



ENVIRONMENT,
HEALTH
AND SAFETY

HIGHLIGHTS

Attained three of our four public goals to reduce atmospheric emissions before or within the goal period.

Reduced overall illness and injury rates globally, including marked improvements in U.S. fleet safety performance.

Certified EHS management systems (ISO 14001, OHSAS 18001) maintained at 70 percent of Pfizer's manufacturing facilities and 100 percent of our major R&D sites.

Recognized by US EPA Climate Leaders for attainment of our first generation greenhouse gas goal and our commitment for a second generation goal.

Named by the Carbon Disclosure Project (CDP) as one of the top companies for our commitment to and disclosure of climate change information for the second consecutive year.

Pfizer has a long-standing commitment to environment, health and safety performance. We are proud of our environmental programs and our many achievements over the years. In the spirit of continuous improvement, we are also pursuing a more strategic and integrated approach to our environmental initiatives that will provide the foundation for a more environmentally sustainable model.

We continue participation in organizations around the world to better understand significant environment, health and safety issues, enabling Pfizer and other companies to work toward viable and sustainable solutions such as sharing best practices in energy efficiencies. Pfizer engages local stakeholders and our colleagues, and partners with government, non-governmental organizations, industry and academia through awareness programs, technology transfer and sharing best practices worldwide.

While the criticality of issues such as access to medicines has typically predominated in the pharmaceutical and health care sector, responsible environmental, health and safety (EHS) practices have increasingly sparked the interest of stakeholders. We recognize that advancing good health and maintaining safety extends through the discovery, development, and distribution of medicines, to preserving natural resources and creating a healthy environment and workplace.

Climate Change

At Pfizer, we recognize that climate change, and its potential impact on global health, is one of the most serious environmental challenges facing society today. We are committed to seizing opportunities throughout our business to lessen our impact and have set ambitious goals to drive our activities. These goals and our performance are highlighted in the performance overview at the end of this section.

ENERGY EFFICIENCIES

Pfizer has made substantial efforts to reduce our carbon and energy footprint through global conservation and energy efficiency efforts, and consolidation of certain operations. A wide range of projects, such as equipment retrofits, combined heat and power systems, and renewable energy installations contributed to significant emissions avoidance.

Pfizer also has a public goal to obtain 35 percent of our electricity from clean energy sources by 2010, an aggressive goal in this changing economic landscape. Although we have made excellent progress, our clean energy goal has been challenging to attain. The current shortfall is due to a number of factors including closure of some plants with cogeneration capacity and the financial viability of current clean energy technologies. Although Pfizer will not fully achieve our goal to have 35 percent of our electricity usage come from clean energy sources by 2010, we remain committed to the implementation of clean energy technologies where it makes sound environmental and business sense.

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GREENING OUR FLEET—LOCAL ACTION FOR GLOBAL OPERATIONS

Operations associated with our fleet accounted for 12 percent of our total carbon footprint last year. Beginning in 2007 and continuing today, Pfizer is implementing projects to reduce the impact of our nearly 32,000 automobiles. So far, we have identified the greatest potential to immediately reduce Pfizer's fleet footprint in selecting the appropriate vehicle and engine size commensurate with intended purpose and use.

Resource Conservation and Waste Minimization

Pfizer is committed to advancing good health in the communities in which we operate. Our global environment, health and safety management program is centered on minimizing the potential impacts of our operations as we contribute to sustainability by reducing our emissions to the air and water, minimizing the waste we produce, and improving our methods of recycling, reuse and recovery.

ABATING OUR EMISSIONS

To help protect the Earth's ozone layer, we are committed to controlling and, wherever possible, eliminating the release of harmful compounds, including ozone depleting compounds (ODCs) and volatile organic compounds (VOCs) from our operations. In both cases, Pfizer set separate public goals, and has realized significant emissions reductions.

COMPLIANCE

Unfortunately, despite our best efforts to meet and exceed industry standards, we have experienced incidents where we have

failed to comply with regulation. In 2008 Pfizer paid a civil penalty of \$975,000 to settle allegations by the U.S. EPA that our former Groton manufacturing facility violated certain Hazardous Air Pollutant regulations (leak detection and repair requirements) between 2002 and 2005. When initially notified in 2006, Pfizer acted promptly to assure the facility's compliance.

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REMIEDIATING ENVIRONMENTAL LIABILITIES

Contamination of soil and groundwater at industrial sites can pose risks to the environment as well as the health and safety of those working at the sites and living in the surrounding communities. As we contribute to a more sustainable future, Pfizer works to prevent such contamination by reducing overall waste footprint and through our robust due diligence process for evaluating potential liabilities resultant from transactional activities. When contamination is found, we mitigate any immediate risk, assess the potential impact and deploy remediation efforts aligned with areas of concern.

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UNDERSTANDING WATER

The availability of potable water is one of the most important global health issues of our time—and one that may be further exacerbated in coming years by our changing climate. There is also growing consensus that this emerging issue may become a crisis as sustainable access to water is challenged, presenting risks not only to individuals but also to the private sector.

While Pfizer's use of water in our research centers and manufacturing facilities is relatively small compared to some other industries, responsible management of water is an important element of our global EHS program. We work to protect this resource by

implementing standards that require facilities worldwide to quantify water use, prioritize water conservation measures, and support community efforts during drought conditions.

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Product Stewardship

Environmental responsibility entails the full life-cycle analysis of our products, extending beyond traditional producer responsibility. As the innovator of numerous novel compounds, Pfizer seeks to understand and ensure effective management of the health, safety and environmental risks during the discovery, development, manufacture, use and disposal of our products.

PHARMACEUTICALS IN THE ENVIRONMENT

Trace amounts of pharmaceuticals and other organic chemicals have been detected in the aquatic environment. Stakeholders are concerned that the presence of trace amounts of medicines, known as Pharmaceuticals in the Environment (PIE), could have an effect on the aquatic environment and also on human health.

Pfizer recognizes our stakeholders' concerns and has taken action. For many years, Pfizer facilities have worked to reduce releases of products and other materials to the environment and have conducted risk assessments to ensure these releases do not have an adverse impact on public health or the environment. We have also participated for several years in efforts led by pharmaceutical industry groups to better understand PIE and the associated risks. Through these collaborations, we have advanced the science, encouraged debate, and shared our knowledge with regulators, policy makers, and the public through Web sites like SMARXT Disposal.

However, we must do more to address stakeholder concern. Pfizer adheres to principles of responsible environmental stewardship and we have increased our commitments and stepped up initiatives to tackle the complex issues associated with PIE.

Our strategies include:

- Continuing to engage and collaborate with the scientific community, policy makers, regulatory agencies, patient groups and nongovernmental organizations aggressively advancing the body of knowledge related to PIE; and
- Partnering with other pharmaceutical companies and government agencies to further explore unused medicine disposal options, participating in product take-back programs in countries that have initiated them.

Green Chemistry

Our Green Chemistry Program seeks to integrate EHS considerations throughout the research, discovery, development and manufacture of our products.

Green Chemistry is becoming intrinsic to the way all Pfizer scientists and engineers perform their work—it is about advancing scientific innovation, which lies at the heart of our strength as a company, to reduce our environmental footprint. Last year, notable projects embracing Green Chemistry principles included:

- "Naturalizing" Lyrica®—taking advantage of nature's own chemical catalysts (enzymes) through biocatalysis. The enzymatic synthesis of pregabalin will save more than 200,000 metric tons of chemical waste between 2007 and 2020.
- "Greening" Lipitor®—manufacturing atorvastatin with a new biocatalysis process that realizes significant energy savings by changing the temperature at which a reaction is performed.

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PRODUCT DESIGN



Workplace Responsibility

Pfizer colleagues worldwide remain our most valuable asset and the foundation of our success. Our priority is to provide a safe and healthy work environment for every Pfizer colleague. We have implemented a company-wide set of policies, standards and programs, combined with site-level management systems and initiatives tailored to the particular safety issues and needs at each location and business line function.

We are committed to:

- Significantly improving our health and safety performance;
- Maintaining effective management of inherently high-risk operations; and
- Ensuring the health and wellness of colleagues through careful management of workplace exposure.

REDUCING INJURIES AND SUSTAINING A CULTURE OF SAFETY

Overall, Pfizer has a solid health record and good safety performance. However, we have room for improvement with respect to our lost-time and total injury and illness rates.

Late in 2007, we began making significant progress in collecting additional metrics to identify areas to improve safety performance and to inform us of priorities. In early 2008, we set aggressive internal goals and targets and have begun realizing improved performance.

SAFEGUARDING OUR FIELD FORCE AND THOSE WHO SHARE THE ROAD

Driver safety is an area identified as a significant risk and a high priority for improvement. Motor vehicle accidents represent the greatest risk to our sales force and regrettably, in 2007 Pfizer lost two colleagues who were fatally injured in vehicle-related accidents, underscoring the need to improve safety.

A Global Fleet Safety Standard is being implemented, which includes focus on increasing driver safety awareness, conducting mandatory motor vehicle record reviews, and acting on colleague behaviors that compromise driver safety. In 2008, the U.S. Fleet Safety program has shown a 21 percent reduction in motor vehicle accidents.

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STAKEHOLDER COMMENTARY

“There is an urgent need to move toward a sustainable global economy and Pfizer, as one of the largest pharmaceutical companies in the world, has a unique role to play in driving this change.

Pfizer should accelerate its efforts to reduce its impacts, from climate change to water to toxins as this ultimately affects the people that are at the core of Pfizer’s business. Pfizer should build upon its existing carbon reduction commitments and demonstrate leadership by actively supporting national and global climate policy.

Energy and water go hand-in-hand. One of the most disruptive results of climate change will be water scarcity and declining water quality, the impacts of which will be felt most by vulnerable populations of emerging economies. There is nothing more critical to good health than access to clean water and Pfizer has an opportunity to take the lead by developing a comprehensive water strategy. This will help the company to first understand its water footprint and then to set goals to minimize impacts and to prepare for potential business risks.”

ANDREA MOFFAT

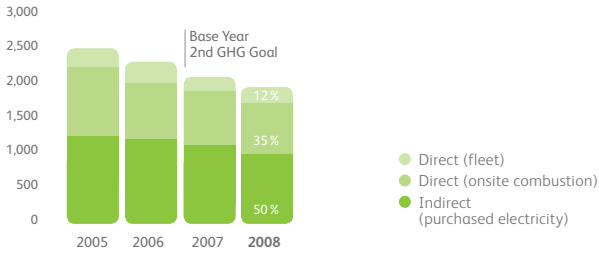
SENIOR DIRECTOR OF CORPORATE PROGRAM, CERES

LOOKING FORWARD

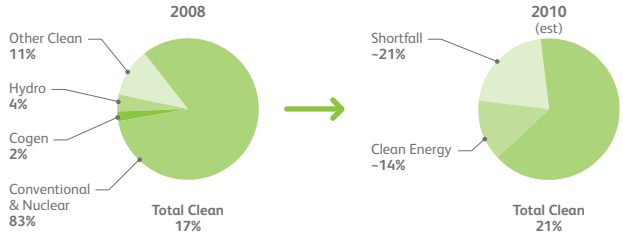
Pfizer’s environment, health and safety programs are an integral part of our work to build a healthier world. We are eager to ensure our EHS programs help build a more sustainable future, ensuring the health and safety of our colleagues and protecting the environment. We recently launched a process to develop a new Environmental Sustainability roadmap that will help us identify priority strategies for the environmental issues that are most important to our stakeholders and to our business.

**1. GHG EMISSIONS (ABSOLUTE)
SECOND GENERATION GOAL**

ABSOLUTE GHG EMISSIONS (TCO2EQ)—THOUSANDS

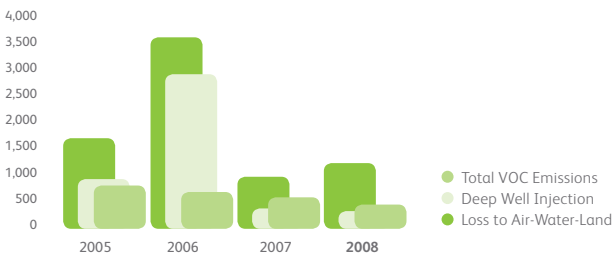


2. CLEAN ENERGY



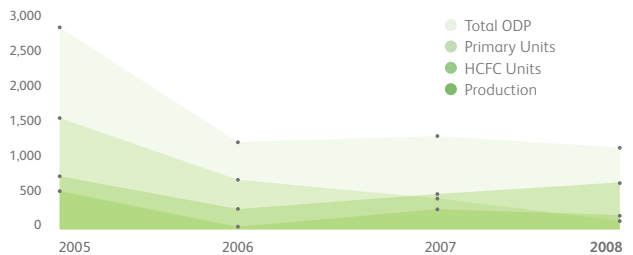
3. VOLATILE ORGANIC COMPOUNDS (VOCs)

KG THOUSANDS



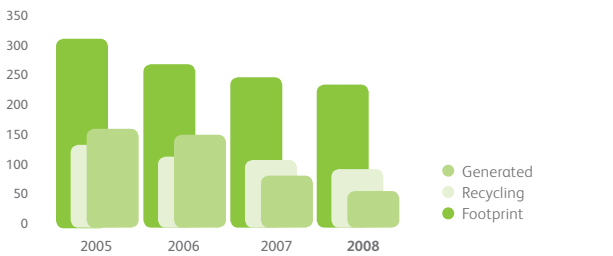
4. OZONE DEPLETION POTENTIAL (ODP)

KG R-11 EQUIVALENTS



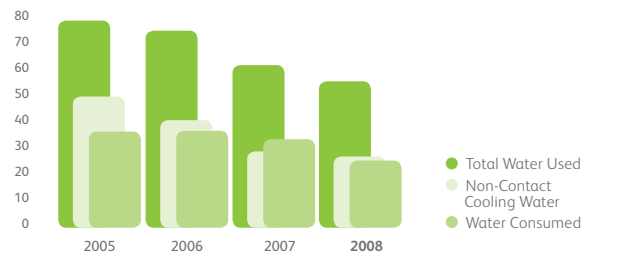
5. TOTAL WASTE—FOOTPRINT & RECYCLING

KG MILLIONS



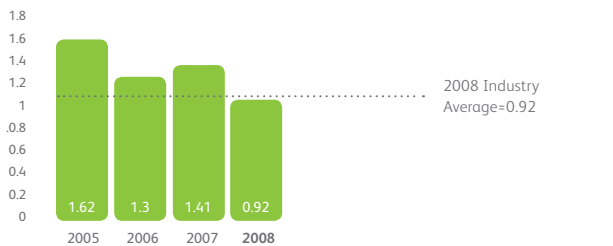
6. WATER FOOTPRINT

MILLION M³



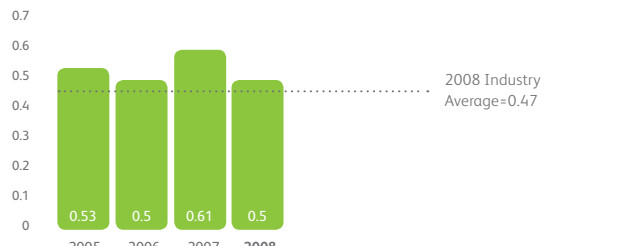
7. TOTAL INJURY/ILLNESS RATES (TIR)

CASES PER 100 COLLEAGUES



8. LOST-TIME INJURY/ILLNESS RATES (LTIR)

CASES PER 100 COLLEAGUES



Environmental data is baseline adjusted in accordance with the WRI Protocol for Reporting GHGs. Facility closures are included in the data while those divested are not. Injury and illness data does not follow WRI—it is rate-based and therefore not baseline adjusted.

Data scope is directed by the EHS Guidelines. With the exception of some of our offices, the global population of sites includes manufacturing, R&D, commercial and logistics centers.

EHS performance data does not include our supply chain/outourced manufacturing operations.

KEY PERFORMANCE INDICATORS (2005–2008)

INDICATOR	GOAL	PERFORMANCE (YEAR END)	STATEMENT	GOAL/ STATUS
COMPLIANCE	BASELINE EXPECTATION 100% compliance, zero penalties	2008 Groton fine \$975K NOTE Pfizer publicly reports penalties paid >\$100K	Settlement for U.S. EPA allegations (former manufacturing facility LDAR 2002–05).	N/A
CLIMATE CHANGE 1ST GENERATION GOAL GHG	2000–07 Public goal to reduce GHG emissions 35% on relative basis	2007 Achieved goal 43% 2007–08 Additional ↓20%	Attributed to energy efficiency projects, facility closures.	●
CLIMATE CHANGE 2ND GENERATION GOAL GHG GRAPH 1	2008–12 Public goal to reduce GHG emissions 20% on absolute basis from baseline year 2007	2008 On target ↓6% energy consumption (absolute) ↓8% GHG emissions (absolute) 2005–08 ↓20%	Attributed to Global Energy Conservation program (energy efficiency projects, colleague awareness initiatives).	●
FLEET EMISSIONS	2008–12 Internal goal to reduce GHG emissions annually by 5% (absolute)	2008 On target ↓6% (absolute) contribution to overall public goal	FOCUS increasing use of fuel cards, introducing more hybrids and dual-fuel vehicles, moving to midsize vehicles.	●
CLEAN ENERGY GRAPH 2	2010 Public goal to meet global electricity needs using 35% clean energy	2008 17% (actual) 2010 21% (projected)	Good progress—however, challenging goal to attain. Projected 14% shortfall—closure of certain plants with cogen technology and financial viability of current clean energy technologies.	●
VOLATILE ORGANIC COMPOUND (VOC) EMISSIONS GRAPH 3	2002–08 Public goal to reduce VOC releases to air and water by 40%	2006 Achieved goal 43% 2007–08 Additional ↓35% NOTE Bar graph illustrates total releases of VOCs	↑ Emissions 2006 resulted from steam stripper malfunction. As allowed under permit, water containing solvent was alternatively injected into the onsite deep well.	●
OZONE DEPLETION POTENTIAL (ODP) EMISSIONS GRAPH 4	2002–07 Public goal to reduce ODP by 80%	2006 Achieved goal 82% 2007–08 Additional ↓28% 2005–08 ↓71%	Continued to monitor to ensure decline in ODP.	●
OZONE DEPLETING COMPOUNDS (ODC) PHASE-OUT	2007 Public goal to phase-out Class 1 ODCs in large heating, ventilation, air conditioning and industrial process equipment	2007 3 sites did not meet phase-out 2008 2 sites remain with Class 1 ODCs (representing <5% of applicable units)	Phase-out of primary units complete with the exception of two sites—waivers were approved based on production schedule and unit replacement costs.	○
WASTE REDUCTION GRAPH 5	BASELINE EXPECTATION Drive down waste footprint, increase recycling rates 2009 AND ANNUAL Internal goal to drive waste minimization opportunities: • At least two solvent recovery and reuse projects at each API site • Non-hazardous waste reduction goals at 100% of sites, focus on reduction of electronic waste	2007–08 ↓14% total waste generated 2005–08 ↓30% in total waste generated 2005–08 46% average recycling rates (relative to total waste generated) NOTE 2005–08 8 points increase (from 49% to 57%) in non-hazardous waste recycling rate.	The total amount of waste generated continues to decline, resulting in less waste sent to landfills for incineration and other treatment. Overall recycling rates remain constant; however, due to site level efforts, non-hazardous rates significantly improved.	N/A
WATER FOOTPRINT GRAPH 6	BASELINE EXPECTATION Continue to conserve water by setting internal targets at site level	2007–08 ↓16% total water use 2005–08 ↓40% total water use 50% of the water used is non-contact cooling water returned to its source	Attributed primarily to closure of manufacturing operations and facility-specific energy efficiency and water conservation projects.	N/A
INJURY & ILLNESS PERFORMANCE	BASELINE EXPECTATION People are not injured and do not sustain ill health as a result of their work. 2007–2010 Aggressive internal goal to reduce injury and illness rates by 40% from baseline year 2006	2007 1 fatality	Fatally injured following an off-site NYC steam pipe explosion	N/A
TOTAL INJURY & ILLNESS RATE GRAPH 7	2006 BASELINE 1.30 2010 TARGET 0.75	2007 1.41 2008 0.92 2007–08 ↓34% 2005–08 ↓43%	Additional ↓19% in rates needed in 2009. FOCUS Locations with highest rates, concentrated ergonomics programs, and improving fleet safety in the sales force.	○
LOST-TIME INJURY & ILLNESS RATE GRAPH 8	2006 BASELINE 0.50 2010 TARGET 0.30	2007 0.61 2008 0.50 2007–08 ↓18% 2005–08 ↓6%	Additional ↓40% in rates needed in 2009. FOCUS See above	○
FLEET SAFETY	2008–2010 Internal goal to achieve 100% implementation of Global Fleet Safety Standard BASELINE EXPECTATION Significantly reduce motor vehicle accidents (MVAs), No fatal MVAs	2008 ↓21% MVA U.S. Fleet Fatalities (sales colleagues, MVA) 2007 2 colleagues	Implementation of Fleet Standard on target. FOCUS Increasing driver safety awareness, mandatory MV record reviews and acting on compromising driver safety behaviors.	N/A

NOTATIONS

LDAR=leak detection and repair requirements
GHG=greenhouse gas
HCFC=hydrochlorofluorocarbon

HVAC=heating, ventilation, air conditioning
↓=decrease (reduction)
↑=increase

STATUS KEY

● Goal achieved or on target
○ Goal partially achieved or at risk for not reaching target

● Goal not achieved or not expected to reach target