

Welcome to your CDP Water Security Questionnaire 2021

W0. Introduction

W0.1

(W0.1) Give a general description of and introduction to your organization.

Guided by our purpose, "Breakthroughs that change patients' lives," Pfizer is applying our core capabilities and values to help deliver courageous solutions. For 171 years, our deep passion for science and dedication to patients have been foundational to Pfizer. So too have been our commitments to nurturing a diverse, inclusive, and positive workplace to which all colleagues can bring their best selves, improving equitable access to our vaccines and medicines, and minimizing negative impact of our work on the environment. We are on a journey to more intentionally connect our purpose with our Environment, Social and Governance (ESG) strategy in order to better understand and address the needs of patients, colleagues, partners, shareholders and communities.

In 2020, we aligned our ESG priority areas and Key Performance Indicators (KPIs) to our Purpose Blueprint, a strategy consisting of bold moves and core values that we believe will allow Pfizer's colleagues to deliver on the promise of our purpose and unlock the power of our science. We are amplifying our commitments in the areas where we believe we can make the most meaningful impact on society and the environment, including signature commitments focused on equitable access to medicines and vaccines, colleague diversity and inclusion, product innovation, product quality and safety, climate change, and antimicrobial resistance.

Pfizer's key environmental sustainability priorities specifically focus on mitigating climate impact, conserving natural resources, and reducing waste including:

- Reducing the greenhouse gas (GHG) emissions associated with our operations. This includes application of engineering and sustainability innovations to how we design and operate our sites (manufacturing, labs, offices, etc.) and manage our operations (e.g. product transportation, business travel, etc.);
- Reducing water withdrawal associated with our operations and being effective stewards of the water we use;
- Decreasing waste generated from our operations through a multifaceted approach including source reduction, waste minimization, recycling, and other opportunities to reuse materials we cannot recycle ourselves;
- Applying scientific innovation and operational efficiency to reduce the environmental impact of our medicines throughout the product lifecycle;
- Integrating environmental sustainability criteria into our supplier selection and management processes; and

- Engaging with key suppliers of goods and services to drive the adoption of science-based GHG reduction goals.

We know that we alone cannot combat the irremediable issues of our time such as the COVID-19 pandemic, systemic racial inequalities or climate change. As we are a purpose and science-driven company, we are working with public and private partners to overcome current challenges and prepare for those to come.

Further information can be found at www.Pfizer.com or through Pfizer's social media including Twitter [@Pfizer](https://twitter.com/Pfizer) and [@Pfizer News](https://twitter.com/Pfizer), [LinkedIn](https://www.linkedin.com/company/pfizer), [YouTube](https://www.youtube.com/channel/UCv31111111111111111111) and [Facebook.com/Pfizer](https://www.facebook.com/Pfizer).

Disclosure Notice: The information contained in this response is as of Jul 28, 2021. Pfizer assumes no obligation to update forward-looking statements contained in this response as the result of new information or future events or developments. This response contains forward-looking information about potential impacts of climate change to Pfizer, including regulatory, physical and business risks and opportunities, and information related to climate change strategies and goals, all of which involve substantial risks, uncertainties and assumptions. Such risks, uncertainties and assumptions include, among other things, the uncertainties inherent in determining potential impacts from climate change; changes to existing, or implementation of new regulations; projected financial impact and management cost; and projected performance on climate change related goals. Pfizer's past performance in attaining reductions in greenhouse gas emissions is not an indication of future performance. A further description of risks and uncertainties can be found in Pfizer's Form 10-K for the fiscal year ended December 31, 2020, including in the sections thereof captioned "Risk Factors" and "Forward-Looking Information and Factors That May Affect Future Results" and in its subsequent reports on Forms 10-Q and 8-K, all of which are filed with the SEC and are available at www.sec.gov and www.pfizer.com.

W0.2

(W0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date
Reporting year	January 1, 2020	December 31, 2020

W0.3

(W0.3) Select the countries/areas for which you will be supplying data.

Algeria
 Argentina
 Australia
 Austria
 Belgium
 Brazil
 Canada
 China
 Croatia
 Germany

India
 Indonesia
 Ireland
 Italy
 Japan
 Mexico
 Morocco
 Pakistan
 Saudi Arabia
 Singapore
 Spain
 Sweden
 Taiwan, Greater China
 Tunisia
 United Kingdom of Great Britain and Northern Ireland
 United States of America
 Venezuela (Bolivarian Republic of)

W0.4

(W0.4) Select the currency used for all financial information disclosed throughout your response.

USD

W0.5

(W0.5) Select the option that best describes the reporting boundary for companies, entities, or groups for which water impacts on your business are being reported.

Companies, entities or groups over which operational control is exercised

W0.6

(W0.6) Within this boundary, are there any geographies, facilities, water aspects, or other exclusions from your disclosure?

Yes

W0.6a

(W0.6a) Please report the exclusions.

Exclusion	Please explain
Withdrawals and discharges of water from logistics centers and office buildings not associated with manufacturing or research activities.	Logistics centers and commercial office buildings comprise <1% of Pfizer's total water withdrawal.
Withdrawal of groundwater as part of remediation operations.	Groundwater is pumped and treated as part of remediation activities. Most of this water is

	returned to the environment; losses are negligible.
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W1. Current state

W1.1

(W1.1) Rate the importance (current and future) of water quality and water quantity to the success of your business.

	Direct use importance rating	Indirect use importance rating	Please explain
Sufficient amounts of good quality freshwater available for use	Vital	Important	<p>Direct: As a manufacturer of biopharmaceutical healthcare products, water quality and water quantity are vital to our work. All water used for manufacturing purposes must first meet potable drinking water requirements and is treated to meet product quality standards if necessary. The water is then further treated and purified to meet applicable pharmacopeial water quality regulatory requirements specific to the process. Major onsite uses of water include drug production and cleaning. We also use some water and energy to heat and cool our manufacturing processes. We do not anticipate our direct reliance on quality freshwater to change in the foreseeable future.</p> <p>Indirect: Our major suppliers include manufacturers of active pharmaceutical ingredients, drug products, and product packaging. Our key suppliers' operations are subject to similar quality requirements and as such are also reliant on adequate quantities of good quality water to produce products. Because water availability and quality are critical to our and our suppliers' manufacturing processes, we do not anticipate our indirect reliance on quality freshwater to change in the foreseeable future.</p>
Sufficient amounts of recycled, brackish and/or produced water available for use	Neutral	Neutral	Direct: Although a small number of our manufacturing sites utilize recycled water in industrial applications and for landscaping/irrigation, non-freshwater cannot be used in our manufacturing processes for quality reasons and is therefore not critical to our operations.

			<p>Indirect: Our key suppliers' operations are similar to ours and are subject to similar quality requirements and as such are not reliant on non-freshwater for their operations.</p> <p>Because recycled water cannot be used in pharmaceutical manufacturing, we do not anticipate an increase in either our or our suppliers' reliance on non-freshwater in the foreseeable future.</p>
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W1.2

(W1.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

	% of sites/facilities/operations	Please explain
Water withdrawals – total volumes	100%	Pfizer collects and reports water withdrawal for all manufacturing and research and development (R&D) locations where we maintain operational control. Water withdrawal volumes are measured and monitored at the site level and are reported centrally via our global environmental reporting system. Manufacturing and R&D sites provide monthly withdrawal data (with a few exceptions where water data is only available quarterly).
Water withdrawals – volumes by source	100%	Pfizer collects and reports water withdrawal for all manufacturing and R&D locations where we maintain operational control. Water withdrawal volumes are measured and monitored at the site level and are reported centrally by source. Manufacturing and R&D sites provide monthly withdrawal data (with a few exceptions where water data is only available quarterly).
Water withdrawals quality	100%	Water quality is monitored by all manufacturing and R&D locations where Pfizer maintains operational control as required by regulation (local potable water standards) and as necessary to ensure conformance with quality standards for manufacturing. Water is purified as necessary to support manufacturing and R&D operations.
Water discharges – total volumes	100%	Water discharge volumes are monitored by all manufacturing and R&D locations where we maintain operational control and are reported

		centrally by discharge destination via our global environmental reporting system. Manufacturing and R&D locations report monthly discharge volumes.
Water discharges – volumes by destination	100%	Water discharge volumes are monitored by all manufacturing and research and development (R&D) sites under Pfizer’s operational control and are reported centrally by discharge destination via our global environmental reporting system. Manufacturing and R&D locations report monthly discharge volumes.
Water discharges – volumes by treatment method	100%	Pfizer collects information on wastewater treatment technologies and quantities of wastewater treated at our manufacturing and research and development (R&D) sites via our global environmental reporting system. All manufacturing and R&D sites where we maintain operational control monitor their treatment processes and measure discharge volumes. Discharges are managed in accordance with the jurisdictional requirements applicable to the location.
Water discharge quality – by standard effluent parameters	100%	Pfizer requires all manufacturing and R&D sites where we maintain operational control to monitor wastewater discharge quality and meet all applicable permit and regulatory requirements. Monitoring data is maintained by the site and is not collected at the corporate level. Sites must also comply with internal environmental standards for active pharmaceutical ingredient concentrations in wastewater. Sites are required to notify corporate as well as the relevant regulatory authority (as appropriate) of any monitoring results that exceed applicable permit and/or regulatory limits.
Water discharge quality – temperature	100%	Pfizer requires all manufacturing and R&D sites where we maintain operational control to monitor wastewater discharge quality and meet all applicable permit and regulatory requirements. This data is maintained by the site and is not collected at the corporate level. Sites are required to notify corporate as well as the relevant regulatory authority (as appropriate)

		of any monitoring results that exceed applicable permit and/or regulatory limits.
Water consumption – total volume	100%	Water withdrawal and discharge volumes are monitored by all manufacturing and R&D sites under Pfizer’s operational control and are reported monthly. This data is used to calculate water consumption.
Water recycled/reused	100%	Recycled water volumes are monitored by all manufacturing and R&D sites under Pfizer’s operational control and are reported centrally. Manufacturing and R&D sites report recycled water volumes monthly.
The provision of fully-functioning, safely managed WASH services to all workers	100%	Pfizer’s Global Environment, Health and Safety Standards require all facilities to provide safe, fully functioning WASH services for all employees. Compliance is monitored through our internal audit program.

W1.2b

(W1.2b) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, and how do these volumes compare to the previous reporting year?

	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Total withdrawals	32,387	Lower	<p>In 2020, Pfizer’s total water withdrawal decreased 7% compared to 2019. The decrease was due primarily to the reduction in non-contact cooling water use at our Kalamazoo, Michigan manufacturing plant as the site shifted its focus to vaccine production, running 24% fewer fermentation lots in 2020 compared to 2019.</p> <p>While Pfizer’s manufacturing and R&D sites continued to operate throughout 2020, the increase in remote working beginning in March also contributed to the overall reduction in water use.</p> <p>Finally, sites around the world have contributed to reductions in water withdrawal by implementing water conservation projects. For example, Pfizer’s site in Wuxi, China installed a</p>

			<p>recycling system to reduce cooling water consumption, reducing withdrawal by estimated 3,000 cubic meters or 6% of the site's total water withdrawal in 2020. Pfizer's Middleton, Wisconsin site improved the efficiency of several facility systems by applying sustainability principles to system design over a multi-year period, reducing the site's 2020 water withdrawal by 7% compared to 2019, and by 45% compared to the 2012 baseline. Pfizer's site in Vizag, India installed meters and monitoring software to enable improved management of water consumption, resulting in a projected reduction of approximately 3,200 cubic meters or 1% of the site's total water withdrawal in 2020.</p> <p>Water withdrawal is expected to increase in 2021 compared to 2020, largely due to potential expansions and increased production at our biologics manufacturing sites and then is projected to remain relatively flat through 2025.</p>
Total discharges	29,289	Lower	<p>Pfizer's wastewater discharge decreased by 7% compared to 2019 due primarily to the reduction in non-contact cooling water use at our Kalamazoo, Michigan manufacturing plant as the site shifted its focus to vaccine production, running 24% fewer fermentation lots in 2020 compared to 2019.</p> <p>Water discharges are expected to increase in 2021 compared to 2020, largely due to potential expansions and increased production at our biologics manufacturing sites and then is projected to remain relatively flat through 2025.</p>
Total consumption	3,097	About the same	<p>Pfizer's water consumption in 2020 was 1% lower than in 2019.</p> <p>Water consumption is expected to increase in 2021 compared to 2020, largely due to potential expansions and increased production at our biologics manufacturing sites and then is projected to remain relatively flat through 2025.</p>

W1.2d

(W1.2d) Indicate whether water is withdrawn from areas with water stress and provide the proportion.

	Withdrawals are from areas with water stress	% withdrawn from areas with water stress	Comparison with previous reporting year	Identification tool	Please explain
Row 1	Yes	76-99	About the same	WRI Aqeduct	<p>Pfizer enters site geolocation data in the WRI Aqeduct tool to identify sites located in areas with water stress.</p> <p>Approximately 88% of Pfizer's water withdrawal is from areas with water stress.</p> <p>We continue to improve water management at all Pfizer sites, including those in water-stressed areas, and our medium and large sites (by energy use) are required to maintain environmental sustainability master plans which identify short- and medium-term projects to reduce water withdrawal.</p>

W1.2h

(W1.2h) Provide total water withdrawal data by source.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Fresh surface water, including rainwater, water from wetlands, rivers, and lakes	Relevant	804	Lower	<p>Pfizer's use of fresh surface water and rainwater is primarily for non-contact cooling. Pfizer's use of fresh surface and rain water decreased 3% compared to 2019 due to a decrease in production volumes at our Strangnas, Sweden site in</p>

				<p>the first half of 2020.</p> <p>We expect the volume of water withdrawn from fresh surface water to remain about the same through 2025.</p>
Brackish surface water/Seawater	Not relevant			<p>Pfizer has not used brackish surface water in our operations since 2016. We do not anticipate using brackish surface water or seawater in our operations in the coming years.</p>
Groundwater – renewable	Relevant	23,360	Lower	<p>Pfizer's Kalamazoo, Michigan site is the company's largest user of groundwater. Groundwater is used for manufacturing operations, non-contact cooling, and potable and sanitary purposes. Pfizer's groundwater withdrawal decreased 8% compared to 2019 primarily due to a reduction in non-contact cooling water needs at our Kalamazoo, Michigan site. Additionally, our site in Algiers, Algeria implemented a daily monitoring program which allowed the site to identify and eliminate leaks and improved the rejection rate of the site's purified water system, resulting in a 40% reduction in the site's groundwater withdrawal.</p> <p>We expect groundwater withdrawal to increase approximately 2% over the next two years and then decrease 2-3% by 2025.</p>

Groundwater – non-renewable	Not relevant			Pfizer's groundwater use is limited to renewable water from shallow wells. Pfizer's operating sites do not withdraw water from non-renewable groundwater sources, and we do not anticipate doing so in the future.
Produced/Entrained water	Not relevant			Pfizer does not use produced water in operations. Given our need for high quality and very pure water, it is expensive and energy intensive to source produced water. Going forward, we do not anticipate using produced water in our operations.
Third party sources	Relevant	8,223	Lower	Pfizer's use of municipal water decreased 5% compared to 2019 due in part to an increase in remote working in response to the pandemic. The implementation of water conservation projects also contributed to the reduction in withdrawal from third party sources. Going forward, we anticipate short-term increases in water consumption due to increased production, but we will continue to work to offset these increases through improvements in water management and the implementation of conservation projects.

W1.2i

(W1.2i) Provide total water discharge data by destination.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Fresh surface water	Relevant	20,305	Lower	<p>Pfizer's discharge to surface water decreased 8% compared to 2019 due primarily to the decrease in non-contact cooling water use at our Kalamazoo, Michigan site.</p> <p>We expect discharge to surface water to increase slightly (2-3%) over the next two years and then to decrease by a similar amount by 2025.</p>
Brackish surface water/seawater	Relevant	831	Lower	<p>Pfizer's discharge to saltwater decreased 11% compared to 2019 due to permanent changes in production at our Nagoya, Japan site and the impact of the pandemic on operations at our Groton, Connecticut research and development site. Discharge to surface water is expected to increase slightly (<3%) as site operations return to normal in 2022 and then remain steady through 2025.</p>
Groundwater	Not relevant			<p>Pfizer does not discharge to groundwater.</p>
Third-party destinations	Relevant	8,153	Lower	<p>Pfizer's discharge to third party (municipal) wastewater treatment facilities decreased by 4% compared to 2019. We do not discharge any wastewater to other organizations for further use. Going forward, we anticipate some near-term increases in water discharge due to increased production, but we will continue to work to offset these increases through improvements in water management and the implementation of conservation projects.</p>

W1.2j

(W1.2j) Within your direct operations, indicate the highest level(s) to which you treat your discharge.

	Relevance of treatment level to discharge	Volume (megaliters/year)	Comparison of treated volume with previous reporting year	% of your sites/facilities/operations this volume applies to	Please explain
Tertiary treatment	Relevant	1,292	About the same	1-10	Ten Pfizer sites provide onsite tertiary treatment of wastewater prior to discharge. The volume of wastewater to which tertiary treatment was applied in 2020 was about the same as 2019 and represents approximately 4% of our total wastewater discharge.
Secondary treatment	Relevant	780	Higher	1-10	Eight Pfizer sites provide onsite secondary treatment of wastewater prior to discharge. The volume of wastewater processed through secondary



					<p>treatment at Pfizer facilities in 2020 increased by 14% compared to 2019. This change is due to variability in production schedules, including the start-up and commissioning of a new manufacturing suite at Pfizer's Andover, Massachusetts site to support COVID vaccine manufacturing. This volume represents 3% of our total wastewater discharge.</p>
Primary treatment only	Relevant	128	Higher	Less than 1%	<p>Two Pfizer sites provide onsite primary treatment of wastewater prior to discharge. Less than 1% of Pfizer's wastewater receives only primary treatment prior to discharge to municipal/third</p>

					party wastewater treatment plants. The volume of wastewater processed through primary treatment prior to offsite discharge in 2020 increased by 14% compared to 2019, primarily due to increased demand for cooling water as a result of higher summer temperatures.
Discharge to the natural environment without treatment	Relevant	20,169	Lower	61-70	Pfizer's discharges to the natural environment include non-contact cooling water and utility wastewaters (e.g., cooling tower blowdown and boiler blowdown). This water is monitored to ensure compliance with the sites' discharge permits (e.g.,

					<p>temperature, turbidity, etc.). The volume of water discharged from Pfizer sites to the natural environment decreased by 9% compared to 2019, primarily due to a reduction in non-contact cooling water at the Kalamazoo, Michigan site. The Kalamazoo site, which accounts for 92% of Pfizer's non-contact cooling water use, ran 24% fewer fermentation lots in 2020 as their focus shifted to vaccine production.</p>
Discharge to a third party without treatment	Relevant	6,921	Lower	21-30	<p>Pfizer's discharges to third parties such as municipal wastewater treatment plants without pre-treatment decreased by 6% as a result</p>

					of the overall decrease in water withdrawal. Pfizer's water withdrawal and discharge decreased due to variability in production schedules, an increase in remote working as a result of the pandemic, and water conservation projects implemented. Pfizer does not discharge any wastewater to other organizations for further use.
Other	Not relevant				Pfizer does not treat wastewater using any other techniques.

W1.4

(W1.4) Do you engage with your value chain on water-related issues?

Yes, our suppliers

Yes, our customers or other value chain partners

W1.4a

(W1.4a) What proportion of suppliers do you request to report on their water use, risks and/or management information and what proportion of your procurement spend does this represent?

Row 1**% of suppliers by number**

1-25

% of total procurement spend

26-50

Rationale for this coverage

In 2015 Pfizer endorsed ambitious goals aimed at influencing our key suppliers to establish robust environmental sustainability programs with GHG, waste and water reduction targets by 2020. Leveraging published industry and company life cycle assessments (LCA), Pfizer identified the leading suppliers in the major product categories accounting for largest supply chain environmental impacts: 45% manufacturing operations; 25% raw material suppliers; 25% packaging materials; and 1% transportation vendors. There was a clear delineation that working with the top 150 suppliers in these categories would maximize our impact.

Impact of the engagement and measures of success

In 2015 Pfizer established a public supplier sustainability goal targeting all key suppliers to track greenhouse gas (GHG) emissions, waste and water and 90% of key suppliers to institute reduction goals by 2020. Progress has been published annually as part of Pfizer's Annual Review. At the conclusion of the goal period, 86% of suppliers reported managing their environmental impact and 52% have established reduction goals. Although we fell short of meeting our 2020 targets, we learned from the experience and have established a firm foundation on which to continue to build our program. We are currently implementing a multipronged approach to supplier engagement, embedding environmental sustainability criteria in our vendor selection processes, strengthening expectations within contracts, and working with key suppliers of goods and services to drive environmental sustainability initiatives.

Comment**W1.4b****(W1.4b) Provide details of any other water-related supplier engagement activity.****Type of engagement**

Innovation & collaboration

Details of engagement

Encourage/incentivize innovation to reduce water impacts in products and services

% of suppliers by number

1-25

% of total procurement spend

26-50

Rationale for the coverage of your engagement

Pfizer is a founding member of the Pharmaceutical Supply Chain Initiative (PSCI), a collaboration of now 49 pharmaceutical companies whose purpose is to define, implement and champion responsible supply chain practices. The PSCI Principles for Responsible Supply Chain Management set the standard for human rights, ethics, labor, health and safety, environment and related management systems. In particular, the Principles articulate the members' expectations for suppliers to operate in a manner that minimizes adverse impacts on the environment, including ensuring the safe handling of wastewater discharge and preventing and mitigating releases to the environment. Pfizer has incorporated the PSCI Principles into our supply agreement templates and our Supplier Conduct Principles.

Impact of the engagement and measures of success

PSCI members work together to audit supplier compliance with the Principles and to build supplier capabilities through annual conferences, webinars and the provision of a resource library. In 2020, PSCI demonstrated agility during the global pandemic, pivoting to virtual tools to drive responsible practices in the pharmaceutical sector. In 2020 PSCI had over 1,700 capability-building interactions with suppliers, with over 700 attending virtual training sessions in India and China, over 850 attending topic-specific training, and over 200 completing e-learning on the PSCI Principles. PSCI's India sub-team supported the efforts of the state government of Hyderabad, India to clean up and restore the Musi River basin, providing free webinars, training, and calculation tools on wastewater treatment to manufacturers in the region.

Comment**W1.4c****(W1.4c) What is your organization's rationale and strategy for prioritizing engagements with customers or other partners in its value chain?**

Pfizer works closely with our customer success team to address sustainability and water-related requests from our customers. As a founding member of the AMR (Antimicrobial Resistance) Industry Alliance Manufacturing Working Group, Pfizer is partnering with peer companies, many of whom are our customers, and key stakeholders to establish and implement a common framework for managing antibiotic discharge.

W2. Business impacts**W2.1****(W2.1) Has your organization experienced any detrimental water-related impacts?**

No

W2.2

(W2.2) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?

Yes, fines, enforcement orders or other penalties but none that are considered as significant

W2.2a

(W2.2a) Provide the total number and financial value of all water-related fines.

Row 1

Total number of fines

2

Total value of fines

8,443

% of total facilities/operations associated

1.1

Number of fines compared to previous reporting year

About the same

Comment

Our manufacturing facility in Tuas, Singapore received two fines for exceedances of Total Suspended Solids limits in their wastewater permit.

W3. Procedures

W3.3

(W3.3) Does your organization undertake a water-related risk assessment?

Yes, water-related risks are assessed

W3.3a

(W3.3a) Select the options that best describe your procedures for identifying and assessing water-related risks.

Direct operations

Coverage

Full

Risk assessment procedure

Water risks are assessed as part of an enterprise risk management framework

Frequency of assessment

Annually

How far into the future are risks considered?

More than 6 years

Type of tools and methods used

Tools on the market
International methodologies
Other

Tools and methods used

WRI Aqueduct
IPCC Climate Change Projections
Internal company methods
External consultants
Other, please specify
Swiss Re CatNet; FEMA Flood Zone Maps

Comment

Multiple tools are used at the corporate and site levels to assess water-related risks. Site-specific surveys are conducted to assess site operations and water management practices. Each Pfizer site is also required to maintain a business continuity program that assesses local municipality risks, other supply risks, and wastewater treatment risks, and to address these risks in site-specific business continuity strategy plans. At the corporate level, Pfizer has a detailed risk review process that assesses short, medium and long-term acute and chronic water risks.

Supply chain

Coverage

Partial

Risk assessment procedure

Water risks are assessed as part of an enterprise risk management framework

Frequency of assessment

Annually

How far into the future are risks considered?

More than 6 years

Type of tools and methods used

Tools on the market
International methodologies
Other

Tools and methods used

IPCC Climate Change Projections
Internal company methods
Other, please specify

Swiss Re CatNet; FEMA Flood Zone Maps

Comment

Pfizer has a detailed risk review process that assesses short, medium and long-term acute and chronic water risks for our supply chain. To date we have completed assessments for more than 5,000 contract manufacturers and material suppliers. In addition, in 2020 Pfizer engaged approximately 150 key suppliers in a survey that asked them to provide information on water scarcity assessments and risk mitigation plans as well as programs to control Active Pharmaceutical Ingredients (API) in wastewater.

Other stages of the value chain

Coverage

Partial

Risk assessment procedure

Water risks are assessed as a standalone issue

Frequency of assessment

Annually

How far into the future are risks considered?

More than 6 years

Type of tools and methods used

Other

Tools and methods used

Internal company methods

External consultants

Comment

Pfizer has a risk assessment program to evaluate potential risks associated with pharmaceuticals in the environment, including water systems. Pfizer has fully adopted the AMR Industry Alliance "Common Manufacturing Framework" and has verified through audit that all of our internal sites meet the framework. The expectations of the framework have been conveyed to all our antibiotic suppliers and assessments have been completed against the framework for greater than 90% of these suppliers.

W3.3b

(W3.3b) Which of the following contextual issues are considered in your organization's water-related risk assessments?

	Relevance & inclusion	Please explain
Water availability at a basin/catchment level	Relevant, always included	A reliable water supply is critical to Pfizer's operations. Pfizer uses the WRI Aqueduct tool and the WBCSD Global Water Tool to identify sites in water scarce regions. Sites identified through these tools are required to complete a

		follow-up risk assessment survey and to maintain business continuity plans that address potential water shortages.
Water quality at a basin/catchment level	Relevant, always included	Water quality is critical for the manufacturing of pharmaceuticals. Pfizer sites that have identified potential water quality concerns are required to complete a follow-up risk assessment survey and to maintain business continuity plans that address potential shortages of suitable water. Pfizer continues to manage the stewardship of issues associated with pharmaceuticals in the environment, with antimicrobial resistance currently prioritized. Pfizer has a risk assessment program to evaluate potential risks associated with pharmaceuticals in the environment, including water systems. Pfizer has fully adopted the AMR Industry Alliance "Common Manufacturing Framework" and has verified through audit that all of our internal sites meet the framework. The expectations of the framework have been conveyed to all our antibiotic suppliers and assessments have been completed against the framework for greater than 90% of these suppliers.
Stakeholder conflicts concerning water resources at a basin/catchment level	Relevant, always included	Where required, withdrawal (supply) permits are maintained. All our facilities are periodically audited against local regulatory and internal standards, including those related to water. EHS teams at sites track local water issues. Local stakeholder issues concerning water or other critical utilities are factored into site business continuity planning.
Implications of water on your key commodities/raw materials	Relevant, always included	A reliable supply of potable drinking water is critical to many of our suppliers. Pfizer requests that key suppliers complete assessments of water risk, including the effectiveness of controls to prevent discharges of pharmaceuticals to the environment. We have completed physical risk assessments to assess water scarcity for over 5,000 of our contract manufacturers and material suppliers. In addition, in 2020 we surveyed approximately 150 of these suppliers using the PSCI Survey administered through the Ecodesk platform.
Water-related regulatory frameworks	Relevant, always included	Where required, withdrawal and discharge permits are maintained by our sites. All our facilities are periodically audited against local regulatory and internal standards, including those related to water. EHS teams at sites track issues related to water. Changes in regulatory and/or permit requirements are factored into site risk assessments. For example, the country of Singapore continues to monitor industrial water use closely and has been increasing the requirements for industry to use NEWater (recycled water)

		instead of fresh water for operations. This water does not meet quality requirements for use in pharmaceutical manufacturing and as such the site has been required to closely monitor freshwater use and identify and implement water conservation projects to ensure adequate fresh water supplies for manufacturing.
Status of ecosystems and habitats	Relevant, sometimes included	Included where relevant and identified through local knowledge and engagement with local regulators. Ongoing and future risks managed primarily through adherence to local regulatory requirements and permits.
Access to fully-functioning, safely managed WASH services for all employees	Relevant, always included	Pfizer's Global EHS Standards require all facilities to provide safe, fully functioning WASH services for all employees. Compliance is monitored through our internal audit program. Pfizer has extended the provision of WASH services to employees' families and even the community in times of need.
Other contextual issues, please specify	Not considered	We do not consider other contextual issues at this time.

W3.3c

(W3.3c) Which of the following stakeholders are considered in your organization's water-related risk assessments?

	Relevance & inclusion	Please explain
Customers	Relevant, always included	Our customers rely upon access to clean drinking water to use our products. Actions to reduce improper disposal of expired or unwanted prescription and non-prescription medicines helps protect water supplies. Through education and awareness programs, we work together with regulatory agencies, the broader healthcare community, and the public to better understand the potential impacts associated with the improper disposal of unused medicines. Pfizer is actively partnering with other pharmaceutical companies and government agencies to support unused medicine disposal, supporting voluntary community collection programs involving law enforcement and educating patients and families on proper disposal and has taken key leadership roles in our industry's efforts to comply with mandatory unused medicine collection and disposal requirements in the U.S.
Employees	Relevant, always included	Pfizer maintains reliable sources of potable water at its facilities. In areas where water availability may be impacted by drought or severe weather events, sites have controls in place to ensure access to water for our employees. Our sites in India supply bottled water for employee consumption, cooking and hygiene

		<p>purposes. Our employees also play a significant role in reducing our water footprint, participating in site environmental sustainability initiatives and identifying and implementing water conservation projects.</p>
Investors	Relevant, always included	<p>Investors and public health NGOs have called for increased scrutiny of the suppliers of antibiotics to assess wastewater management practices as an additional measure against antimicrobial resistance (AMR). Pfizer assesses and manages environmental risks associated with the supply of its antimicrobial products. As a founding member of the AMR Industry Alliance (AMRIA), Pfizer is committed to the AMRIA roadmap and minimizing the potential environmental impact of manufacturing. Pfizer spearheaded the formation of the AMR Industry Alliance Manufacturing Working Group in 2017. Since that time the group has published a risk reduction framework (the Common Antibiotic Manufacturing Framework (CAMF)) and wastewater discharge targets for certain antibiotics (Predicted No Effect Concentrations). The majority (75%) of Pfizer sites (owned and suppliers) meet the discharge targets and the remainder are advancing action plans to achieve targets by the end of 2025.</p> <p>As a next step, and aligned with our commitment to transparency, Pfizer is leading the development of an environmental consensus-based standard related to the manufacturing of antibiotics with the sponsorship of AMRIA. The development process includes input from many interested stakeholders, including governments, academia, private companies and nongovernmental organizations. The standard will be the forerunner of a certification scheme to demonstrate responsible manufacturing of antibiotics. We intend to certify our antibiotics to this standard.</p> <p>For more information on AMRIA, see https://www.amrindustryalliance.org/. Pfizer publicly discloses our management of water-related risks, including scarcity and pharmaceuticals in the environment, through CDP and on our public website.</p>
Local communities	Relevant, always included	<p>Pfizer recognizes the importance of ensuring that our water usage does not negatively affect the communities where we operate by diminishing the supplies of clean water or degrading the quality of that water. Pfizer requires its facilities worldwide to quantify water use, report performance against reduction targets, and support community efforts during drought conditions.</p>

NGOs	Relevant, always included	<p>Investors and public health NGOs have called for increased scrutiny of the suppliers of antibiotics to assess wastewater management practices as an additional measure against antimicrobial resistance. Pfizer continues to assess risk and manage stewardship of issues associated with antimicrobial resistance (AMR). As a founding member of the AMR Industry Alliance (AMRIA), Pfizer is committed to the AMRIA Roadmap, minimizing the potential environmental impact of manufacturing. Pfizer spearheaded the formation of the AMRIA Manufacturing Working Group in 2017. Since that time the group has published a risk reduction framework (the Common Antibiotic Manufacturing Framework (CAMF)) and wastewater discharge targets for antibiotics (Predicted No Effect Concentrations). The majority (75%) of Pfizer sites (owned and suppliers) meet the discharge targets; and the remainder are advancing action plans to achieve targets by the end of 2025.</p> <p>As a next step, and aligned with our commitment to transparency, Pfizer is leading the development of an environmental consensus-based standard related to the manufacturing of antibiotics with the sponsorship of AMRIA. The development process includes input from many interested stakeholders, including governments, academia, private companies and nongovernmental organizations. The standard will be the forerunner of a certification scheme to demonstrate responsible manufacturing of antibiotics. We intend to certify our antibiotics to this standard.</p> <p>For more information on AMRIA, see https://www.amrindustryalliance.org/.</p>
Other water users at a basin/catchment level	Relevant, always included	Other water users at a basin/catchment level are relevant to Pfizer from both an operational and reputational perspective and are taken into consideration in our risk assessment process.
Regulators	Relevant, always included	Our sites track water-related regulatory matters. At the corporate level, risks associated with compliance and potential regulatory changes are considered in our Operational Risk Evaluation process. Through our trade associations, Pfizer engages with EU regulators on issues of pharmaceuticals in the environment to adopt sound, reasonably practicable regulations for the Water Framework Directive.
River basin management authorities	Not relevant, explanation provided	Pfizer's water withdrawal, consumption and discharges are small in relation to river basin supply. Accordingly, river basin authorities are not included in our risk assessments at this time

		and we do not anticipate any changes that would cause these stakeholders to become relevant in the foreseeable future.
Statutory special interest groups at a local level	Not relevant, explanation provided	The need to interact with and consider these stakeholders would be done on a case-by-case basis at the local site level and at present is not relevant. It is difficult to anticipate if these stakeholders may become relevant in the future, but it is a reasonable possibility, particularly in areas of increasing water scarcity and/or declining water quality.
Suppliers	Relevant, sometimes included	Pfizer has a detailed risk review process that assesses short, medium and long-term acute and chronic water risks for our supply chain. To date we have completed assessments based on geographic location and modeling of water-related impacts for more than 5,000 contract manufacturers and material suppliers. Pfizer also collects quantitative and qualitative data related to water management programs from 150 key suppliers of active pharmaceutical ingredients, consumer and prescription drug products and product packaging services.
Water utilities at a local level	Relevant, always included	Local stakeholder issues concerning water or other critical utilities are raised to the management level, and risks assessed.
Other stakeholder, please specify	Not considered	Pfizer has not identified other stakeholders for consideration in risk assessments.

W3.3d

(W3.3d) Describe your organization’s process for identifying, assessing, and responding to water-related risks within your direct operations and other stages of your value chain.

Pfizer identifies and addresses water-related risk through a three-step risk assessment process; our business continuity program; and our annual Operational Risk Evaluation and Review processes.

Direct Operations:

1) We use the WRI Aqueduct, WBCSD, and IPCC Global Water tools every 3-5 years to initially identify water-related risks with the potential to have substantive financial or strategic impact to the business.

2) We perform a site-level assessment of water-related system operations and water program management using an assessment methodology and risk weighting factors specific to the pharma industry developed with input from WRI, WSP and Antea (among others). As part of the site level assessment, Pfizer’s Business Continuity Program undertakes a multi-step review of water supply for both production and fire protection for all Pfizer operations. Sites are also mapped against published flood maps and recommendations are made regarding flood prevention. Business continuity methodology is used to identify critical processes and products and then complete a dependency analysis/risk assessment. After applying this process, sites

found to be vulnerable to water scarcity are required to develop remediation plans and business continuity plans. These assessments are conducted annually or more frequently if there are significant changes to a facility.

3) Subject matter experts conduct an onsite review for sites determined to be at higher risk. Information from this process is then reviewed annually at the enterprise level through Pfizer's Operational Risk Evaluation process.

Value Chain:

Pfizer uses an annual survey to collect information related to 150 of our key suppliers' water management programs. In 2020, 80% of these suppliers indicated they have completed assessments of water scarcity and quality and have developed long-term plans for water security as applicable and 92% responded that they have established controls (if applicable) to minimize releases of active pharmaceutical ingredients in wastewater. Pfizer also assesses short, medium and long-term acute and chronic water risks for our supply chain as part of our Business Resilience program and to date have completed assessments for more than 5,000 contract manufacturers and material suppliers.

W4. Risks and opportunities

W4.1

(W4.1) Have you identified any inherent water-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes, both in direct operations and the rest of our value chain

W4.1a

(W4.1a) How does your organization define substantive financial or strategic impact on your business?

For the purposes of this response, Pfizer defines "substantive" water-related risk as any impact that could adversely impact the company's business or financial condition or disrupt, delay or inhibit the supply of products designated as financially critical, medically necessary, and/or medically significant. For risks that can be evaluated financially, Pfizer has applied a threshold of \$100MM for considering a risk substantive in this context. Pfizer applies these criteria when assessing both direct and indirect risks and opportunities. Pfizer also considers areas posing reputational risk to the company.

CDP's phrasing of "substantive" and our response to questions presenting "substantive" risks should not be considered to relate to matters or facts that could be deemed "material" to a reasonable investor as referred to under U.S. securities laws or similar requirements of other jurisdictions. Investors should refer to disclosures in our Annual Report on Form 10-K ("10-k") and in our other filings with the US Securities and Exchange Commission, including our quarterly reports on Form 10-Q and our current reports on Form 8-K, for a discussion of "material" matters.

W4.1b

(W4.1b) What is the total number of facilities exposed to water risks with the potential to have a substantive financial or strategic impact on your business, and what proportion of your company-wide facilities does this represent?

	Total number of facilities exposed to water risk	% company-wide facilities this represents	Comment
Row 1	1	1-25	Pfizer used the WRI Aqueduct tool and WBCSD Global Water Tool to initially identify water-related risks with the potential to have substantive financial or strategic impact to its business. The sites identified to be potentially at risk were further surveyed using input from tools and consultants including WRI, CERES and WSP. As a result of this evaluation process, Pfizer identified one site as having inherent chronic risk.

W4.1c

(W4.1c) By river basin, what is the number and proportion of facilities exposed to water risks that could have a substantive financial or strategic impact on your business, and what is the potential business impact associated with those facilities?

Country/Area & River basin

Saudi Arabia
Not known

Number of facilities exposed to water risk

1

% company-wide facilities this represents

1-25

% company's total global revenue that could be affected

Less than 1%

Comment

W4.2

(W4.2) Provide details of identified risks in your direct operations with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.

Country/Area & River basin

Saudi Arabia

Not known

Type of risk & Primary risk driver

Physical

Declining water quality

Primary potential impact

Reduction or disruption in production capacity

Company-specific description

Pfizer's manufacturing facility in Saudi Arabia is located in a government-run industrial park that sources water from the Red Sea. The industrial park's desalination plant has been unable to meet quality and reliability standards required to support our manufacturing operations. As a result, the site relies on water supplied to the site by truck for GMP manufacturing needs and purified water production.

Timeframe

Current up to one year

Magnitude of potential impact

Low

Likelihood

Virtually certain

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

100,000

Potential financial impact figure - minimum (currency)

Potential financial impact figure - maximum (currency)

Explanation of financial impact

Includes costs of water hauling, monitoring and testing. Estimated annual cost based on current spend.

Primary response to risk

Other, please specify

Manage water risks and impacts through business continuity planning

Description of response

Sites in areas where water scarcity has been identified as a potential risk address water availability and quality through their short term and long-term business continuity plans. Where appropriate these sites have established strategies for water sourcing and have increased their ability to acquire and store water from alternative sources. Business continuity plans are reviewed with senior site leadership on a regular/annual basis.

Cost of response

0

Explanation of cost of response

The costs associated with monitoring status and maintaining business continuity programs are relatively low and are integrated into staff costs.

W4.2a

(W4.2a) Provide details of risks identified within your value chain (beyond direct operations) with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.

Country/Area & River basin

India

Other, please specify

Multiple basins

Stage of value chain

Supply chain

Type of risk & Primary risk driver

Reputation & markets

Increased stakeholder concern or negative stakeholder feedback

Primary potential impact

Supply chain disruption

Company-specific description

A number of reports have highlighted concerns about chemical/pharmaceutical pollution (including antibiotics) in water courses in proximity to some chemical/pharmaceutical suppliers in India as well as globally. These reports increased the focus on pharmaceutical manufacturing facilities as a potential contributor to the antimicrobial resistance (AMR) issue.

Recognizing the threat to human health from AMR, we remain committed to the AMR Industry Alliance (AMRIA) Roadmap demonstrating the responsible manufacturing of our products and to providing greater transparency to our actions. Our progress in driving a responsible manufacturing strategy, including risk assessments against science-based discharge targets, was positively recognized through the 2020 Access to Medicine AMR Benchmark. We remain committed to our goal of meeting industry

targets no later than 2025.

As a next step, and aligned with our commitment to transparency, Pfizer is leading the development of a consensus-based standard with the sponsorship of AMRIA. The development process includes input from many interested stakeholders, including governments, academia, private companies, and non-governmental organizations. The standard will be the forerunner of a certification scheme to demonstrate responsible manufacturing of antibiotics. We intend to certify our antibiotics to this standard.

Timeframe

4-6 years

Magnitude of potential impact

Medium

Likelihood

Virtually certain

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

100,000,000

Potential financial impact figure - minimum (currency)

Potential financial impact figure - maximum (currency)

Explanation of financial impact

The financial impact is the approximate estimated cost to implement additional wastewater treatment controls for antibiotics at Pfizer's internal sites globally and to oversee implementation of controls at supplier sites.

Primary response to risk

Direct operations
Increase capital expenditure

Description of response

Pfizer completed environmental risk assessments of antibiotic discharges at all internal manufacturing sites and more than 90% of assessments of all of our external antibiotic suppliers globally. These assessments indicate that good practices are being followed at many sites. Where warranted, action plans are being developed and implemented to mitigate risk.

Cost of response

100,000,000

Explanation of cost of response

The financial impact is the estimated cost to implement additional wastewater treatment controls for antibiotics at Pfizer's internal sites globally and to oversee implementation of controls at supplier sites.

W4.3

(W4.3) Have you identified any water-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes, we have identified opportunities, and some/all are being realized

W4.3a

(W4.3a) Provide details of opportunities currently being realized that could have a substantive financial or strategic impact on your business.

Type of opportunity

Efficiency

Primary water-related opportunity

Improved water efficiency in operations

Company-specific description & strategy to realize opportunity

Pfizer established a public resource efficiency goal targeting a 5% reduction in water withdrawal by 5% by 2020 from our 2012 baseline. We exceeded our 2020 goal, reducing water withdrawal across our operations by 19% from a 2012 baseline, even as production has increased at our internal sites. Pfizer requires medium and large sites (based on energy use) to maintain site master plans that identify opportunities to reduce their environmental footprint. Sites are expected to set annual performance targets and to identify, prioritize, and implement water conservation projects to offset increases due to increased production. Project information is entered into a global database where it is monitored by sustainability champions at the site, business, and corporate level. Progress is reported to business leadership quarterly.

Estimated timeframe for realization

1 to 3 years

Magnitude of potential financial impact

Low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

100,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact

Pfizer exceeded our 2020 goal, reducing water withdrawal across our operations by 19% from a 2012 baseline. Savings are related to a reduction in water and wastewater treatment costs. In 2020, Pfizer achieved an annual savings of approximately \$3,200,000 (152,700 cubic meters of water) as a result of water conservation projects. The potential financial impact represents approximate estimated annual savings from the implementation of new conservation projects.

W5. Facility-level water accounting

W5.1

(W5.1) For each facility referenced in W4.1c, provide coordinates, water accounting data, and a comparison with the previous reporting year.

Facility reference number

Facility 1

Facility name (optional)

Country/Area & River basin

Saudi Arabia
 Other, please specify
 Red Sea

Latitude

21.627098

Longitude

39.136095

Located in area with water stress

Yes

Total water withdrawals at this facility (megaliters/year)

15.1

Comparison of total withdrawals with previous reporting year

About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

0

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

15.1

Total water discharges at this facility (megaliters/year)

6.1

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water

0

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

6.1

Total water consumption at this facility (megaliters/year)

9.02

Comparison of total consumption with previous reporting year

About the same

Please explain

The water consumption at our KAEC, Saudi Arabia site has remained about the same when compared to 2019.

W5.1a

(W5.1a) For the facilities referenced in W5.1, what proportion of water accounting data has been externally verified?

Water withdrawals – total volumes

% verified

Not verified

Water withdrawals – volume by source

% verified

Not verified

Water withdrawals – quality

% verified

Not verified

Water discharges – total volumes

% verified

Not verified

Water discharges – volume by destination

% verified

Not verified

Water discharges – volume by treatment method

% verified

Not verified

Water discharge quality – quality by standard effluent parameters

% verified

Not verified

Water discharge quality – temperature

% verified

Not verified

Water consumption – total volume

% verified

Not verified

Water recycled/reused

% verified

Not verified

W6. Governance

W6.1

(W6.1) Does your organization have a water policy?

Yes, we have a documented water policy that is publicly available

W6.1a

(W6.1a) Select the options that best describe the scope and content of your water policy.

	Scope	Content	Please explain
Row 1	Company-wide	Description of business dependency on water Description of business impact on water Reference to international standards and widely-recognized water initiatives Company water targets and goals Commitment to align with public policy initiatives, such as the SDGs Commitments beyond regulatory compliance Commitment to stakeholder awareness and education Commitment to water stewardship and/or collective action Acknowledgement of the human right to water and sanitation Recognition of environmental linkages, for example, due to climate change	Covered by Pfizer's publicly available EHS Policy, environmental sustainability goals and the Water Use page of our global website. Although not a formal member, Pfizer's approach is aligned with the UN Global Compact Water Mandate and uses the six core elements as guideposts for our Water Sustainability Program. We require facilities to track water use, report performance against reduction targets, and support community efforts during drought conditions. Pfizer has taken a leading role in the AMR Industry Alliance by spearheading its Manufacturing Working Group that developed a manufacturing framework adopted by Roadmap signatory companies together with their suppliers. The group has published risk-based, science-based discharge targets. The group is driving implementation of the environmental framework for manufacturing operations focused on wastewater discharge and waste management good practices to minimize releases of antibiotics to the environment.

W6.2

(W6.2) Is there board level oversight of water-related issues within your organization?

Yes

W6.2a

(W6.2a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for water-related issues.

Position of individual	Please explain
Board-level committee	The Governance & Sustainability Committee of the Board provides oversight of Pfizer's ESG strategy and reporting. The committee, composed solely of independent directors, is regularly updated by management on corporate social responsibility, sustainability, philanthropy, and the Company's participation and visibility as a global corporate citizen.
Board-level committee	The Regulatory & Compliance Committee (RCC) of the Board of Directors receives reports on key risks, including risks related to climate change, from the Pfizer Global Supply (PGS) Quality & Compliance Committee (PGS QCC).
Board-level committee	Pfizer's Enterprise Risk Management (ERM) program provides a framework for risk identification and management of significant risks, including risks related to climate change and the long-term sustainability of the business. Each risk is assigned to a member or members, as appropriate, of our Executive Leadership Team. The Audit Committee (AC) of the Board of Directors has primary responsibility for overseeing Pfizer's ERM program. Periodically, the Regulatory and Compliance Committee and the Audit Committee hold joint sessions to discuss risks relevant to both Committees' areas of risk oversight, including an annual discussion of the ERM program. The Board is kept informed of its Committees' risk oversight and other activities through reports by the Committee Chairs to the full Board.
Chief Executive Officer (CEO)	The Pfizer Global Supply (PGS) Quality & Compliance Committee (PGS QCC) reports priority risks and related mitigation, including those related to climate change, to the Executive Compliance Committee (ECC), of Pfizer's Executive Leadership Team which includes the CEO. In addition, priority risks and related mitigation are reported to the Regulatory and Compliance Committee (RCC) of the Board of Directors. The PGS QCC risk management process also informs Pfizer's Enterprise Risk Management (ERM) program.

W6.2b

(W6.2b) Provide further details on the board's oversight of water-related issues.

	Frequency that water-related issues are a scheduled agenda item	Governance mechanisms into which water-related issues are integrated	Please explain
Row 1	Scheduled - some meetings	Monitoring implementation and performance	At Pfizer, the Climate Change strategy is lead and managed by the Global EHS team in partnership with Legal and with active engagement from a cross disciplinary team of leaders representing

		<p>Reviewing and guiding risk management policies</p> <p>Reviewing and guiding strategy</p> <p>Reviewing and guiding corporate responsibility strategy</p>	<p>Engineering, Facilities, Sourcing, Scientific and Manufacturing lines. Through the Global EHS Operational Risk Review process, key risks are escalated to the Pfizer's Global Supply (PGS) Quality & Compliance Committee (PGS QCC).</p> <p>PGS QCC reports key risks, including those related to climate change, to the Executive Compliance Committee of Pfizer's Executive Leadership Team, including the CEO, and to the Regulatory Compliance Committee (RCC) of the Board of Directors. The PGS QCC risk management process also informs Pfizer's Enterprise Risk Management (ERM) program.</p> <p>Pfizer's ERM program provides a framework for the identification and management of significant risks, including risks related to climate change and the long-term sustainability of the business. Each risk is assigned to a member or members, as appropriate, of Pfizer's Executive Leadership Team. The Audit Committee (AC) of the Board of Directors has primary responsibility for overseeing Pfizer's ERM program. Periodically, the Regulatory and Compliance Committee and the Audit Committee hold joint sessions to discuss risks relevant to both Committees' areas of risk oversight, including an annual discussion of the ERM program. The Board is kept informed of its Committees' risk oversight and other activities through reports by the Committee Chairs to the full Board.</p> <p>In addition, Pfizer's Sustainability Steering Committee, co-chaired by the Chief Sustainability Officer and ESG Lead, provides formal oversight and an accountability mechanism for ESG and climate-related risks and opportunities and is responsible for strategy implementation. The Sustainability Steering Committee reports on priorities and progress to the Board of Directors Governance & Sustainability Committee, which provides oversight of the Company's environmental, social and governance strategy and reporting, and corporate citizenship matters.</p>
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W6.3

(W6.3) Provide the highest management-level position(s) or committee(s) with responsibility for water-related issues (do not include the names of individuals).

Name of the position(s) and/or committee(s)

Chief Financial Officer (CFO)

Responsibility

Both assessing and managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues

Annually

Please explain

The CFO & Executive Vice President, Global Supply, leads Pfizer's manufacturing division and Global EHS, which has primary responsibility for environmental sustainability issues including climate change and water. Product manufacturing, managed by Pfizer's Global Supply (PGS), accounts for >95% of the company's water withdrawal. Environmental sustainability has been integrated into the overarching PGS strategy and water withdrawal is monitored as a key performance indicator. Performance is included in a monthly dashboard reviewed by the CFO & EVP.

Name of the position(s) and/or committee(s)

Other committee, please specify
Sustainability Steering Committee

Responsibility

Other, please specify
Overseeing implementation of next generation goals and strategy alignment of ESG strategy and climate

Frequency of reporting to the board on water-related issues

Quarterly

Please explain

Pfizer's Sustainability Steering Committee, co-chaired by our Chief Sustainability Officer and ESG Head, provides formal oversight and an accountability mechanism for ESG. The committee is sponsored by the Executive Vice President, Corporate Affairs, who reports directly to the Chief Executive Officer and regularly communicates progress to the Governance & Sustainability Committee of the Board.

W6.4

(W6.4) Do you provide incentives to C-suite employees or board members for the management of water-related issues?

	Provide incentives for management of water-related issues	Comment
Row 1	No, and we do not plan to introduce them in the next two years	

W6.5

(W6.5) Do you engage in activities that could either directly or indirectly influence public policy on water through any of the following?

- Yes, trade associations
- Yes, funding research organizations
- Yes, other

W6.5a

(W6.5a) What processes do you have in place to ensure that all of your direct and indirect activities seeking to influence policy are consistent with your water policy/water commitments?

Pfizer is a member of several industry and trade groups that represent both the pharmaceutical industry and the business community at large in an effort to bring about consensus on broad policy issues that can impact Pfizer's business objectives and ability to serve patients. Pfizer's participation as a member of these various industry and trade groups comes with the understanding that we may not always agree with the positions of the larger organization and/or other members, and that we are committed to voicing our concerns as appropriate through our colleagues who serve on the boards and committees of these groups. However, Pfizer works in good faith with these organizations to make its position on climate change and other environmental issues known.

REF: <https://www.pfizer.com/purpose/contributions-partnerships/political-partnerships>

Information related to criteria used for third party funding may be found at:

[third_party_funding_criteria.pdf \(pfizer.com\)](#)

W6.6

(W6.6) Did your organization include information about its response to water-related risks in its most recent mainstream financial report?

Yes (you may attach the report - this is optional)

 Pfizer-ESG-Report-2020_2021-03-10.pdf

W7. Business strategy

W7.1

(W7.1) Are water-related issues integrated into any aspects of your long-term strategic business plan, and if so how?

	Are water-related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives	Yes, water-related issues are integrated	11-15	Water-related risks are assessed at the site level as part of business continuity programs. Any risks identified through these annual assessments are addressed in site-specific business continuity plans and capital planning processes as required. The external scientific understanding of risks associated with pharmaceuticals in the environment (PIE) continues to evolve and therefore long-term approaches to risk management are also evolving. We continue to engage our stakeholders including industry groups, the scientific community, regulatory agencies, patient groups and nongovernmental organizations to advance the knowledge of PIE.
Strategy for achieving long-term objectives	Yes, water-related issues are integrated	11-15	Water-related risks are assessed at the site level as part of business continuity programs. Any risks identified through these annual assessments are addressed in site-specific business continuity plans and capital planning as required. The external scientific understanding of risks associated with pharmaceuticals in the environment (PIE) continues to evolve and therefore long-term approaches to risk management are also evolving. We continue to engage our stakeholders including industry groups, the scientific community, regulatory agencies, patient groups and nongovernmental organizations to advance the knowledge of PIE.
Financial planning	Yes, water-related issues are integrated	5-10	Water-related risks are assessed at the site level as part of business continuity programs. Any risks identified through these annual assessments are addressed in site-specific business continuity plans and capital planning as required. The external scientific understanding of risks, and any associated risk mitigation costs, associated with pharmaceuticals in the environment (PIE) continues to evolve and therefore long-term approaches to risk management are also evolving. We continue to engage our stakeholders including industry groups, the scientific community, regulatory agencies, patient groups and nongovernmental organizations to advance the knowledge of PIE.

W7.2

(W7.2) What is the trend in your organization's water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?

Row 1

Water-related CAPEX (+/- % change)

0

Anticipated forward trend for CAPEX (+/- % change)

0

Water-related OPEX (+/- % change)

0

Anticipated forward trend for OPEX (+/- % change)

0

Please explain

Capital and operating expenditures have remained relatively flat across the organization. Water costs represent approximately 1% of Pfizer's CAPEX spend and less than 1% of OPEX spend.

W7.3

(W7.3) Does your organization use climate-related scenario analysis to inform its business strategy?

	Use of climate-related scenario analysis	Comment
Row 1	Yes	Pfizer initiated qualitative and quantitative climate scenario analysis aligned with TCFD recommendations in 2021. In addition, our water risk assessment process also relies on several tools that incorporate climate-related scenario analysis such as WRI Aqueduct and the WBCSD Global Water Tool. These tools model the impacts of water availability under various climate scenarios and are used to assess water stress/scarcity and identify risks at Pfizer's internal and supplier sites. This analysis is then used to inform business continuity planning.

W7.3a

(W7.3a) Has your organization identified any water-related outcomes from your climate-related scenario analysis?

No

W7.4

(W7.4) Does your company use an internal price on water?

Row 1

Does your company use an internal price on water?

No, but we are currently exploring water valuation practices

Please explain

Pfizer is exploring the use of an internal price on water and will implement if determined to be beneficial to progressing conservation efforts.

W8. Targets

W8.1

(W8.1) Describe your approach to setting and monitoring water-related targets and/or goals.

	Levels for targets and/or goals	Monitoring at corporate level	Approach to setting and monitoring targets and/or goals
Row 1	Company-wide targets and goals Business level specific targets and/or goals Site/facility specific targets and/or goals	Targets are monitored at the corporate level Goals are monitored at the corporate level	In 2015 Pfizer established a public goal to reduce water withdrawal excluding non-contact cooling water 5% by 2020 from a 2012 baseline. Pfizer's manufacturing sites are required to set annual water targets and progress is monitored quarterly at the site, business unit, and divisional levels. We exceeded our 2020 goal, reducing water withdrawal across our operations by 19% compared to our 2012 baseline. We continue to require manufacturing sites to develop water conservation master plans and to establish absolute water withdrawal targets and will be announcing our second-generation public water goals, focused on water stewardship, later in 2021.

W8.1a

(W8.1a) Provide details of your water targets that are monitored at the corporate level, and the progress made.

Target reference number

Target 1

Category of target

Water withdrawals

Level

Company-wide

Primary motivation

Reduced environmental impact

Description of target

Pfizer is committed to sustainable business. We take an entrepreneurial approach to sustainability practices to help produce measurable value for society and our business by reducing our reliance on energy and water and looking for innovative ways to better manage waste. We have established a public goal to reduce water withdrawal excluding non-contact cooling water 5% by 2020 from a 2012 baseline.

Quantitative metric

Absolute reduction in total water withdrawals

Baseline year

2012

Start year

2015

Target year

2020

% of target achieved

100

Please explain

We exceeded our 2020 goal, reducing water withdrawal across our operations by 19% compared to our 2012 baseline.

W8.1b

(W8.1b) Provide details of your water goal(s) that are monitored at the corporate level and the progress made.

Goal

Engagement with suppliers to help them improve water stewardship

Level

Company-wide

Motivation

Reduced environmental impact

Description of goal

Pfizer is committed to reducing the environmental impact of our supply network. In 2015 Pfizer adopted a public goal that by 2020 100% of key suppliers will manage their environmental impacts through effective sustainability programs.

Baseline year

2016

Start year

2015

End year

2020

Progress

At the conclusion of the goal period, 80% of our baseline group of key suppliers reported having sustainability programs in place. Although we fell short of meeting our 2020 target, we learned from the experience and have established a firm foundation on which to build our supplier engagement program to support our next-generation climate strategy.

Goal

Engagement with suppliers to reduce the water-related impact of supplied products

Level

Company-wide

Motivation

Reduced environmental impact

Description of goal

Pfizer is committed to reducing the environmental impact of our supply network. In 2015 Pfizer adopted a public goal that by 2020 90% of key suppliers will institute reduction goals for greenhouse gas (GHG) emissions, waste disposal and water withdrawal.

Baseline year

2016

Start year

2015

End year

2020

Progress

At the conclusion of the goal period, 56% of our baseline group of key suppliers had implemented water reduction goals. Although we fell short of meeting our 2020 target, we learned from the experience and have established a firm foundation on which to

continue to build our supplier engagement program to support our next-generation climate strategy.

W9. Verification

W9.1

(W9.1) Do you verify any other water information reported in your CDP disclosure (not already covered by W5.1a)?

No, we do not currently verify any other water information reported in our CDP disclosure

W10. Sign off

W-FI

(W-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

W10.1

(W10.1) Provide details for the person that has signed off (approved) your CDP water response.

	Job title	Corresponding job category
Row 1	Chief Financial Officer, Executive Vice President, Global Supply	Chief Financial Officer (CFO)

W10.2

(W10.2) Please indicate whether your organization agrees for CDP to transfer your publicly disclosed data on your impact and risk response strategies to the CEO Water Mandate's Water Action Hub [applies only to W2.1a (response to impacts), W4.2 and W4.2a (response to risks)].

Yes

SW. Supply chain module

SW0.1

(SW0.1) What is your organization's annual revenue for the reporting period?

Annual revenue

Row 1	41,908,000,000
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SW0.2

(SW0.2) Do you have an ISIN for your organization that you are willing to share with CDP?

Yes

SW0.2a

(SW0.2a) Please share your ISIN in the table below.

	ISIN country code	ISIN numeric identifier (including single check digit)
Row 1	US	7170811035

SW1.1

(SW1.1) Could any of your facilities reported in W5.1 have an impact on a requesting CDP supply chain member?

No, CDP supply chain members do not buy goods or services from facilities listed in W5.1

SW1.2

(SW1.2) Are you able to provide geolocation data for your facilities?

	Are you able to provide geolocation data for your facilities?	Comment
Row 1	Yes, for all facilities	Pfizer has geolocation information available for all facilities but is only providing the data relevant to requesting supply chain members.

SW1.2a

(SW1.2a) Please provide all available geolocation data for your facilities.

Identifier	Latitude	Longitude	Comment
Kalamazoo	42.289482	- 85.578427	Providing geolocation data for facilities relevant to CDP Supply chain members.
Toluca	32.366486	- 85.578427	Providing geolocation data for facilities relevant to CDP Supply chain members.

SW2.1

(SW2.1) Please propose any mutually beneficial water-related projects you could collaborate on with specific CDP supply chain members.

SW2.2

(SW2.2) Have any water projects been implemented due to CDP supply chain member engagement?

No

SW3.1

(SW3.1) Provide any available water intensity values for your organization's products or services.

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I am submitting to	Public or Non-Public Submission	Are you ready to submit the additional Supply Chain questions?
I am submitting my response	Investors Customers	Public	Yes, I will submit the Supply Chain questions now

Please confirm below

I have read and accept the applicable Terms