

Whereas, we believe in full disclosure of Pfizer’s direct and indirect lobbying activities and expenditures to assess whether Pfizer’s lobbying is consistent with its expressed goals and in the best interests of shareholders.

Resolved, the shareholders of Pfizer request the preparation of a report, updated annually, disclosing:

1. Company policy and procedures governing lobbying, both direct and indirect, and grassroots lobbying communications.
2. Payments by Pfizer used for (a) direct or indirect lobbying or (b) grassroots lobbying communications, in each case including the amount of the payment and the recipient.
3. Pfizer’s membership in and payments to any tax-exempt organization that writes and endorses model legislation.
4. Description of the decision making process and oversight by management and the Board for making payments described in section 2 and 3 above.

For purposes of this proposal, a “grassroots lobbying communication” is a communication directed to the general public that (a) refers to specific legislation or regulation, (b) reflects a view on the legislation or regulation, and (c) encourages the recipient of the communication to take action with respect to the legislation or regulation. “Indirect lobbying” is lobbying engaged in by a trade association or other organization of which Pfizer is a member.

Both “direct and indirect lobbying” and “grassroots lobbying communications” include efforts at the local, state and federal levels.

The report shall be presented to the Corporate Governance Committee and posted on Pfizer’s website.

Supporting Statement:

We encourage transparency in Pfizer’s use of corporate funds to lobby. Pfizer spent \$83,940,650 from 2010 – 2017 on federal lobbying. This figure does not include state lobbying, where Pfizer lobbies in every state but disclosure is uneven or absent. Pfizer spent \$6,801,283 lobbying in six states from 2012 – 2015, (“How Leading U.S. Corporations Govern and Spend on State Lobbying,” *Sustainable Investments Institute*, February 2017), and its state lobbying on opioids has drawn scrutiny. (“Drugmakers Push Back against Lawmakers’ Calls to Tax Opioids,” *AP*, April 30, 2018).

Pfizer serves on the boards of the U.S. Chamber of Commerce and the Pharmaceutical Research and Manufacturers of America, which together have spent over \$1.8 billion on lobbying since 1998. Pfizer does not disclose its payments to trade associations, or the amounts used for lobbying. Pfizer does not disclose its membership in tax-exempt organizations that write and endorse model legislation, such as membership in the American Legislative Exchange Council (ALEC).

We are concerned that Pfizer’s lack of disclosure presents reputational risk when its lobbying contradicts company public positions. For example, Pfizer believes climate change is a public health issue requiring action, and supports smoking cessation, yet the Chamber undermined the Paris climate accord and works to block global smoking laws. Pfizer’s ALEC membership has attracted attention (“UPS and Pfizer’s Dirty Little Secret,” *Washington Post*, December 5, 2017). At least 110 companies have publicly left ALEC. As shareholders, we believe companies should ensure alignment between their positions and their lobbying, including through trade associations.