example, 85% of Mr. Read's 2017 total direct compensation, as disclosed in the summary compensation table, consisted of stock awards, stock option awards and non-equity incentive plan compensation.[54] The target pay mix for Mr. Read for 2017—of which 89% was variable--emphasized variable pay even more.[55]

What's more, equity-based compensation can significantly dilute shareholders' ownership stakes. The Division recognized that such dilution qualifies as a significant social policy issue in Staff Legal Bulletin 14A,[56] which reversed an earlier position and stated that a proposal regarding shareholder approval of equity plans that may be used to compensate

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[52] Radhakrishnan Gopalan et al., "Duration of Executive Compensation," J. Finance, Vol. 69, 2777 (Dec. 2014).

[53] Jap Efendi et al., "Why Do Corporate Managers Misstate Financial Statements? The Role of Option Compensation and Other Factors," at 2 (2005) (available at https://papers.ssrn.com/sol3/papers.cfm?abstract_id=547922).

[54] 2018 Proxy Statement, at 85.

[55] 2018 Proxy Statement, at 58.

[56] Staff Legal Bulletin 14A (July 12, 2002),

senior executives and the general workforce and that could result in material to dilution to shareholders is not excludable on ordinary business grounds.

Adopting Pfizer's Broad Interpretation of SLB 14J Would Result in Exclusion of a Large Proportion of Proposals on Senior Executive Compensation

Allowing omission if a proposal addresses a form of compensation available beyond the senior executive ranks, even if the proposal itself is explicitly limited to senior executives, would result in exclusion of a substantial proportion of proposals on senior executive pay. The U.S. Proxy Voting Guidelines of Institutional Shareholder Services ("ISS"), the largest proxy advisory firm, describe 21 types of shareholder proposals on executive pay.[57] Ten of those proposal types address or implicate annual bonuses, by themselves or in combination with equity-based compensation; four additional types request reforms to equity-based compensation; and one type deals with supplemental executive retirement plans ('SERPs"), for a total of 15 of the 21 proposal types.

Bonuses, equity-based pay and SERPs are often available to employees below the senior executive level.

- A 2013 survey by World at Work and Deloitte Consulting found that 97% of responding public companies included exempt salaried employees in their annual incentive or bonus plans. Over half of respondents included non-exempt salaried and non-exempt unionized employees. [58]
- Of respondents to the world at Work/Deloitte Consulting Survey whose LTI compensation programs awarded restricted stock, 61% extended eligibility to exempt salaried employees, and exempt salaried employees were eligible to receive stock options at 47% of companies whose LTI compensation programs awarded stock options.[59]
- A 2017 Prudential Retirement survey found that 38% of respondents offered non-qualified executive retirement benefits (a category that includes both defined contribution and defined benefit SERPs as well as voluntary non-qualified defined contribution plans) to employees making $115,000 to $124,999 annually, and 29% offered those benefits to employees making between $125,000 and $175,000 per year, far below the compensation of senior executives.[60]

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[57] ISS 2018 United States Proxy Voting Guidelines, at 48-52 (Jan. 4, 2018) (available at https://www.issgovernance.com/file/policy/active/americas/US-Voting-Guidelines.pdf).
[58] World at Work and Deloitte Consulting LLP, "Incentive Pay Practices Survey: Publicly Traded Companies," at 15 (Feb. 2014) (available at https://www.worldatwork.org/docs/research-and-surveys/survey-brief-incentive-pay-practices-survey-publicly-traded-companies.pdf).
[59] World at Work and Deloitte Consulting LLP, "Incentive Pay Practices Survey: Publicly Traded Companies," at 31 (Feb. 2014) (available at https://www.worldatwork.org/docs/research-and-surveys/survey-brief-incentive-pay-practices-survey-publicly-traded-companies.pdf).
[60] Prudential/PLANSPONSOR, "2017 Executive Benefit Survey," at 5 (available at https://www.prudential.com/media/managed/documents/rp/Executive-Benefit-Survey-Results-Report.pdf).

Barring most proposals on senior executive pay would be an inefficient outcome. Shareholder proposals have led to better tailoring of senior executive pay to promote value maximization and responsible behavior, including adoption of indexed/performance vesting options, clawbacks and limits on severance benefits. Several executive pay reforms incorporated into legislation or regulation, such as compensation consultant independence disclosure and "say on pay," were originally suggested in shareholder proposals.

Research suggests that shareholder input on top executive pay can be value-enhancing. A 2016 study analyzed companies where shareholder proposals asking for shareholder say on pay passed from 2006-2010, before say on pay become mandatory through federal legislation. They found that market value, profitability and productivity improved by 5% in companies where say on pay proposals passed.[61] In another study, companies that simply received a shareholder proposal on executive pay increased CEO pay by, on average, only 2% the following year, whereas similarly sized firms in the same industry raised total compensation by over 22% in that year.[62]

* * *

Pfizer's claim that the Proposal is excludable because it involves forms of senior executive incentive pay also available to lower-level employees should be rejected. What's most important about senior executive incentive pay for shareholders is how effectively it encourages behavior that creates long-term value. That question is not answered simply by reference to the form in which the pay is delivered or the plan under which it is authorized. Finally, shareholder proposals on senior executive pay have made valuable contributions by allowing shareholder to express their views and engage with companies; allowing exclusion of a substantial majority of such proposals would thus be undesirable from a public policy standpoint.

As Shareholders Are Capable of Understanding Compensation Disclosure and the Proposal Does Not Involve Intricate Detail or Ask Pfizer to Implement a Complex Policy, the Proposal Would Not Micromanage Pfizer

In SLB 14J, the Division stated that "proposals addressing senior executive and/or director compensation that seek intricate detail, or seek to impose specific timeframes or methods for implementing complex policies can be excluded under Rule14a-8(i)(7) on the basis of micromanagement." Pfizer claims that the Proposal would micromanage the Company, but its arguments seem to be aimed at a different proposal, one that requests information on drug pricing or changes in Pfizer's incentive compensation programs for the general workforce.

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[61] Vicente Cunat et al., "Say Pays! Shareholder Voice and Firm Performance," Review of Finance, Vol. 20, Issue 5, 1799-1834 (2016).

[62] Randall S. Thomas & Kenneth J. Martin, "The Effect of Shareholder Proposals on Executive Compensation," at 87 (1999) (available at https://papers.ssrn.com/sol3/papers.cfm?abstract_id=160188&download=yes).

> The Proposal's request for reports on the relationship between incentive compensation and pharmaceutical pricing risks would delve into product pricing decisions, which are highly complex and involve intricate details. . . The factors underlying pricing can vary by product, region and country. . . Moreover, the substance of the Proposal's request relates to board level risk management and implicates compensation decisions for thousands of employees.[63]

A report on specific pricing decisions, however, would not implement the Proposal, as the impact of pricing risk can be discussed without describing the minutiae of individual drug prices. Nor would changes to or disclosure regarding non-senior executive compensation. Accurately characterized, the Proposal cannot be said to seek "intricate detail." By focusing on disclosure rather than a specific reform, the Proposal does not try to "implement[] complex policies," in the language of SLB 14J, much less impose a specific timeframe or method.

Underlying the micromanagement basis is the Division's belief that companies should not be required to disclose "matters of a complex nature upon which shareholders, as a group, [are] not in . . . a position to make an informed judgment."[64] The ways in which senior executive compensation arrangements take into account a particular business challenge are not foreign to shareholders. Shareholders regularly consider proxy statement disclosure explaining the link between strategic objectives or aspects of the business environment and executive compensation arrangements when casting votes on ballot items. That disclosure may describe factors related to external pressures or risks. For instance, in its statement in opposition to a 2017 shareholder proposal on reserve-related compensation metrics, ConocoPhillips explained how climate change scenario planning and progress on low-carbon objectives were reflected in senior executive compensation arrangements.[65]

* * *

For the reasons set forth above, Pfizer has not satisfied its burden of showing that it is entitled to omit the Proposal in reliance on Rule 14a-8(i)(7). The Proponents thus respectfully request that Pfizer's request for relief be denied.

The Proponents appreciate the opportunity to be of assistance in this matter. If you have any questions or need additional information, please contact me at (718) 822-0820.

Sincerely,

Catherine Rowan

Catherine Rowan
Director, Socially Responsible Investing

cc: Margaret M. Madden
Senior Vice President and Corporate Secretary, Governance Counsel
Pfizer. Inc.
Margaret.m.madden@pfizer.com

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[63] No-Action Request, at 5.

[64] Exchange Act Release No. 40018, "Amendments to Rules on Shareholder Proposals" (May 21, 1998).

[65] See Proxy Statement filed on April 3, 2017, at 86.

Sister Barbara Aires
Sisters of Charity of St. Elizabeth

Sister Judy Byron, OP
Adrian Dominican Sisters

Sister Patricia Daly, OP
Dominican Sisters of Caldwell, NJ

Tom McCaney
Sisters of St. Francis Charitable Trust

Kate Monahan
Friends Fiduciary Corporation

Donna Meyer
Mercy Investment Services

Dave Moore
American Baptist Home Mission Societies

Colleen Scanlon
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BY EMAIL (shareholderproposals@sec.gov)

December 20, 2018

U.S. Securities and Exchange Commission
Division of Corporation Finance
Office of Chief Counsel
100 F Street, N.E.
Washington, D.C. 20549

RE: Pfizer Inc. – 2019 Annual Meeting
Omission of Shareholder Proposal of
Trinity Health and co-filers[1]

Ladies and Gentlemen:

We are writing pursuant to Rule 14a-8(j) promulgated under the Securities Exchange Act of 1934, as amended, to request that the Staff of the Division of Corporation Finance (the "Staff") of the Securities and Exchange Commission (the "Commission") concur with our view that, for the reasons stated below, Pfizer Inc., a Delaware corporation ("Pfizer"), may exclude the shareholder proposal and supporting statement (the "Proposal") submitted by Trinity Health and co-filers from the proxy materials to be distributed by Pfizer in connection with its 2019 annual meeting of shareholders (the "2019 proxy materials"). Trinity Health and the co-filers are sometimes referred to collectively as the "Proponents."

In accordance with Section C of Staff Legal Bulletin No. 14D (Nov. 7, 2008) ("SLB 14D"), we are emailing this letter and its attachments to the Staff at shareholderproposals@sec.gov. In accordance with Rule 14a-8(j), we are simultaneously sending a copy of this letter and its attachments to the Proponents as notice of Pfizer's intent to omit the Proposal from the 2019 proxy materials.

Rule 14a-8(k) and Section E of SLB 14D provide that shareholder proponents are required to send companies a copy of any correspondence that the shareholder proponents elect to submit to the Commission or the Staff. Accordingly, we are taking this opportunity to remind the Proponents that if they submit correspondence to the Commission or the Staff

[1] The following shareholders have co-filed the Proposal: Adrian Dominican Sisters, American Baptist Home Mission Societies, Catholic Health Initiatives, Friends Fiduciary Corporation, Mercy Investment Services, Inc., Sisters of Charity of Saint Elizabeth, Sisters of St. Dominic of Caldwell New Jersey, and Sisters of St. Francis Charitable Trust.

with respect to the Proposal, a copy of that correspondence should concurrently be furnished to the undersigned.

I. The Proposal

The text of the resolution contained in the Proposal is set forth below:

> RESOLVED, that shareholders of Pfizer, Inc. ("Pfizer") urge the Compensation Committee (the "Committee") to report annually to shareholders on the extent to which risks related to public concern over drug pricing strategies are integrated into Pfizer's incentive compensation policies, plans and programs ("arrangements") for senior executives. The report should include, but need not be limited to, discussion of whether (i) incentive compensation arrangements reward, or not penalize, senior executives for adopting pricing strategies, or making and honoring commitments about pricing, that incorporate public concern regarding prescription drug prices; and (ii) such concern is considered when setting financial targets for incentive compensation arrangements.

II. Basis for Exclusion

We hereby respectfully request that the Staff concur in Pfizer's view that it may exclude the Proposal from the 2019 proxy materials pursuant to Rule 14a-8(i)(7) because the Proposal deals with matters relating to Pfizer's ordinary business operations.

III. Background

On October 31, 2018, Pfizer received the Proposal, accompanied by a cover letter from Trinity Health dated October 29, 2018, and a letter from the Northern Trust Company dated October 29, 2018, verifying Trinity Health's stock ownership as of such date. Copies of the Proposal, cover letter and related correspondence are attached hereto as Exhibit A. In addition, the co-filers' submissions are attached hereto as Exhibit B.

IV. The Proposal May be Excluded Pursuant to Rule 14a-8(i)(7) Because the Proposal Deals with Matters Relating to Pfizer's Ordinary Business Operations.

Under Rule 14a-8(i)(7), a shareholder proposal may be excluded from a company's proxy materials if the proposal "deals with matters relating to the company's ordinary business operations." In Exchange Act Release No. 34-40018 (May 21, 1998) (the "1998 Release"), the Commission stated that the policy underlying the ordinary business exclusion rests on two central considerations. The first recognizes that certain tasks are so fundamental to management's ability to run a company on a day-to-day basis that they could not, as a practical matter, be subject to direct shareholder oversight. The second consideration relates to the degree to which the proposal seeks to "micro-manage" the company by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment. As the Commission has explained, a proposal may probe too deeply into matters of a complex nature if it "involves intricate detail, or seeks to impose specific time-frames or methods for implementing complex policies." *See* 1998 Release.

The Commission has stated that a proposal requesting the dissemination of a report is excludable under Rule 14a-8(i)(7) if the substance of the proposal involves a matter of ordinary business of the company. *See* Exchange Act Release No. 34-20091 (Aug. 16, 1983) (the "1983 Release") ("the staff will consider whether the subject matter of the special report or the committee involves a matter of ordinary business; where it does, the proposal will be excludable under Rule 14a-8(c)(7)."). *See also, e.g.*, *Sempra Energy* (Jan. 12, 2012, *recon. denied* Jan. 23, 2012) (permitting exclusion under Rule 14a-8(i)(7) of a proposal that asked the board "to conduct an independent oversight review" of the company's management of risks posed by the company's operations in certain countries, noting that the proposal related to the company's ordinary business matters).

In accordance with these principles, the Staff consistently has permitted exclusion of shareholder proposals under Rule 14a-8(i)(7) primarily relating to employee compensation and benefits, even when the proposal was couched in terms of executive compensation. *See, e.g.*, *Delta Air Lines, Inc.* (Mar. 27, 2012) (permitting exclusion under Rule 14a-8(i)(7) of a proposal requesting that the board prohibit payment of incentive compensation to executive officers unless the company first adopts a process to fund the retirement accounts of its pilots, noting that "although the proposal mentions executive compensation, the thrust and focus of the proposal is on the ordinary business matter of employee benefits"); *Exelon Corp.* (Feb. 21, 2007) (permitting exclusion under Rule 14a-8(i)(7) of a proposal seeking to prohibit bonus payments to executives to the extent performance goals were achieved through a reduction in retiree benefits, noting that "although the proposal mentions executive compensation, the thrust and focus of the proposal is on the ordinary business matter of general employee benefits"); *Wal-Mart Stores, Inc.* (Mar. 17, 2003) (permitting exclusion under Rule 14a-8(i)(7) of a proposal urging the board to account for increases in the percentage of the company's employees covered by health insurance in determining executive compensation, noting that "while the proposal mentions executive compensation, the thrust and focus of the proposal is on the ordinary business matter of general employee benefits").

We are aware that previously the Staff declined to permit exclusion under Rule 14a-8(i)(7) of proposals similar to the Proposal. *See, e.g.*, *AbbVie Inc.* (Mar. 14, 2018); *Eli Lilly and Co.* (Mar. 2, 2018). In those letters, the companies argued that the proposals could be excluded under Rule 14a-8(i)(7) as relating to ordinary business operations, such as product pricing decisions and how the companies' responses to regulatory, legislative and public pressures relating to pricing policies or price increases, and that the proposal focused on these ordinary business matters despite implicating executive compensation matters. In all instances, the Staff's no-action responses stated that the Staff was unable to conclude that the company met its burden of demonstrating that the proposal could be excluded under Rule 14a-8(i)(7) as relating to the company's ordinary business operations, suggesting that the Staff viewed the proposals as potentially excludable – but not based on the company's specific articulation of the argument. We believe those arguments are compelling and that similar arguments apply to this Proposal because it focuses on Pfizer's product pricing decisions and its response to risks from regulatory and public pressures relating to its pricing policies, despite implicating executive compensation matters. *See, e.g.*, *Pfizer Inc.* (Feb. 10, 2017) (permitting exclusion under Rule 14a-8(i)(7) of a proposal requesting a report on "the rationale and criteria used" to determine "the rates of price increases year-to-year of the company's top ten selling branded prescription drugs between 2010 and 2016," noting that the company's "rationale and criteria for price increases" of those prescription drugs related to ordinary business operations). Nevertheless, those no-action requests in which the Staff denied relief can be distinguished because they did not address the fact that the proposals address aspects of senior executive compensation that are also available or applicable to the general workforce.

A. The Proposal addresses aspects of senior executive compensation that are also applicable to the general workforce.

Recently, in Staff Legal Bulletin No. 14J (Oct. 23, 2018) ("SLB 14J"), the Staff stated that proposals that address senior executive compensation may be excludable under Rule 14a-8(i)(7) if the compensation targeted by the proposal is broadly available or applicable to a company's general workforce. Specifically, the Staff stated that "[c]ompanies may generally rely on Rule 14a-8(i)(7) to omit . . . proposal[s] from their proxy materials" that "focus . . . on aspects of compensation that are available or apply to senior executive officers . . . and the general workforce."

In this instance, the incentive compensation targeted by the Proposal is broadly available to a significant portion of Pfizer's employees. Pfizer currently has two incentive compensation awards that use financial performance metrics and would be affected by the Proposal – Pfizer's Global Performance Plan ("GPP"), which provides annual bonuses to certain employees, and Pfizer's Performance Share Awards ("PSAs"), which are awards granted under Pfizer's long-term incentive plan. The GPP bonus program is funded annually based on performance against three financial metrics (revenue, adjusted EPS and operating cash flow). Approximately 50,000 Pfizer employees worldwide participate in the GPP. Generally, in the U.S., this population of employees consists of virtually all overtime-exempt colleagues, other than sales colleagues who participate in sales incentive programs. Outside the U.S., the population of employees who participate in the GPP varies by local country practice. For example, in some countries, all colleagues participate in the GPP, other than sales colleagues who participate in sales incentive programs, while in other countries, only colleagues at the country-management level and above participate in the GPP. Pfizer's PSA program is a long-term incentive award with three-year vesting that is tied to the achievement of both an internal metric (operating income) and an external metric (relative total shareholder return compared to the NYSE ARCA Pharmaceutical Index). PSAs are awarded to approximately 130 executives (including Pfizer's executive officers) who represent

Pfizer's senior management. These executives are also among the approximately 50,000 Pfizer employees who participate in the GPP.

Therefore, while the Proposal's request for Pfizer to report on the extent to which pharmaceutical pricing decisions relate to incentive compensation is framed in terms of executive compensation, the incentive compensation that is the subject of the request is broadly applicable to Pfizer's workforce and, as such, does not raise a significant policy issue. Accordingly, consistent with SLB 14J and the other precedent described above, the Proposal is excludable under Rule 14a-8(i)(7) as relating to Pfizer's ordinary business operations.

B. The Proposal seeks to micromanage Pfizer's senior executive compensation practices.

In addition, the Staff has consistently agreed that shareholder proposals attempting to micromanage a company by probing too deeply into matters of a complex nature upon which shareholders, as a group, are not in a position to make an informed judgment are excludable under Rule 14a-8(i)(7). *See* the 1998 Release, *see also JPMorgan Chase & Co.* (Mar. 30, 2018) (permitting exclusion on the basis of micromanagement of a proposal that requested a report on the reputational, financial and climate risks associated with project and corporate lending, underwriting, advising and investing on tar sands projects); *Walgreens Boots Alliance, Inc.* (Nov. 20, 2018) (permitting exclusion on the basis of micromanagement of a proposal that requested open market share repurchase programs or stock buybacks subsequently adopted by the board not become effective until approved by shareholders). Recently, in SLB 14J, the Staff also articulated that proposals addressing executive compensation that seek intricate detail, or seek to impose specific timeframes or methods for implementing complex policies can be excluded under Rule 14a-8(i)(7) on the basis of micromanagement and that, more generally, proposals calling for intricately detailed reports may be excluded under micromanagement grounds.

In this case, the Proposal seeks to micromanage Pfizer by seeking intricate detail. Pfizer has carefully designed its executive compensation program and the GPP to attract, motivate and retain the executives who lead its business, to ensure that those individuals' compensation is aligned with Pfizer's short- and long-term performance and to attract, motivate and retain a broad segment of Pfizer's workforce. The Proposal's request for reports on the relationship between incentive compensation and pharmaceutical pricing risks would delve into product pricing decisions, which are highly complex and involve intricate details. Pfizer is a global biopharmaceutical company, with hundreds of products sold in over 125 countries. The factors underlying pricing of Pfizer's products can vary by product, region and country. Moreover, the substance of the Proposal's request relates to board level risk management and implicates compensation decisions for thousands of employees. By requesting such intricate detail, annually, in a report on the factors behind compensation decisions, the Proposal seeks to micromanage Pfizer's business. Therefore, the Proposal attempts to micromanage Pfizer and is precisely the type of effort that Rule 14a-8(i)(7) is intended to prevent.

Accordingly, for the reasons discussed above, the Proposal should be excluded from Pfizer's 2019 proxy materials pursuant to Rule 14a-8(i)(7) as relating to Pfizer's ordinary business operations.

V. Conclusion

Based upon the foregoing analysis, we respectfully request that the Staff concur that it will take no action if Pfizer excludes the Proposal from its 2019 proxy materials.

Should the Staff disagree with the conclusions set forth in this letter, or should any additional information be desired in support of Pfizer's position, we would appreciate the opportunity to confer with the Staff concerning these matters prior to the issuance of the Staff's response. Please do not hesitate to contact me at (212) 733-3451 or Marc S. Gerber of Skadden, Arps, Slate, Meagher & Flom LLP at (202) 371-7233.

Very truly yours,

Margaret M. Madden

Margaret M. Madden

Enclosures

cc: Catherine M. Rowan
Director, Socially Responsible Investments
Trinity Health

Judy Byron, OP
Adrian Dominican Sisters

Colleen Scanlon, RN, JD
Senior Vice President and Chief Advocacy Officer
Catholic Health Initiatives

Kate Monahan
Shareholder Engagement Associate
Friends Fiduciary Corporation

Donna Meyer, PhD
Director of Shareholder Advocacy
Mercy Investment Services, Inc.

<u>EXHIBIT A</u>

(see attached)

Trinity Health

RECEIVED
OCT 31 2018
PFIZER
CORPORATE GOVERNANCE DEPT

Catherine M. Rowan
Director, Socially Responsible Investments
766 Brady Avenue, Apt. 635
Bronx, NY 10462
Phone: (718) 822-0820
Fax: (718) 504-4787

E-Mail Address: rowan@bestweb.net

October 29, 2018

Margaret M. Madden
Vice President and Corporate Secretary, Chief Governance Counsel
Pfizer, Inc.
235 East 42nd Street
New York, NY 10017-5755

Dear Ms. Madden,

Trinity Health is the beneficial owner of over $2,000 worth of stock in Pfizer, Inc. Trinity Health has held these shares continuously for over twelve months and will continue to do so at least until after the next annual meeting of shareholders. A letter of verification of ownership is enclosed.

We remain concerned about the sustainability of our company's current business model, and the risks the company faces due to the widespread concerns in regards to the affordability of prescription medicines. We seek a report on the extent to which risks related to public concern over drug pricing strategies are reflected in executive compensation policies, plans and programs.

I am authorized to notify you of our intention to present the attached proposal for consideration and action by the stockholders at the next annual meeting. I submit this resolution for inclusion in the proxy statement, in accordance with Rule 14-a-8 of the General Rules and Regulations of the Securities and Exchange Act of 1934. As the representative for Trinity Health, I am the primary contact for this shareholder proposal and intend to present it in person or by proxy at the next annual meeting of the Company. Other Pfizer shareholders may be co-filing this same proposal as well.

We appreciate the shareholder dialogues we and other members of the Interfaith Center on Corporate Responsibility have had with the company over the years and hope that we may be able to have a productive dialogue on the issues addressed in the proposal. We look forward to speaking with you about this proposal at your convenience.

Sincerely,

Catherine Rowan

Catherine Rowan
enc

RESOLVED, that shareholders of Pfizer Inc. ("Pfizer") urge the Compensation Committee (the "Committee") to report annually to shareholders on the extent to which risks related to public concern over drug pricing strategies are integrated into Pfizer's incentive compensation policies, plans and programs ("arrangements") for senior executives. The report should include, but need not be limited to, discussion of whether (i) incentive compensation arrangements reward, or not penalize, senior executives for adopting pricing strategies, or making and honoring commitments about pricing, that incorporate public concern regarding prescription drug prices; and (ii) such concern is considered when setting financial targets for incentive compensation arrangements.

SUPPORTING STATEMENT

As long-term investors, we believe that senior executive incentive compensation arrangements should reward the creation of sustainable value. To that end, it is important that those arrangements align with company strategy and encourage responsible risk management.

A key risk facing pharmaceutical companies is potential backlash against high drug prices. Pfizer has been criticized for repeated price increases, and in July 2018 President Trump called out "Pfizer & others" in a tweet, saying they "should be ashamed that they have raised drug prices for no reason"; Pfizer then postponed planned increases.

We are concerned that the incentive compensation arrangements applicable to Pfizer's senior executives may discourage them from taking actions, like foregoing price increases, that result in lower short-term financial performance even when those actions may be in Pfizer's best long-term interests.

Pfizer uses revenue and earnings per share (EPS) as metrics for the annual bonus and operating income as a metric for performance share awards. (2018 Proxy Statement, at 66, 68) A 2017 Credit Suisse analyst report identified Pfizer as a company where U.S. net price increases accounted for at least 100% of 2016 net income growth. (*Global Pharma and Biotech Sector Review: Exploring Future US Pricing Pressure*, Apr. 18, 2017, at 22) In its 2018 report, Credit Suisse characterized Pfizer's 2017 10% net price increase as above-average for the industry and noted that its list price increases were the second highest. (*Global Pharmaceuticals: Scoring Sensitivity to Trump's Reforms*, May 25, 2018, at 15, 20)

In our view, excessive dependence on drug price increases is a risky and unsustainable strategy, especially when price hikes appear to drive large senior executive payouts. Highlighting this connection, a March 2018 article carried the headline, "Pfizer CEO Gets 61% Pay Raise—to $27.9 Million—As Drug Prices Continue to Climb." (https://arstechnica.com/science/2018/03/amid-drug-price-increases-pfizer-ceo-gets-61-pay-raise-to-27-9-million/; see also https://www.usnews.com/opinion/articles/2017-08-30/bernie-sanders-take-on-big-pharma-and-lower-prescription-drug-prices) We are concerned that large payouts based on financial metrics that can be affected by pricing create risks for Pfizer.

The disclosure we request would allow shareholders to better assess the extent to which compensation arrangements encourage senior executives to responsibly manage risks relating to drug pricing and contribute to long-term value creation. For example, it would be useful for investors to know whether incentive compensation target amounts reflect consideration of pricing pressures. We urge shareholders to vote for this Proposal.

RECEIVED

OCT 31 2018

PFIZER
CORPORATE GOVERNANCE DEPT

October 29, 2018

TO WHOM IT MAY CONCERN,

Please accept this letter as verification that as of October 29, 2018 Northern Trust as custodian held for the beneficial interest of
Trinity Health 365,807 shares of Pfizer.

As of October 29, 2018 Trinity Health has held at least $2,000 worth of Pfizer continuously for over one year. Trinity Health has informed us it intends to continue to hold these shares through the date of the company's next annual meeting.

This letter is to confirm that the aforementioned shares of stock are registered with Northern Trust, Participant Number 2669, at the Depository Trust Company.

Sincerely,

Danny M. Diasio

Danny Diasio
The Northern Trust Company
50 South La Salle Street
Chicago, Illinois 60603

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OCT 31 2018
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CORPORATE GOVERNANCE DEPT

EXHIBIT B

(see attached)

ADRIAN DOMINICAN SISTERS
1257 East Siena Heights Drive
Adrian, Michigan 49221-1793
517-266-3400 Phone

Portfolio Advisory Board

November 5, 2018

Margaret M. Madden
Vice President, Corporate Secretary, Chief Governance Counsel
Pfizer, Inc.
235 East 42nd Street
New York, NY 10017-5703

Dear Ms. Madden,

Currently in the U.S. a key risk facing pharmaceutical companies is potential backlash against high drug prices. Pfizer has been criticized for repeated price increases. We believe that excessive dependence on drug price increases is a risky and unsustainable strategy, especially when price hikes appear to drive large senior executive payouts. For this reason shareholders are requesting an annual report on the extent to which risks related to public concern over drug pricing strategies are integrated into Pfizer's incentive compensation policies, plans and programs for senior executives.

The Adrian Dominican Sisters is co-filing the enclosed resolution with Trinity Health for inclusion in the 2019 proxy statement in accordance with rule 14a-8 of the general rules and regulations of the Securities and Exchange Act of 1934. A representative of the filers will attend the annual meeting to move the resolution as required by SEC Rules.

As of November 5, 2018 the Adrian Dominican Sisters held, and has held continuously for at least one year, 87 shares of Pfizer, Inc. common stock. A letter verifying ownership in the Company is enclosed. We will continue to hold the required number of shares in Pfizer, Inc. through the annual meeting in 2019.

For matters pertaining to this resolution, please contact Catherine Rowan who represents Trinity Health, the primary filer of this resolution. Please copy Judy Byron, OP on all communications: jbyron@ipjc.org

Sincerely,

Frances Nadolny, OP

Frances Nadolny, OP
Administrator
Adrian Dominican Sisters

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NOV 07 2018
PFIZER
CORPORATE GOVERNANCE DEPT

Encl: Shareholder Resolution
Verification of Ownership

RESOLVED, that shareholders of Pfizer Inc. ("Pfizer") urge the Compensation Committee (the "Committee") to report annually to shareholders on the extent to which risks related to public concern over drug pricing strategies are integrated into Pfizer's incentive compensation policies, plans and programs ("arrangements") for senior executives. The report should include, but need not be limited to, discussion of whether (i) incentive compensation arrangements reward, or not penalize, senior executives for adopting pricing strategies, or making and honoring commitments about pricing, that incorporate public concern regarding prescription drug prices; and (ii) such concern is considered when setting financial targets for incentive compensation arrangements.

SUPPORTING STATEMENT

As long-term investors, we believe that senior executive incentive compensation arrangements should reward the creation of sustainable value. To that end, it is important that those arrangements align with company strategy and encourage responsible risk management.

A key risk facing pharmaceutical companies is potential backlash against high drug prices. Pfizer has been criticized for repeated price increases, and in July 2018 President Trump called out "Pfizer & others" in a tweet, saying they "should be ashamed that they have raised drug prices for no reason"; Pfizer then postponed planned increases.

We are concerned that the incentive compensation arrangements applicable to Pfizer's senior executives may discourage them from taking actions, like foregoing price increases, that result in lower short-term financial performance even when those actions may be in Pfizer's best long-term interests.

Pfizer uses revenue and earnings per share (EPS) as metrics for the annual bonus and operating income as a metric for performance share awards. (2018 Proxy Statement, at 66, 68) A 2017 Credit Suisse analyst report identified Pfizer as a company where U.S. net price increases accounted for at least 100% of 2016 net income growth. (*Global Pharma and Biotech Sector Review: Exploring Future US Pricing Pressure*, Apr. 18, 2017, at 22) In its 2018 report, Credit Suisse characterized Pfizer's 2017 10% net price increase as above-average for the industry and noted that its list price increases were the second highest. (*Global Pharmaceuticals*: *Scoring Sensitivity to Trump's Reforms*, May 25, 2018, at 15, 20)

In our view, excessive dependence on drug price increases is a risky and unsustainable strategy, especially when price hikes appear to drive large senior executive payouts. Highlighting this connection, a March 2018 article carried the headline, "Pfizer CEO Gets 61% Pay Raise—to $27.9 Million—As Drug Prices Continue to Climb." (https://arstechnica.com/science/2018/03/amid-drug-price-increases-pfizer-ceo-gets-61-pay-raise-to-27-9-million/; see also https://www.usnews.com/opinion/articles/2017-08-30/bernie-sanders-take-on-big-pharma-and-lower-prescription-drug-prices) We are concerned that large payouts based on financial metrics that can be affected by pricing create risks for Pfizer.

The disclosure we request would allow shareholders to better assess the extent to which compensation arrangements encourage senior executives to responsibly manage risks relating to drug pricing and contribute to long-term value creation. For example, it would be useful for investors to know whether incentive compensation target amounts reflect consideration of pricing pressures. We urge shareholders to vote for this Proposal.

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Comerica

November 5, 2018

Margaret M. Madden
Vice President, Corporate Secretary, Chief Governance Counsel
Pfizer, Inc.
235 East 42nd Street
New York, NY 10017-5703

RE: ADRIAN DOMINICAN SISTERS ACCOUNT AT COMERICA

Dear Margaret,

In regards to the request for verification of holdings, the above referenced account currently holds 87 shares of Pfizer common stock. The attached tax lot detail indicates the date the stock was acquired. Also, please note that Comerica, Inc. is a DTC participant.

Please feel free to contact me should you have any additional questions or concerns.

Sincerely,

Erica Carter | Senior Analyst | Institutional Trust
|Comerica Bank | 411 West Lafayette| MC 3462 | Detroit, MI 48226 | P: 313.222.7115
Fax : 313.222.3208 | EBcarter@comerica.com

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American Baptist
Home Mission
Societies
SINCE 1824

American Baptist Home Mission Societies
P.O. Box 851
Valley Forge, PA 19482-0851

800.222.3872
610.768.2000
FAX 610.768.2470

www.abhms.org

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November 8, 2018

Margaret M. Madden
Vice President and Corporate Secretary, Chief Governance Counsel
Pfizer, Inc.
235 East 42nd Street
New York, NY 10017-5755

Dear Ms. Madden:

The American Baptist Home Mission Society is the beneficial owner of over $2,000 worth of shares of Pfizer, Inc. The American Baptist Home Mission Society has held these shares continuously for over twelve months and will continue to do so at least until after the next annual meeting of shareholders. A letter of verification of ownership is enclosed.

The American Baptist Home Mission Society works to bring healing and transformation to communities across the United States and Puerto Rico. As a faith-based investor, we make investment decisions based on the social, environmental as well as financial performance of companies.

I am hereby authorized to notify you of our intention to submit this shareholder proposal with Trinity Health, the primary filer. I submit it for inclusion in the proxy statement for consideration and action by the next stockholders meeting in accordance with Rule 14-a-8 of the General Rules and Regulations of the Securities and Exchange Act of 1934.

A representative of the filers will attend the shareholder meeting to move the proposal. Please note that we authorize Catherine Rowan, Director of Socially Responsible Investments for Trinity Health, to be the contact person for us regarding this proposal. She may be reached at rowan@bestweb.net or 718-822-0820.

Sincerely,

D. L. Moore

David L. Moore Jr,
Director of Investments

RESOLVED, that shareholders of Pfizer Inc. ("Pfizer") urge the Compensation Committee (the "Committee") to report annually to shareholders on the extent to which risks related to public concern over drug pricing strategies are integrated into Pfizer's incentive compensation policies, plans and programs ("arrangements") for senior executives. The report should include, but need not be limited to, discussion of whether (i) incentive compensation arrangements reward, or not penalize, senior executives for adopting pricing strategies, or making and honoring commitments about pricing, that incorporate public concern regarding prescription drug prices; and (ii) such concern is considered when setting financial targets for incentive compensation arrangements.

SUPPORTING STATEMENT

As long-term investors, we believe that senior executive incentive compensation arrangements should reward the creation of sustainable value. To that end, it is important that those arrangements align with company strategy and encourage responsible risk management.

A key risk facing pharmaceutical companies is potential backlash against high drug prices. Pfizer has been criticized for repeated price increases, and in July 2018 President Trump called out "Pfizer & others" in a tweet, saying they "should be ashamed that they have raised drug prices for no reason"; Pfizer then postponed planned increases.

We are concerned that the incentive compensation arrangements applicable to Pfizer's senior executives may discourage them from taking actions, like foregoing price increases, that result in lower short-term financial performance even when those actions may be in Pfizer's best long-term interests.

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In our view, excessive dependence on drug price increases is a risky and unsustainable strategy, especially when price hikes appear to drive large senior executive payouts. Highlighting this connection, a March 2018 article carried the headline, "Pfizer CEO Gets 61% Pay Raise—to $27.9 Million—As Drug Prices Continue to Climb." (https://arstechnica.com/science/2018/03/amid-drug-price-increases-pfizer-ceo-gets-61-pay-raise-to-27-9-million/; see also https://www.usnews.com/opinion/articles/2017-08-30/bernie-sanders-take-on-big-pharma-and-lower-prescription-drug-prices) We are concerned that large payouts based on financial metrics that can be affected by pricing create risks for Pfizer.

The disclosure we request would allow shareholders to better assess the extent to which compensation arrangements encourage senior executives to responsibly manage risks relating to drug pricing and contribute to long-term value creation. For example, it would be useful for investors to know whether incentive compensation target amounts reflect consideration of pricing pressures. We urge shareholders to vote for this Proposal.

BNY MELLON
ASSET SERVICING

November 8, 2018

Mr. David Moore
American Baptist Home Mission Societies
Route 363 & 1st Avenue
P.O. Box 851
Valley Forge, Pa. 19482-0851

Re: American Baptist Home Mission Societies
***

Dear Mr. David Moore,

As of and including November 8, 2018, the American Baptists Home Mission Society held, and has held continuously for at least one year, 203 shares of Pfizer Inc. We have been directed by the shareowners to place a hold on this stock at least until the next annual meeting.

This security is currently held by Mellon Trust, Master Custodian, for the American Baptist Home Mission Societies in our nominee name at Depository Trust Company.

Please contact me directly at 412-234-7122 with any questions.

Sincerely,

Jules Selia
Global Client Administration
BNY Mellon

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Catholic Health Initiatives
Imagine better health.℠

198 Inverness Drive West
Englewood, CO 80112

P 303.298.9100
F 303.298.9690
catholichealthinitiatives.org

November 9, 2018

Margaret M. Madden
Vice President and Corporate Secretary, Chief Governance Counsel
Pfizer, Inc.
235 East 42nd Street
New York, NY 10017-5755

Dear Ms. Madden:

Catholic Health Initiatives is one of the largest Catholic health care systems in the country, with operations in 18 states comprised of 101 hospitals, including two academic health centers and major teaching hospitals as well as 30 critical-access facilities; community health-services organizations; accredited nursing colleges; home-health agencies; living communities; and other facilities that span the inpatient and outpatient continuum of care.

As a religiously sponsored organization, Catholic Health Initiatives seeks to reflect its mission, vision and values in its investment decisions. Catholic Health Initiatives continues to have significant concerns about the rising costs of prescription drugs and the detrimental impact on many Americans. We request that the Pfizer, Inc. Board of Directors Compensation Committee report to shareholders on the extent to which risks related to public concern over drug pricing strategies are integrated into the company's compensation policies, plans and programs for senior executives.

Catholic Health Initiatives is the beneficial owner of over $2000 worth of common stock in Pfizer, Inc. Through this letter we notify the company of our intention to file the enclosed resolution. We present it for inclusion in the proxy statement for action at the next stockholders meeting in accordance with Rule 14(a)(8) of the General Rules and Regulations of the Securities and Exchange Act of 1934.

Verification of our ownership of this stock for at least one year is enclosed. We intend to maintain ownership through the date of the annual meeting. There will be a representative present at the stockholders meeting to present this resolution as required by the SEC Rules.

Colleen Scanlon, Senior Vice President and Chief Advocacy Officer will serve as the contact for Catholic Health Initiatives and can be reached at 303-383-2693. We are filing this resolution along with other concerned investors including primary filer, Cathy Rowan, Trinity Health. It is our tradition as a religiously sponsored organization to seek dialogue with companies on the issue in the resolution offered to the shareholders. We hope that a discussion of this sort is of interest to you as well.

Sincerely,

Colleen Scanlon

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Colleen Scanlon, RN, JD
Senior Vice President and Chief Advocacy Officer
Attachments

CS/dm
cc: Cathy Rowan, Trinity Health
Julie Wokaty, Interfaith Center on Corporate Responsibility

RESOLVED, that shareholders of Pfizer Inc. ("Pfizer") urge the Compensation Committee (the "Committee") to report annually to shareholders on the extent to which risks related to public concern over drug pricing strategies are integrated into Pfizer's incentive compensation policies, plans and programs ("arrangements") for senior executives. The report should include, but need not be limited to, discussion of whether (i) incentive compensation arrangements reward, or not penalize, senior executives for adopting pricing strategies, or making and honoring commitments about pricing, that incorporate public concern regarding prescription drug prices; and (ii) such concern is considered when setting financial targets for incentive compensation arrangements.

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In our view, excessive dependence on drug price increases is a risky and unsustainable strategy, especially when price hikes appear to drive large senior executive payouts. Highlighting this connection, a March 2018 article carried the headline, "Pfizer CEO Gets 61% Pay Raise—to $27.9 Million—As Drug Prices Continue to Climb." (https://arstechnica.com/science/2018/03/amid-drug-price-increases-pfizer-ceo-gets-61-pay-raise-to-27-9-million/; see also https://www.usnews.com/opinion/articles/2017-08-30/bernie-sanders-take-on-big-pharma-and-lower-prescription-drug-prices) We are concerned that large payouts based on financial metrics that can be affected by pricing create risks for Pfizer.

The disclosure we request would allow shareholders to better assess the extent to which compensation arrangements encourage senior executives to responsibly manage risks relating to drug pricing and contribute to long-term value creation. For example, it would be useful for investors to know whether incentive compensation target amounts reflect consideration of pricing pressures. We urge shareholders to vote for this Proposal.

BNY MELLON

November 9, 2018

Jennifer Neppel
Director, Cash & Investments
Catholic Health Initiatives
198 Inverness Drive West
Suite 800
Englewood, CO 80112

RE: Account Number *** - Pfizer Inc.

Dear Jennifer,

This letter is in response to your request for confirmation that Catholic Health Initiatives currently holds 269 shares of Pfizer Inc in the CHI Operating Investment Program Limited Partnership.

Catholic Health Initiatives has continuously held these shares of stock for at least one year prior to and including submission of CHI's letter of proposal and such investment has a market value greater than $2,000.

This security is currently held by The Bank of New York Mellon for Catholic Health Initiatives in our nominee name at the Depository Trust Company. This letter is a statement of The Bank of New York Mellon Corporation as record holder of the above referenced common stock.

Should you have any questions, please contact me at 412.234.8014.

Best regards

Gary W Hartenstein
Vice President, Service Director
The Bank of New York Mellon
BNYM Center
Suite 4040
Pittsburgh, PA 15258

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Friends Fiduciary

ADDING VALUES TO STRONG PERFORMANCE.

November 13, 2018

DELIVERY VIA FEDERAL EXPRESS

Margaret M. Madden
Vice President and Corporate Secretary, Chief General Counsel
Pfizer, Inc.
235 East 42nd Street
New York, NY 10017-5703

Dear Ms. Madden:

On behalf of Friends Fiduciary Corporation, I write to give notice that pursuant to the 2018 proxy statement of Pfizer, Inc. and Rule 14a-8 under the Securities Exchange Act of 1934, Friends Fiduciary Corporation intends to co-file the attached proposal with lead filer, Trinity Health, at the 2019 annual meeting of shareholders.

Friends Fiduciary Corporation serves more than 390 Quaker meetings, churches, and organizations through its socially responsible investment services. We have over $470 million in assets under management. Our investment philosophy is grounded in the beliefs of the Religious Society of Friends (Quakers), among them the testimonies of peace, simplicity, integrity and justice. We are long term investors and take our responsibility as shareholders seriously. When we engage companies we own through shareholder resolutions we seek to witness to the values and beliefs of Quakers as well as to protect and enhance the long-term value of our investments. We believe transparency around compensation metrics as related to the pricing of our company's products to be essential to assess potential reputational, financial, legal, and regulatory risks to our investment.

A representative of the filers will attend the shareholder meeting to move the resolution. We look forward to meaningful dialogue with your company on the issues raised in this proposal. Please note that the contact person for this proposal will be Cathy Rowan. Her phone number is (718) 822-0820 and her email is rowan@bestweb.net. The lead filer is authorized to withdraw this resolution on our behalf. Please copy correspondence to the lead filer contact person and to Kate Monahan, Shareholder Engagement Associate, at kmonahan@friendsfiduciary.org.

Friends Fiduciary currently owns more than 12,000 shares of common stock of the Company. We have held the required number of shares for over one year as of the filing date. As verification, we have enclosed a letter from US Bank, our portfolio custodian and holder of record, attesting to this fact. We intend to hold at least the minimum required number of shares through the date of the Annual Meeting.

Sincerely,

Jeffery W. Perkins
Executive Director

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Enclosures

cc: Cathy Rowan

RESOLVED, that shareholders of Pfizer Inc. ("Pfizer") urge the Compensation Committee (the "Committee") to report annually to shareholders on the extent to which risks related to public concern over drug pricing strategies are integrated into Pfizer's incentive compensation policies, plans and programs ("arrangements") for senior executives. The report should include, but need not be limited to, discussion of whether (i) incentive compensation arrangements reward, or not penalize, senior executives for adopting pricing strategies, or making and honoring commitments about pricing, that incorporate public concern regarding prescription drug prices; and (ii) such concern is considered when setting financial targets for incentive compensation arrangements.

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In our view, excessive dependence on drug price increases is a risky and unsustainable strategy, especially when price hikes appear to drive large senior executive payouts. Highlighting this connection, a March 2018 article carried the headline, "Pfizer CEO Gets 61% Pay Raise—to $27.9 Million—As Drug Prices Continue to Climb." (https://arstechnica.com/science/2018/03/amid-drug-price-increases-pfizer-ceo-gets-61-pay-raise-to-27-9-million/; see also https://www.usnews.com/opinion/articles/2017-08-30/bernie-sanders-take-on-big-pharma-and-lower-prescription-drug-prices) We are concerned that large payouts based on financial metrics that can be affected by pricing create risks for Pfizer.

The disclosure we request would allow shareholders to better assess the extent to which compensation arrangements encourage senior executives to responsibly manage risks relating to drug pricing and contribute to long-term value creation. For example, it would be useful for investors to know whether incentive compensation target amounts reflect consideration of pricing pressures. We urge shareholders to vote for this Proposal.

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usbank.

Institutional Trust & Custody
50 South 16th St - Suite 2000
Philadelphia, PA 19102

November 13th, 2018

To whom it may concern:

This letter is to verify that as of November 13th, 2018, Friends Fiduciary Corporation held, and had held continuously for at least one year, at least $2,000.00 of market value worth of Pfizer Inc. common stock. Friends Fiduciary Corporation currently holds and has held the securities and will continue to hold them through the time of the company's next annual meeting.

The securities are held by US Bank NA who serves as custodian for Friends Fiduciary Corporation. The shares are registered in our nominee name at Depository Trust Company.

Sincerely,

Sue E Massey
Sr Account Associate
215-761-9341

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CORPORATE GOVERNANCE DEPT

MERCY
INVESTMENT
SERVICES, INC

November 7, 2018

Margaret M. Madden
Senior Vice President and Corporate Secretary, Chief Governance Counsel
Pfizer, Inc.
235 East 42nd Street
New York, NY 10017-5755

Dear Ms. Madden:

Mercy Investment Services, Inc. (Mercy), as the investment program of the Sisters of Mercy of the Americas, has long been concerned not only with the financial returns of its investments, but also with their social and ethical implications. We believe that a demonstrated corporate responsibility in matters of the environment, and social and governance concerns fosters long-term business success. Mercy Investment Services, Inc., a long-term investor, is currently the beneficial owner of shares of Pfizer, Inc.

Mercy requests the Board of Directors to report annually to shareholders on the extent to which risks related to public concern over drug pricing strategies are integrated into Pfizer's incentive compensation policies, plans and programs for senior executives.

Mercy Investment Services, Inc., is co-filing the enclosed shareholder proposal with Trinity Health for inclusion in the 2019 proxy statement, in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities Exchange Act of 1934. Mercy Investment Services, Inc. has been a shareholder continuously for more than one year holding at least $2,000 in market value, and will continue to invest in at least the requisite number of shares for proxy resolutions through the annual shareholders' meeting. A representative of the filers will attend the Annual Meeting to move the resolution as required by SEC rules. The verification of ownership by our custodian, a DTC participant, is enclosed with this letter. Trinity Health may withdraw the proposal on our behalf. We respectfully request direct communications from Pfizer, Inc., and to have our supporting statement and organization name included in the proxy statement.

We look forward to having productive conversations with the company. Please direct your responses to me via my contact information below.

Best regards,

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Donna Meyer, PhD
Director of Shareholder Advocacy
713-299-5018
dmeyer@mercyinvestments.org

RESOLVED, that shareholders of Pfizer Inc. ("Pfizer") urge the Compensation Committee (the "Committee") to report annually to shareholders on the extent to which risks related to public concern over drug pricing strategies are integrated into Pfizer's incentive compensation policies, plans and programs ("arrangements") for senior executives. The report should include, but need not be limited to, discussion of whether (i) incentive compensation arrangements reward, or not penalize, senior executives for adopting pricing strategies, or making and honoring commitments about pricing, that incorporate public concern regarding prescription drug prices; and (ii) such concern is considered when setting financial targets for incentive compensation arrangements.

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We are concerned that the incentive compensation arrangements applicable to Pfizer's senior executives may discourage them from taking actions, like foregoing price increases, that result in lower short-term financial performance even when those actions may be in Pfizer's best long-term interests.

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In our view, excessive dependence on drug price increases is a risky and unsustainable strategy, especially when price hikes appear to drive large senior executive payouts. Highlighting this connection, a March 2018 article carried the headline, "Pfizer CEO Gets 61% Pay Raise—to $27.9 Million—As Drug Prices Continue to Climb." (https://arstechnica.com/science/2018/03/amid-drug-price-increases-pfizer-ceo-gets-61-pay-raise-to-27-9-million/; see also https://www.usnews.com/opinion/articles/2017-08-30/bernie-sanders-take-on-big-pharma-and-lower-prescription-drug-prices) We are concerned that large payouts based on financial metrics that can be affected by pricing create risks for Pfizer.

The disclosure we request would allow shareholders to better assess the extent to which compensation arrangements encourage senior executives to responsibly manage risks relating to drug pricing and contribute to long-term value creation. For example, it would be useful for investors to know whether incentive compensation target amounts reflect consideration of pricing pressures. We urge shareholders to vote for this Proposal.

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NORTHERN TRUST

November 7, 2018

Margaret M. Madden
Senior Vice President and Corporate Secretary
Chief Governance Counsel
Pfizer, Inc.
235 East 42nd Street
New York, NY 10017-5755

Re: Mercy Investment Services Inc.

Dear Margaret,

This letter will certify that as of November 7, 2018, Northern Trust held for the beneficial interest of Mercy Investment Services Inc., 51 shares of Pfizer, Inc. We confirm that Mercy Investment Services Inc. has beneficial ownership of at least $2,000 in market value of the voting securities of Pfizer, Inc., and that such beneficial ownership has existed continuously for at least one year including a one year period preceding and including November 7. 2018, in accordance with rule 14a-8 of the Securities Exchange Act of 1934. Further, it is Mercy Investment Services Inc., intent to hold at least $2,000 in market value through the next annual meeting.

We also confirm that as of the filing date, November 7, 2018, Mercy Investment Services Inc., held 132,518 additional shares of Pfizer, Inc. with a market value of $5,883,799.20.

Please be advised, Northern Trust is a DTC Participant, whose DTC number is 2669.

If you have any questions please feel free to give me a call.

Sincerely,

James Nan vati
2nd Vice President
312-557-9761

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THE SISTERS OF CHARITY OF SAINT ELIZABETH

November 9, 2018

Ms. Margaret M. Madden
Vice President and Corporate Secretary
Pfizer, Inc.
235 East 42nd Street
New York, NY 10017-5703

Dear Ms. Madden,

The Sisters of Charity of Saint Elizabeth continue to be deeply committed to affordable access to prescription drugs for millions of people. We are concerned about risks to our Company about pricing strategies. Therefore, the Sisters of Charity of Saint Elizabeth request that the Board of Directors report on compensative arrangements as described in the attached proposal.

I have been authorized by the Sisters of Charity of Saint Elizabeth to notify you of our intention to co-file this resolution with Trinity Health for consideration by the stockholders at the annual meeting and I hereby submit it for inclusion in the proxy statement, in accordance with rule 14a-8 of the general rules and regulations of the Securities Act of 1934.

The Sisters of Charity of Saint Elizabeth are the beneficial owners of at least 400 shares of stock. Under separate cover you will receive proof of ownership. We will retain shares through the annual meeting.

If you should, for any reason, desire to oppose the adoption of the proposal by the stockholders, please include in the corporation's proxy material the attached statement of the security holder, submitted in support of this proposal, as required by the aforesaid rules and regulations.

We welcome dialogue on this important issue.

Sincerely,

Sister Barbara Aires

Sister Barbara Aires, SC
Coordinator of Corporate Responsibility

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SISTERS OF CHARITY OF SAINT ELIZABETH · NEW JERSEY · MDCCCLIX

P 973 290 5402
F 973 290 5441
P O BOX 476
CONVENT STATION
NEW JERSEY
07961-0476

BAIRES@SCNJ.ORG

RESOLVED, that shareholders of Pfizer Inc. ("Pfizer") urge the Compensation Committee (the "Committee") to report annually to shareholders on the extent to which risks related to public concern over drug pricing strategies are integrated into Pfizer's incentive compensation policies, plans and programs ("arrangements") for senior executives. The report should include, but need not be limited to, discussion of whether (i) incentive compensation arrangements reward, or not penalize, senior executives for adopting pricing strategies, or making and honoring commitments about pricing, that incorporate public concern regarding prescription drug prices; and (ii) such concern is considered when setting financial targets for incentive compensation arrangements.

SUPPORTING STATEMENT

As long-term investors, we believe that senior executive incentive compensation arrangements should reward the creation of sustainable value. To that end, it is important that those arrangements align with company strategy and encourage responsible risk management.

A key risk facing pharmaceutical companies is potential backlash against high drug prices. Pfizer has been criticized for repeated price increases, and in July 2018 President Trump called out "Pfizer & others" in a tweet, saying they "should be ashamed that they have raised drug prices for no reason"; Pfizer then postponed planned increases.

We are concerned that the incentive compensation arrangements applicable to Pfizer's senior executives may discourage them from taking actions, like foregoing price increases, that result in lower short-term financial performance even when those actions may be in Pfizer's best long-term interests.

Pfizer uses revenue and earnings per share (EPS) as metrics for the annual bonus and operating income as a metric for performance share awards. (2018 Proxy Statement, at 66, 68) A 2017 Credit Suisse analyst report identified Pfizer as a company where U.S. net price increases accounted for at least 100% of 2016 net income growth. (*Global Pharma and Biotech Sector Review: Exploring Future US Pricing Pressure*, Apr. 18, 2017, at 22) In its 2018 report, Credit Suisse characterized Pfizer's 2017 10% net price increase as above-average for the industry and noted that its list price increases were the second highest. (*Global Pharmaceuticals: Scoring Sensitivity to Trump's Reforms*, May 25, 2018, at 15, 20)

In our view, excessive dependence on drug price increases is a risky and unsustainable strategy, especially when price hikes appear to drive large senior executive payouts. Highlighting this connection, a March 2018 article carried the headline, "Pfizer CEO Gets 61% Pay Raise—to $27.9 Million—As Drug Prices Continue to Climb." (https://arstechnica.com/science/2018/03/amid-drug-price-increases-pfizer-ceo-gets-61-pay-raise-to-27-9-million/; see also https://www.usnews.com/opinion/articles/2017-08-30/bernie-sanders-take-on-big-pharma-and-lower-prescription-drug-prices) We are concerned that large payouts based on financial metrics that can be affected by pricing create risks for Pfizer.

The disclosure we request would allow shareholders to better assess the extent to which compensation arrangements encourage senior executives to responsibly manage risks relating to drug pricing and contribute to long-term value creation. For example, it would be useful for investors to know whether incentive compensation target amounts reflect consideration of pricing pressures. We urge shareholders to vote for this Proposal.

Comerica

November 9, 2018

Margaret M. Madden
Vice President and Corporate Secretary
Pfizer, Inc.
235 East 42nd Street
New York, NY 10017-5703

RE: Sisters of Charity of Saint Elizabeth a/c ***

Dear Margaret M, Madden,

This letter alone shall serve as proof of beneficial ownership of 560 shares of Pfizer Inc Common stock for the Sisters of Charity of Saint Elizabeth.

Please be advised that as of 11/9/18, the Sisters of Charity of Saint Elizabeth have continuously held the requisite number of shares of common stock for at least one year, and intend to continue holding the requisite number of shares through the date of the next Annual Meeting of Shareholders.

Sincerely,

Erica Carter| Senior Analyst | Institutional Trust
|Comerica Bank | 411 West Lafayette| MC 3462 | Detroit, MI 48226 | P: 313.222.7115
Fax : 313.222.3208 | EBcarter@comerica.com

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Sisters of St. Dominic of Caldwell New Jersey

Office of Corporate Responsibility
75 So Fullerton Ave
Montclair NJ 07042

973 670-9674

patdalyop@gmail.com

November 13, 2018

Margaret M. Madden
Vice President and Corporate Secretary, Chief Governance Counsel
Pfizer, Inc.
235 East 42nd Street
New York, NY 10017-5703

Dear Ms. Madden:

The Community of the Sisters of St. Dominic of Caldwell, NJ is the beneficial owner of over $2,000 worth of stock in Pfizer and has held these shares continuously for over twelve months and will continue to do so at least until after the next annual meeting of shareholders. A letter of verification of ownership is enclosed.

As a member of the ICCR Community, you know that we continue to be concerned with the outrageous increases in the prices of pharmaceuticals.

I am hereby authorized to notify you of our intention to present the attached proposal for consideration and action by the stockholders at the next annual meeting. I submit this resolution for inclusion in the proxy statement, in accordance with Rule 14-a-8 of the General Rules and Regulations of the Securities and Exchange Act of 1934.

Catherine Rowan on behalf of Trinity Health will act as the primary contact for this shareholder proposal, however please copy me on all communications.

We look forward to speaking with you about this proposal.

Blessings,

Sister Patricia A. Daly, OP
Corporate Responsibility Representative

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Senior Executive Incentives - Integrate Drug Pricing Risk
2019 – Pfizer, Inc.

RESOLVED, that shareholders of Pfizer Inc. ("Pfizer") urge the Compensation Committee (the "Committee") to report annually to shareholders on the extent to which risks related to public concern over drug pricing strategies are integrated into Pfizer's incentive compensation policies, plans and programs ("arrangements") for senior executives. The report should include, but need not be limited to, discussion of whether (i) incentive compensation arrangements reward, or not penalize, senior executives for adopting pricing strategies, or making and honoring commitments about pricing, that incorporate public concern regarding prescription drug prices; and (ii) such concern is considered when setting financial targets for incentive compensation arrangements.

Supporting Statement: As long-term investors, we believe that senior executive incentive compensation arrangements should reward the creation of sustainable value. To that end, it is important that those arrangements align with company strategy and encourage responsible risk management.

A key risk facing pharmaceutical companies is potential backlash against high drug prices. Pfizer has been criticized for repeated price increases, and in July 2018 President Trump called out "Pfizer & others" in a tweet, saying they "should be ashamed that they have raised drug prices for no reason"; Pfizer then postponed planned increases.

We are concerned that the incentive compensation arrangements applicable to Pfizer's senior executives may discourage them from taking actions, like foregoing price increases, that result in lower short-term financial performance even when those actions may be in Pfizer's best long-term interests.

Pfizer uses revenue and earnings per share (EPS) as metrics for the annual bonus and operating income as a metric for performance share awards. (2018 Proxy Statement, at 66, 68) A 2017 Credit Suisse analyst report identified Pfizer as a company where U.S. net price increases accounted for at least 100% of 2016 net income growth. (Global Pharma and Biotech Sector Review: Exploring Future US Pricing Pressure, Apr. 18, 2017, at 22) In its 2018 report, Credit Suisse characterized Pfizer's 2017 10% net price increase as above-average for the industry and noted that its list price increases were the second highest. (Global Pharmaceuticals: Scoring Sensitivity to Trump's Reforms, May 25, 2018, at 15, 20)

In our view, excessive dependence on drug price increases is a risky and unsustainable strategy, especially when price hikes appear to drive large senior executive payouts. Highlighting this connection, a March 2018 article carried the headline, "Pfizer CEO Gets 61% Pay Raise—to $27.9 Million—As Drug Prices Continue to Climb." (https://arstechnica.com/science/2018/03/amid-drug-price-increases-pfizer-ceo-gets-61-pay-raise-to-27-9-million/; see also https://www.usnews.com/opinion/articles/2017-08-30/bernie-sanders-take-on-big-pharma-and-lower-prescription-drug-prices) We are concerned that large payouts based on financial metrics that can be affected by pricing create risks for Pfizer.

The disclosure we request would allow shareholders to better assess the extent to which compensation arrangements encourage senior executives to responsibly manage risks relating to drug pricing and contribute to long-term value creation. For example, it would be useful for investors to know whether incentive compensation target amounts reflect consideration of pricing pressures. We urge shareholders to vote for this Proposal.

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Morgan Stanley

Wealth Management
[illegible]8 South Service Road
Suite [illegible]
Melville, NY [illegible]
direct 631 [illegible] 8800
fax 631 [illegible] 8999
toll free 800 [illegible]

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November 13, 2018

Corporate Secretary
Pfizer Inc.
235 East 42nd Street
New York, NY 10017

RE: The Sisters of St. Dominic of Caldwell, NJ Inc.
Letter of Verification of Ownership

To Whom It May Concern:

This letter alone shall serve as proof of beneficial ownership of 1,746 shares of Pfizer Inc. common stock for the Sisters of St. Dominic of Caldwell, NJ Inc.

Please be advised that as of November 13, 2018, the Sisters of St. Dominic of Caldwell, NJ Inc.:

- have continuously held the requisite number of shares of common stock for at least one year
- intend to continue holding the requisite number of shares of common stock through the date of the next Annual Meeting of Shareholders

Sincerely,

Nancy Lee Cortes

Nancy Lee Cortes
Portfolio Associate, CRPC

Sisters of St. Francis Charitable Trust
3390 Windsor Avenue
Dubuque, IA 52001-1311
563-583-9786

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November 7, 2018

Margaret M. Madden
Vice President and Corporate Secretary, Chief Governance Counsel
Pfizer, Inc.
235 East 42nd Street
New York, NY 10017-5703

Dear Ms. Madden:

The Sisters of St. Francis Charitable Trust is committed to investment decision-making that is guided by environmental, social and governance criteria. We support and encourage implementation of best practices which address these issues, especially as practices impact the poor.

The Sisters of St. Francis Charitable Trust has been a shareholder in Pfizer, Inc. continuously for more than one year holding at least $2,000 in market value. It will continue to hold the required number of shares for proxy resolutions through the date of the 2019 annual meeting of shareholders. A letter verifying ownership is being sent separately by our custodian, Wells Fargo Bank, NA.

In collaboration with Trinity Health, we are co-filing the enclosed resolution for inclusion in the 2019 proxy statement in accordance with Rule 14(a)(8) of the General Rules and Regulations of the Securities and Exchange Act of 1934. A representative of the filers will attend the 2019 Annual Meeting as required by SEC rules. Trinity Health contact, Cathy Rowan, is authorized to act on our behalf (rowan@bestweb.net).

Sincerely,

Judith Sinnwell

Judith (Judy) Sinnwell, OSF
Chair: Sisters of St. Francis Charitable Trust
sinnwellj@osfdbq.org

Cc: Resolution

RESOLVED, that shareholders of Pfizer, Inc. ("Pfizer") urge the Compensation Committee (the "Committee") to report annually to shareholders on the extent to which risks related to public concern over drug pricing strategies are integrated into Pfizer's incentive compensation policies, plans and programs ("arrangements") for senior executives. The report should include, but need not be limited to, discussion of whether (i) incentive compensation arrangements reward, or not penalize, senior executives for adopting pricing strategies, or making and honoring commitments about pricing, that incorporate public concern regarding prescription drug prices; and (ii) such concern is considered when setting financial targets for incentive compensation arrangements.

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