

PFIZER INC
Form DEF 14A
March 14, 2019

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the

Securities Exchange Act of 1934

Filed by the Registrant x

Filed by a Party Other Than the Registrant "

Check the Appropriate Box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as Permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

Pfizer Inc.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of filing fee (Check the appropriate box):

No fee required

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

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Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

Table of Contents

Breakthroughs that
Change Patients' Lives

Proxy Statement for
2019 Annual Meeting
of Shareholders

2018 Financial Report¹

¹The 2018 Financial Report is not included in this filing. The portions of the 2018 Financial Report that are incorporated by reference in our Annual Report on Form 10-K for the fiscal year ended December 31, 2018 (the "2018 Form 10-K") were filed, and the other portions of the 2018 Financial Report were furnished, solely for the information of the U.S. Securities and Exchange Commission, on Exhibit 13 to the 2018 Form 10-K. The 2018 Financial Report is contained in Appendix A to the Notice of 2019 Annual Meeting and Proxy Statement being mailed to our shareholders beginning on or about March 14, 2019. The Letter to Shareholders from our Executive Chairman and Chief Executive Officer and the Corporate and Shareholder Information contained in the materials being mailed to our shareholders beginning on or about March 14, 2019 are not included in this filing.

Table of Contents

Pfizer at a Glance

~\$53.6 Billion in revenues in 2018

10 Products with Direct Product and/or Alliance Revenues of Greater than \$1 Billion in 2018

	Pfizer Innovative Health	Pfizer Essential Health
2 Distinct Business Segments in 2018*	(~\$33.4 Billion 2018 Revenues)	(~\$20.2 Billion 2018 Revenues)
	6 Primary Therapeutic Areas:	4 Product Categories:
	Internal Medicine, Vaccines, Oncology, Inflammation & Immunology, Rare Disease and Consumer Healthcare	Global Brands (Legacy Established Products & Peri-LOE Products), Sterile Injectable Pharmaceuticals, Biosimilars and Pfizer CentreOne

125+ Countries Where We Sell Our Products

100 Projects in Clinical Research & Development**

~\$8 Billion 2018 Research & Development Expense

58 Manufacturing Sites Worldwide Operated by Pfizer Global Supply

~92,400 Employees Globally

Unless indicated otherwise, the information contained in this summary is as of December 31, 2018.

At the beginning of our fiscal year 2019, we began to manage our commercial operations through a new global structure consisting of three businesses, each of which is led by a single manager – Pfizer Biopharmaceuticals Group, Upjohn and Consumer Healthcare.

** As of January 29, 2019.

Table of Contents

A MESSAGE FROM PFIZER'S LEAD INDEPENDENT DIRECTOR

A message from
Pfizer's Lead
Independent
Director

Shantanu Narayen

Dear Shareholders:

On behalf of Pfizer's Board of Directors, thank you for your investment and continued confidence in the company and our Board. I am honored to serve as Lead Independent Director and to work closely with my fellow Directors as we serve on your behalf to carry out our fiduciary duty to oversee our company.

Management Succession Planning

The past year has been significant for the Board as we considered organizational changes, including a successful CEO transition. In September 2018, the Board elected Dr. Albert Bourla as CEO and elected Mr. Ian Read as Executive Chairman, effective January 1, 2019. The Board's unanimous decision was part of a thoughtful, multi-year succession planning process involving every independent member of the Board.

Ever since Dr. Bourla became Chief Operating Officer and joined the Board in early 2018, the Board has been continually impressed with his contributions at both the management and Board level, which helped affirm our decision that he is the right person to lead Pfizer at this time. We believe Dr. Bourla's deep experience at Pfizer, strong track record of success, and commitment to innovation will drive advancements across the company and enhance shareholder value.

Board Oversight of Strategy

Throughout 2018, the independent Directors worked closely with our leadership to ensure that the Board effectively oversaw Pfizer's strategy and operations. We regularly discussed significant business and organizational initiatives, our R&D pipeline, capital allocation, business development opportunities, enterprise risk management and corporate culture.

Notably, these conversations included sessions focused on our commitment to explore strategic options for the Consumer Healthcare business and to make a decision by year-end. After careful deliberation and a thorough review process, in December 2018 Pfizer announced an agreement with GlaxoSmithKline plc to form a new consumer healthcare joint venture. The Boards of Directors of both companies unanimously approved the transaction.

Evaluation of Board Leadership Structure

Each year during our evaluation of the Board's leadership structure, the independent Directors carefully consider whether to maintain a combined Chairman/CEO or to separate the positions of Chairman and CEO. The Board concluded that having Dr. Bourla as CEO and Mr. Read as Executive Chairman provides continuity of leadership during this time of transition, while maintaining the role of Lead Independent Director ensures that the independent Directors continue to have robust leadership in the boardroom.

It is important to the Board that we maintain the flexibility to select the leadership structure best suited to meet the needs of our business and shareholders at any given time. We will, of course, continue to evaluate the Board's leadership structure on an annual basis. In addition, as Lead Independent Director, I am responsible for leading the independent Directors' annual evaluation of the effectiveness of the Executive Chairman and of the CEO.

Table of Contents

Board Refreshment

To ensure effective refreshment and proactively manage eventual vacancies on the Board due to upcoming retirements, the current Directors consider a diverse pool of qualified candidates who could potentially serve as Board members. We were pleased to announce in 2018 the elections of Dr. Dan Littman, a renowned immunologist and molecular biologist with achievements and recognition in both medicine and science, and Dr. Albert Bourla, Pfizer's current CEO.

Both candidates are excellent additions to the Board, further enhancing the diversity of backgrounds and expertise in the boardroom. Their elections were informed by the Board's continued focus on its composition and its annual evaluation process, which ensures the appropriate balance of skills, diversity, experience and tenure in light of our business needs.

After 13 years of service, Dr. Dennis Ausiello will retire from the Board and will not stand for re-election in 2019. We thank him for his service on the Board, and are grateful to have benefitted from his scientific expertise, valuable business insight and strong commitment to Pfizer and its shareholders.

In addition, as part of our ongoing commitment to proactive Committee refreshment, at the upcoming April 2019 Board Meeting, the Board will vote to elect Mr. Ronald Blaylock to the Audit Committee and Dr. Dan Littman to the Regulatory and Compliance Committee, contingent upon their election at the 2019 Annual Meeting of Shareholders.

Ongoing Commitment to Shareholder Engagement

In closing, the Board continues to prioritize engaging with shareholders and responding to your feedback. Members of the Board and senior management engaged with investors representing more than 30% of shares outstanding in 2018. As is detailed in this Proxy Statement, we covered a range of topics and the Board continues to use your input to inform our practices and policies.

We look forward to serving your interests in 2019 and beyond. Thank you for your continued support.

Sincerely,

Shantanu Narayen

Lead Independent Director

Table of Contents

Notice of 2019 Annual Meeting and Proxy Statement

Time and Date

9:00 a.m., Eastern Daylight Time (EDT),
on Thursday, April 25, 2019

Place

Hilton Short Hills Hotel, 41 John F. Kennedy Parkway,
Short Hills, New Jersey 07078, +1-973-379-0100

Record Date

You can vote your shares if you were a shareholder of
record at the close of business on February 26, 2019.

Audio Webcast

Available at www.pfizer.com, starting at 9:00 a.m.,
EDT, on Thursday, April 25, 2019. A replay will be
available through May 31, 2019.

ITEMS OF BUSINESS

- To elect 11 members of the Board of Directors, each until our next Annual Meeting and/or until his or her successor has been duly elected and qualified.
- To ratify the selection of KPMG LLP as our independent registered public accounting firm for the 2019 fiscal year.
- To conduct an advisory vote to approve our executive compensation.
- To approve the Pfizer Inc. 2019 Stock Plan.
- To consider 4 shareholder proposals, if properly presented at the Meeting.
- To transact any other business that properly comes before the Meeting and any adjournment or postponement of the Meeting.

VOTING YOUR SHARES QUICK AND EASY—YOU CAN EVEN VOTE USING YOUR SMARTPHONE OR TABLET.

HOW TO VOTE **For registered holders and Pfizer Savings Plan participants:**

(Shares are registered in your name with Pfizer’s transfer agent, Computershare, or held in the Pfizer Savings Plan)

For beneficial owners:

(Shares are held in a stock brokerage account or by a bank or other holder of record)

www.proxyvote.com

+1-800-454-VOTE (8683) – toll-free

Internet* www.investorvote.com/PFE

Telephone* Within the U.S., U.S. territories & Canada
+1-800-652-VOTE (8683) – toll-free

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Outside of the U.S., U.S. territories & Canada
+1-781-575-2300 – standard rates apply

Complete, sign and return the voting
instruction card

Mail Complete, sign and return the proxy card

* You will need to provide your control number that appears on the right-hand side of the enclosed proxy card or voting instruction card.

MATERIALS TO REVIEW

This booklet contains our Notice of 2019 Annual Meeting and Proxy Statement. Our 2018 Financial Report is included as Appendix A and is followed by certain Corporate and Shareholder Information. None of Appendix A, the Corporate and Shareholder Information, or the accompanying Letter from our Executive Chairman and Chief Executive Officer, are a part of our proxy solicitation materials.

This Notice of 2019 Annual Meeting and Proxy Statement and a proxy or voting instruction card are being mailed or made available to shareholders starting on or about March 14, 2019.

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE ANNUAL MEETING OF SHAREHOLDERS TO BE HELD ON APRIL 25, 2019

This Notice of 2019 Annual Meeting and Proxy Statement and the 2018 Financial Report and Corporate and Shareholder Information are available on our website at <https://investors.pfizer.com/financials/annual-reports/default.aspx>. Except as stated otherwise, information on our website is not considered part of this Proxy Statement.

Margaret M. Madden

Senior Vice President and Corporate Secretary, Chief Governance Counsel

March 14, 2019

Table of Contents

Table of Contents

<u>Proxy Statement Summary</u>	<u>1</u>
<u>Item 1 — Election of Directors</u>	<u>7</u>
<u>Criteria for Board Membership</u>	<u>7</u>
<u>Selection of Candidates</u>	<u>8</u>
<u>Retirement Policy</u>	<u>8</u>
<u>Our 2019 Director Nominees</u>	<u>8</u>
<u>Director Nominees</u>	<u>9</u>
<u>Governance</u>	<u>15</u>
<u>Overview</u>	<u>15</u>
<u>Board Information</u>	<u>15</u>
<u>Board Leadership Structure</u>	<u>15</u>
<u>The Board’s Role in Risk Oversight</u>	<u>19</u>
<u>The Board’s Oversight of Company Strategy</u>	<u>20</u>
<u>The Board’s Oversight of Company Culture</u>	<u>20</u>
<u>The Board’s Role in Succession Planning</u>	<u>20</u>
<u>Process for Selecting New Director Nominees</u>	<u>21</u>
<u>Evaluation of Board Effectiveness</u>	<u>22</u>
<u>Board and Committee Information</u>	<u>23</u>
<u>Corporate Governance Committee Report</u>	<u>27</u>
<u>Regulatory and Compliance Committee Report</u>	<u>28</u>
<u>Shareholder Outreach</u>	<u>29</u>
<u>Corporate Responsibility and Sustainability</u>	<u>31</u>
<u>Public Policy Engagement and Political Participation</u>	<u>32</u>
<u>Pfizer Policies on Business Conduct</u>	<u>34</u>
<u>Other Governance Practices and Policies</u>	<u>35</u>
<u>Non-Employee Director Compensation</u>	<u>37</u>
<u>2018 Director Compensation Table</u>	<u>39</u>
<u>Securities Ownership</u>	<u>40</u>
<u>Beneficial Owners</u>	<u>41</u>
<u>Section 16(a) Beneficial Ownership Reporting Compliance</u>	<u>41</u>
<u>Related Person Transactions and Indemnification</u>	<u>42</u>
<u>Item 2 — Ratification of Selection of Independent Registered Public Accounting Firm</u>	<u>43</u>
<u>Audit and Non-Audit Fees</u>	<u>44</u>
<u>Audit Committee Report</u>	<u>45</u>
<u>Item 3 — 2019 Advisory Approval of Executive Compensation</u>	<u>46</u>
<u>Results of 2018 Advisory Vote on Executive Compensation</u>	<u>46</u>
<u>2018 Pay for Performance</u>	<u>46</u>
<u>2019 Advisory Vote on Executive Compensation</u>	<u>47</u>
<u>Item 4 — Approval of the Pfizer Inc. 2019 Stock Plan</u>	<u>48</u>

<u>Compensation Committee Report</u>	<u>56</u>
<u>Executive Compensation</u>	<u>57</u>
<u>Compensation Discussion and Analysis</u>	<u>58</u>
<u>Table of Contents</u>	<u>58</u>
<u>Executive Summary</u>	<u>59</u>
<u>Compensation Tables</u>	<u>90</u>
<u>Financial Measures</u>	<u>106</u>
<u>Shareholder Proposals</u>	<u>107</u>
<u>Item 5 — Right to Act by Written Consent</u>	<u>107</u>
<u>Item 6 — Report on Lobbying Activities</u>	<u>109</u>
<u>Item 7 — Independent Chair Policy</u>	<u>112</u>
<u>Item 8 — Integrating Drug Pricing into Executive Compensation Policies and Programs</u>	<u>115</u>
<u>Annual Meeting Information</u>	<u>118</u>
<u>Annual Meeting</u>	<u>118</u>
<u>Voting</u>	<u>119</u>
<u>Proxy Materials</u>	<u>121</u>
<u>Other Questions</u>	<u>122</u>
<u>Other Business</u>	<u>123</u>
<u>Submitting Proxy Proposals and Director Nominations for the 2020 Annual Meeting</u>	<u>123</u>
<u>Annex 1 — Corporate Governance Principles</u>	<u>i</u>
<u>Annex 2 — Pfizer Inc. 2019 Stock Plan</u>	<u>v</u>

Table of Contents

Proxy Statement Summary

Here are highlights of important information you will find in this Proxy Statement. As it is only a summary, please review the complete Proxy Statement before you vote.

SUMMARY OF SHAREHOLDER VOTING MATTERS

Voting Matters	Board Vote Recommendation	See Page
<u>Item 1 — Election of Directors</u>	FOR EACH NOMINEE	<u>7</u>
<u>Item 2 — Ratification of Selection of Independent Registered Public Accounting Firm</u>	FOR	<u>43</u>
<u>Item 3 — 2019 Advisory Approval of Executive Compensation</u>	FOR	<u>46</u>
<u>Item 4 — Approval of the Pfizer Inc. 2019 Stock Plan</u>	FOR	<u>48</u>
Shareholder Proposals		