

Climate Change Position Statement



At Pfizer, we recognize global climate change as one of the defining issues of our time requiring collective action¹ to mitigate the potential risks it poses. Such risks include the potential for increased adverse impacts on human health and decreased access to critical medicines and vaccines due to disruptions in value chains caused by the greater frequency of severe weather.

Pfizer is committed to continuing to develop and implement our climate action strategy based on science. We have a history of taking important voluntary steps to mitigate the threat of climate change. Since establishing our first climate action goals in 2000, we have reduced our greenhouse gas (GHG) emissions by more than 60 percent and optimized other aspects of our environmental performance.² We are committed to setting GHG emissions reduction targets to stabilize global temperature in line with the recommendations of the Intergovernmental Panel on Climate Change (IPCC).³

Recognizing the urgency of challenges that climate change presents, in 2022 Pfizer committed to further reducing GHG emissions by aiming to achieve the voluntary Net-Zero Standard⁴ by 2040, ten years earlier than the timeline described in the standard.⁵ The Net-Zero Standard, established by the Science Based Targets initiative (SBTi), outlines a pathway by which companies must deeply reduce emissions and counterbalance the impact of any emissions that remain, as a way to contribute to societal net-zero goals. We have also committed to the following near-term GHG emissions reduction goals:

- reduce direct GHG emissions from sources that are controlled and owned by Pfizer (Scope 1) and indirect emissions associated with the purchase of electricity, steam, heat, or cooling (Scope 2) 46 percent by 2030 from a 2019 baseline;
- procure 100 percent of electricity from renewable sources by 2030;
- reduce GHG emissions from business travel 25 percent by 2025 from a 2019 baseline;
- reduce GHG emissions from upstream transportation and distribution 10 percent by 2025 from a 2019 baseline; and
- catalyze 64 percent of our suppliers of goods and services by spend to set science-based targets by 2025.

The impacts of a changing climate are being experienced around the world (such as more severe and frequent storms, wildfires, droughts, extreme heat). In response, we have an established business-continuity program to help safeguard our facilities and help our value chain partners can adapt and protect against these threats to enable continued supply of medicines to patients.

As a biopharmaceutical company, we are uniquely positioned to help address global health challenges that may arise from climate change. Certain of our medicines and vaccines are potentially responsive to this global health challenge, such as treatments for various vector and waterborne diseases that may be caused or exacerbated by climate change. Through partnerships and programs, we aim to expand access to our medicines and vaccines, particularly among underserved communities that are often disproportionately impacted by climate change.

¹ The 2022 IPCC Sixth Assessment Report: "Global GHG emissions in 2030 associated with the implementation of Nationally Determined Contributions (NDCs) announced prior to COP26 would make it likely that warming will exceed 1.5°C during the 21st century. Likely limiting warming to below 2°C would then rely on a rapid acceleration of mitigation efforts after 2030. Policies implemented by the end of 2020 are projected to result in higher global GHG emissions than those implied by NDCs." See: www.ipcc.ch/report/ar6/wg3/downloads/report/IPCC_AR6_WGIII_SPM.pdf, p. 18.

² Through three successive GHG reduction targets beginning with baseline year 2000 through 2019 Pfizer reduced its Scope 1 and 2 GHG emissions approximately 64% on an absolute basis. The goals themselves were as follows: from 2000 to 2007, Pfizer reduced GHG emissions 18%; 2007 to 2012, we reduced GHG emissions 30%; and 2012 to 2020, we reduced GHG emissions 30%. The overall reduction is impacted by changes in operating sites and businesses.

³ The 2018 Special Report of the IPCC provides: climate-related risks to health, livelihoods, food security, water supply, human security, and economic growth are projected to increase with global warming of 1.5°C and increase further with 2°C. (www.ipcc.ch). From the 2022 IPCC Report: "Without urgent, effective and equitable mitigation actions, climate change increasingly threatens the health and livelihoods of people around the globe, ecosystem health and biodiversity." See: https://www.ipcc.ch/report/ar6/wg3/downloads/report/IPCC_AR6_WGIII_SPM.pdf, p. 44.

⁴ For additional information see: sciencebasedtargets.org/net-zero.

⁵ For announcement see: www.pfizer.com/news/announcements/pfizer-announces-commitment-accelerate-climate-action-and-achieve-net-zero.

Pfizer is committed to:

- collaborating to reduce GHG emissions across our value chain;
- taking steps to safeguard the resiliency of our research, manufacturing, and commercial activities;
- reporting on our progress, and assess and disclose our climate-related risks and opportunities aligned with Task Force on Climate-related Financial Disclosures;⁶
- integrating impact reduction across the manufacturing lifecycle of our medicines and vaccines;
- engaging with stakeholders to explore markets for environmentally preferable products; and
- working through global trade associations and multi-stakeholder partnerships to encourage reduction of GHG emissions voluntarily and, through support of regulations that use market-based approaches and achieve reductions aligned with scientific consensus of the IPCC and the Paris Agreement.

We appreciate that voluntary measures often offer the greatest opportunity for companies to design innovative solutions that work best for their situation, product range, and investment timelines. Tackling climate change, however, will require action from all parties across all sectors, and Pfizer supports efforts to encourage and advance such action.

Pfizer, therefore, supports governmental policy frameworks that include:

- alignment of policy goals and GHG emissions reduction targets with current scientific evidence and IPCC-based consensus recommendations;
- clear mechanisms to increase global engagement, cooperation, and accountability around climate change;
- market-based solutions designed to achieve science-based emissions reduction targets (e.g., price signals for carbon);
- support for cross-sector investment and public-private partnerships to drive innovation and scale up of renewable, low-carbon, and GHG emissions reduction technologies;
- preferential procurement opportunities for products and services that can demonstrate reductions in carbon footprints and from companies that are committed to Net Zero;
- minimization of administrative burdens and duplicative policies, while maximizing compliance flexibility;
- elimination of barriers to the deployment of emissions reduction technologies and renewable and low-carbon energy sources;
- methods to minimize the social and economic costs of climate change for the most vulnerable populations; and
- advancement of climate mitigation and adaptation strategies to enable resilient supply chains, including supporting adaptations to healthcare infrastructure in regions where climate change may have a more significant impact on health.

As part of Pfizer's purpose to deliver breakthroughs that change patients' lives and our commitment to acting with integrity, we are working to mitigate the effects of climate change on the environment and on human health. Our efforts alone, however, will not create the level of action needed to mitigate these potential impacts. We recognize the urgent need for action by all sectors, public and private, and will continue to partner with others to address climate change across our value chain.

⁶ See: www.fsb-tcfd.org.