CEO LETTER

2014: BUILDING VALUE BY TRANSFORMING PFIZER

In 2014, Pfizer continued to transform the company in ways that enable us to bring therapies to patients that significantly improve their lives.

IAN C. READ
CHAIRMAN AND CEO

TO OUR STAKEHOLDERS:

Our actions and decisions throughout 2014 continued to be guided by four strategic imperatives put into place in 2010. They include:

- Improving the performance of our innovative core,
- Making the right capital allocation decisions,
- Earning greater respect from society, and
- Creating a culture of ownership.

These imperatives are the roadmap to achieving our mission of becoming the world's premier innovative biopharmaceutical company by the end of this decade. We are on a multi-year journey, and during 2014 we achieved a number of important milestones despite a slow-growth global economy and the losses of exclusivity and co-promotion rights to some of our major medicines.

Our notable results this year include achieving or surpassing all of our 2014 financial goals. Pfizer today has a strengthened R&D pipeline; a leaner, more efficient organization; a better reputation; and a stronger corporate culture, as measured by independent surveys. Our colleagues are highly focused on innovation and operational excellence and are demonstrating a global growth mindset so that we can better meet the needs of patients.

The narrative of our performance starts with the heart of our business — our commitment to innovation.

WE CONTINUE TO TRANSFORM BIOPHARMACEUTICAL R&D — AND IT'S YIELDING RESULTS

Innovation is at the heart of Pfizer. We are now four years into transforming our approach to biopharmaceutical R&D. The mark of our progress is an R&D pipeline that is matched to a set of important medical needs and poised with the potential to provide a steady flow of new therapies starting in a few years. We've built a range of assets across six therapeutic areas and also biosimilars that have strong scientific and commercial potential. Here are some of the highlights:

Cardiovascular and Metabolic Disease

More people die from cardiovascular and metabolic conditions, including heart disease, stroke and complications of diabetes, than from any other cause. Pfizer has a well-established strength in this therapeutic area, and we continue to pioneer new therapies, as well as new indications for therapies already marketed.

In 2014, our cardiovascular therapy Eliquis,® which we develop and market with Bristol-Myers Squibb, received approval for new indications in the U.S. and in the European Union (E.U.). First approved for reducing the risk of blood clots and stroke in certain patients with atrial fibrillation, Eliquis is now approved in the U.S. and E.U. for treating blood clots in the veins of the legs or lungs, and in reducing the risk of their reoccurrence. In the U.S., Eliquis was further approved to lessen the risk of blood clots in patients following hip or knee replacement surgery. More than one million of these surgeries take place each year in the U.S. alone.

Despite the widespread acceptance of statins, such as Lipitor,® millions of patients still have trouble managing cholesterol, either because statin therapy doesn't work for them, or because they need additional help beyond statins. We are now into Phase 3 development for bococizumab, a new approach to lowering LDL cholesterol (commonly known as the "bad" cholesterol) and reducing cardiovascular events for patients in need of improved cholesterol management. Bococizumab is a monoclonal antibody, a carefully engineered biological molecule that resembles the body's natural proteins. Two large cardiovascular outcomes trials for bococizumab are underway, designed to include the broadest range of high-risk patients, compared with other clinical programs offered by competitors.

In addition, through collaboration with Merck, we are moving ahead with our entry into a new class of diabetes treatments called SGLT2 inhibitors. Our compound, ertugliflozin, is being studied as both a stand-alone treatment and in combination with Merck's Januvia® and the widely used diabetes drug metformin. While ertugliflozin is not the first to market, we are developing it with the goal of "best-in-class."

OUR PURPOSE

INNOVATE TO BRING THERAPIES TO PATIENTS THAT SIGNIFICANTLY IMPROVE THEIR LIVES

OUR MISSION

TO BE THE PREMIER INNOVATIVE BIOPHARMACEUTICAL COMPANY

OUR VALUES

CUSTOMER FOCUS
COMMUNITY
RESPECT FOR PEOPLE
PERFORMANCE
COLLABORATION
LEADERSHIP
INTEGRITY
QUALITY
INNOVATION

Cancer

Cancer is the second leading cause of death in the U.S. and a "Top 10" killer worldwide. Pfizer has rapidly expanded its portfolio of approved cancer treatments, aimed at some of the most prevalent, difficult-to-treat cancers.

Our most recent advance came in February 2015 with the U.S. Food and Drug Administration's accelerated approval of Ibrance,® for metastatic breast cancer patients. Ibrance is available to be prescribed as a treatment for postmenopausal women with ER+, HER2-, advanced disease and is the first new medicine approved for this group of patients in a decade. Ibrance may change the treatment paradigm in the U.S., and we are pursuing approvals in other major markets. We are also studying Ibrance for early-stage breast cancer, as well as for a range of other tumors, including lung, head and neck, and pancreatic cancers.

We continue to invest in the science behind Xalkori,® our treatment for certain kinds of lung cancer not associated with smoking. We are moving quickly to develop a next-generation therapy that may have the potential to extend the lives of patients who become resistant to Xalkori.

We are building our expertise and creating an industry-leading program in immuno-oncology, with the goal of treatments that focus the patient's own immune system on an invading cancer. Through a partnership with Germany's Merck KGaA, we have accelerated our work in immuno-oncology by more than two years and given both companies a solid opportunity to participate in the next wave of potential cancer therapies. With this and other collaborations — with Cellectis on CAR-T technology that harnesses T-Cells to fight cancer, and with iTeos Therapeutics for the development of small-molecule immuno-oncology agents supplementing our home-grown expertise — we believe we are poised to lead in the fight against cancer.

Inflammation

The U.S. National Institutes of Health notes that there are more than 80 different types of autoimmune disorders, where the body's defenses cannot distinguish between healthy cells and those that cause disease. This often leads to inflammation and to the destruction of normal tissue. However, the ways inflammation takes hold in the body also lead to hope that therapies effective against one type of autoimmune disease might also be effective against others.

Our compound Xeljanz,® approved by the U.S. Food and Drug Administration (FDA) in late 2012, was a new approach to the treatment of rheumatoid arthritis. We are moving forward with studies to determine if Xeljanz could also be effective against other autoimmune diseases. We have a Phase 3 study to evaluate Xeljanz in ulcerative colitis and Phase 2 programs in Crohn's disease, topical psoriasis, atopic dermatitis and ankylosing spondyltis, a form of spinal arthritis that largely affects young males. During 2014 we announced positive results from Phase 3 clinical studies using Xeljanz to treat moderate-to-severe psoriasis, and the FDA has accepted for review our application for this indication. This regulatory milestone demonstrates our commitment to the research of chronic inflammatory diseases with the goal of developing therapies, such as Xeljanz, that can help address unmet medical needs for patients.

Neuroscience and Pain

Neurological diseases like Parkinson's, Huntington's and Alzheimer's are some of the most devastating disorders of our time, with the incidence of some of the world's most feared brain diseases growing exponentially with the global age wave. The number of people living with Alzheimer's and other dementias is estimated at 44 million today and is set to triple by 2050. The global cost is estimated at $605 billion.

OUR STRATEGIC IMPERATIVES

1

INNOVATE AND LEAD

Improve Pfizer's ability to innovate in biomedical R&D and develop a new generation of high value, highly differentiated medicines and vaccines.

2

MAXIMIZE VALUE

Invest and allocate our resources in ways that create the greatest long-term returns for our shareholders.

3

EARN GREATER RESPECT

Earn society's respect by generating breakthrough therapies, improving access, expanding the dialogue on health care and acting as a responsible corporate citizen.

4

OWN OUR CULTURE

Build and sustain a culture where colleagues view themselves as owners, generating new ideas, dealing with problems in a straightforward way, investing in open and candid conversations and working as teammates on challenges and opportunities.

Pfizer has a number of biologicals and small-molecule candidates in early development for treating dementias, including a new approach to Alzheimer's that may improve how nerve cells signal each other inside the brain. We are also developing a compound, already designated as an Orphan Drug by the FDA, that may prove useful in treating Huntington's, a rare devastating inherited dementia.

We also have promising early-stage research aimed at developing a dopamine modulator useful against Parkinson's disease. Based on our early studies, we believe this therapy could provide longer-lasting motor benefits for people suffering from Parkinson's compared to existing treatments. We believe this research has the potential to meaningfully reduce the burden of Parkinson's and improve the quality of life for Parkinson's patients.

People with chronic pain represent one of the most under-served patient groups in the world. Prescription opioids are an important treatment option for patients in chronic pain. However, the misuse and overuse of opioids is a serious societal concern. In 2014 the FDA approved an updated label for Embeda,® an extended-release morphine that we have re-launched, to reflect properties that are proven to reduce the potential for abuse. In addition, early this year the FDA accepted for review our application for a marketing authorization in the U.S. for ALO-02, an extended-release oxycodone hydrochloride medicine that is designed to reduce abuse.

Rare Diseases

It is estimated that as many as 10 percent of people have a rare disease, of which more than 6,000 have been identified to date. These diseases most often seriously affect children under five. A number of these diseases are progressively fatal.

We have built a strong non-cancer rare disease portfolio of 12 medicines approved worldwide that treat rare diseases in the areas of hematology, neuroscience, inherited metabolic disorders and pulmonology. In the near term we are helping patients manage their disease and improve their quality of life. We also have longer-term work that is exploring how to correct certain rare diseases by studying the underlying causes of the disease. A few examples of our work in this area include:

- Myostatin, entering Phase 2 for Duchenne Muscular Dystrophy, a progressive and generally fatal disease
- Tafamidis, for adults with symptomatic transthyretin cardiomyopathy, an always-fatal heart condition, in Phase 3
- Rivipansel, which is being developed through a licensing agreement with GlycoMimetics, Inc., for vaso-occlusive crises of sickle cell disease. These crises cause excruciating pain and distress for patients, who often require hospitalization.

Collaboration is essential in finding new approaches to treating rare disease. In 2014, we helped form the Rare Disease Consortium, with agreements between certain U.K. universities and academic health centers and Pfizer, bringing together a range of skills and technologies needed to speed up the flow of potential new therapies. We also expanded Pfizer's rare disease R&D competencies through an agreement with Spark Therapeutics, Inc. to investigate a gene therapy approach for hemophilia B. If successful, such an approach would actually replace genes that are not working properly. In addition, in late 2014, we entered into an agreement with OPKO Health, Inc. to co-develop and commercialize a long-acting human growth hormone for patients with Adult and Pediatric Growth Hormone Deficiency. This has the potential to be the first innovation in growth hormone therapies in 20 years.

Vaccines

Vaccines are an essential tool in the fight against disease, and we continue to build our strength in vaccines, both to prevent serious illnesses and in the future to perhaps treat them. In 2014, Trumenba® was approved by the FDA to prevent invasive disease caused by Group B meningitis in people aged 10 through 25 years. This is both a serious and unpredictable disease that can occur quickly and without warning in otherwise healthy individuals. Outbreaks occurred in the U.S. in both 2013 and 2014.

We made progress in other preventive vaccines, including one now in Phase 2 development against Staphylococcus aureus, a leading cause of serious healthcare-associated infections, resulting in a substantial burden to healthcare systems. To date, there is no licensed vaccine available to prevent this disease. Our Staphylococcus aureus vaccine has "Fast Track" status by the FDA, given that this often-aggressive bacteria is becoming resistant to antibiotic therapies. Fast Track designation is a way to expedite drug development and review for drugs and vaccines intended to address unmet needs and treat serious or life-threatening conditions.

In addition to positive internal developments, we also broadened our vaccines portfolio with two recent acquisitions.

In 2014, we acquired Baxter International's marketed vaccines, including one that helps protect against diseases caused by Group C meningitis. This is another virulent strain of bacteria that is fatal in an estimated 10 percent of patients. The Baxter acquisition also provides us a second vaccine that helps protect against tick-borne encephalitis, an infection of the brain that may cause permanent neurological damage, or even death.

Early in 2015, we acquired a controlling interest in Swiss-based Redvax GmbH. This gives us access to a promising vaccine in early-stage development for human cytomegalovirus (CMV), a virus present in most people but potentially dangerous if passed from a newly infected mother to her newborn. Congenital CMV can lead to serious disabilities in infants, including vision and hearing loss. More children have disabilities due to congenital CMV than other well-known infections and syndromes, including Down syndrome, fetal alcohol syndrome, spina bifida and pediatric HIV/AIDS.

Along with new vaccines, we continue to invest in clinical studies to expand the value of our marketed portfolio, including Prevnar 13,® our largest-selling vaccine. Early in 2014, we announced that a landmark study called CAPiTA (for Community-Acquired Pneumonia Immunization Trial in Adults) demonstrated the value of vaccinating adults aged 65 and over against pneumococcal disease. As a result, the U.S. Centers for Disease Control and Prevention's Advisory Committee on Immunization Practices voted to recommend Prevnar 13 for this older patient population, one of the fastest-growing cohorts in the U.S.

Biosimilars

An emerging area of innovation for Pfizer, biosimilars are highly similar versions of approved and authorized biological medicines. We have built one of the leading biosimilars pipelines in our industry, with a strong focus on cancer treatments and auto-immune disorders. Right now, we have five biosimilars in development, with Phase 3 trials underway in therapies for metastatic breast cancer, follicular lymphoma and rheumatoid arthritis. We are striving to become one of the world's leading providers of biosimilars, a market expected to approach $20 billion in 2020. Pfizer is suited to lead in this business segment as we have the scientific and manufacturing expertise to engineer and produce these complex, large-molecules in the quantities, needed and to the quality standards required.

Collaboration Is Key

The world of biopharmaceutical R&D is changing quickly. While we have a large set of development programs, increasingly we are collaborating with others, particularly in the pre-clinical space. We continue to expand our unique approach to collaboration, known as the Centers for Therapeutic Innovation, where we place Pfizer scientists alongside experts in various academic centers to bridge the gap between early scientific discovery and its translation into new therapies. Launched in 2010, Pfizer now has 25 academic institutions, the National Institutes of Health, and five foundations collaborating with us to help speed the process of drug discovery.

"Operating with integrity is what our many stakeholders — including the patients we serve and their families — expect and depend on."

WE EXTEND VALUE TO SHAREHOLDERS BY MAKING THE RIGHT CAPITAL ALLOCATION DECISIONS

2014 marked another year of solid financial and operational performance for Pfizer. We either achieved or surpassed all elements of our 2014 financial guidance, including guidance for revenues, cost of sales as a percentage of revenue, selling, informational and administrative expenses, R&D expenses, and earnings per share.* We returned nearly $12 billion to shareholders through share repurchases and dividends. This brings the cash returned to shareholders over the past four years to more than $64 billion. Over this same period Pfizer's stock price has appreciated 78%.

In December 2014, we announced an increase in our quarterly dividend of about 8%, continuing our string of consecutive dividend announcements. A full picture of our 2014 financial performance can be found in the company's financial statements, which are contained in our 2014 Annual Report on Form 10-K, a copy of which is on our company website, www.pfizer.com.

We achieved these strong financial results while simultaneously operating in a new commercial structure consisting of two distinct businesses: an Innovative Products business and an Established Products business. The Innovative Products business is composed of two operating segments: the Global Innovative Pharmaceutical (GIP) segment and the Global Vaccines, Oncology and Consumer Healthcare (VOC) segment. The Established Products business consists of the Global Established Pharmaceutical (GEP) segment.

During the year we saw growth in several branded pharmaceuticals from the Innovative Products business, including double-digit growth in both Lyrica® and the Prevnar franchise, a more than 50 percent increase in Xalkori sales, and we successfully launched Nexium® 24HR, the largest brand to switch from prescription-only to over-the-counter in U.S. history.

Our newly launched products from the Innovative Products business did well in 2014. Eliquis gained significant momentum worldwide. Although it was launched third in the novel oral anticoagulant class, Eliquis is winning share among cardiologists and is moving toward a leading position in the new-to-brand share among all prescribers in several markets, including the U.S. and Japan. Xeljanz now ranks #3 among rheumatologists in the new-to-brand prescription share of self-administered rheumatoid arthritis therapies and is on track to become #3 new-to-brand overall in the U.S.

In 2014, the GEP business comprised more than half of Pfizer's revenue, accounted for a large part of the company's cash flow and operationally increased revenues in the Emerging Markets by 6 percent year-over-year. Business development continued to be an enabler of our strategy, and we further strengthened our GEP business through the acquisition of InnoPharma, a privately held pharmaceutical development company. This acquisition provides innovative growth opportunities for our sterile injectables portfolio and increased the size of our sterile injectables business to 73 products.

To further support and grow this business, in 2015 we announced an agreement to acquire Hospira, a leading provider of injectable drugs and infusion technologies and a global leader in biosimilars. Hospira is an excellent strategic fit and is expected to accelerate the growth trajectory of the GEP business and to make us a top-tier player in highly attractive and growing market segments. We expect the deal to close in the second half of 2015.

We will continue to evaluate all potential deals against a set of strategic priorities that include using our capital efficiently in ways that create meaningful shareholder value, that have the potential for near-term solid value creation, that strengthen our individual businesses, and that enhance our leadership position in areas that are most attractive to the core of our business.

EARNING GREATER RESPECT: IMPROVING SOCIETY'S PERCEPTIONS OF PFIZER

In 2014, we saw measurable progress in our coordinated efforts to build trust and gain greater respect from our major audiences, including healthcare providers, regulators, policy leaders, payers and, first and foremost, our patients and their caregivers.

Central to earning trust is a commitment to corporate responsibility.

Through our corporate responsibility programs, we have touched the lives of millions of people around the world. Of particular note, Pfizer Rx Pathways — a U.S. initiative that provides our medicines for free or at significant savings to uninsured and underinsured patients who qualify — provided assistance to more than 350,000 patients in 2014. We also continued our long-term alliance with the International Trachoma Initiative, aimed at eliminating blinding trachoma, the world's leading cause of preventable blindness. Pfizer provides the antibiotic Zithromax® for this alliance, which is active in 28 nations in Asia and Africa.

In 2014, we launched an important initiative with several partners, including the Bill & Melinda Gates Foundation and the Children's Investment Fund Foundation, to expand access to Pfizer's long-acting contraceptive, Sayana® Press, for women most in need in 69 of the world's poorest countries. This collaboration will help advance progress and support global efforts to increase access to voluntary family planning information, services and contraceptives by 2020.

Early in 2015, we announced new commitments aimed at giving people in the world's poorest nations greater access to our Prevenar 13 vaccine. This included a price reduction and is being executed through Gavi, the Vaccine Alliance. We have now committed for the next decade to provide more than 700 million doses of our life-saving vaccine, as pneumococcal disease remains a leading cause of infant mortality around the world.

When it comes to our reputation, we saw a positive increase in our reputation in 2014 among policy leaders and healthcare opinion leaders as measured by a reputation index comparing us to 12 industry peers. Our “Get Old” platform, promoting discussions on healthy aging, has driven a 52% increase in the perception that Pfizer is “trustworthy.” In addition, our “Get Healthy Stay Healthy” initiative, which includes outreach by Pfizer’s Chief Medical Officer, is bearing results. Some 88% of those exposed to this outreach emerged with a positive impression of Pfizer.

The benefits of the innovative medicines and therapies coming from our research labs make their way to patients through Pfizer Global Supply’s industry-leading global manufacturing and distribution operations. For example, less than two hours after the FDA approval of the breast cancer therapy Ibrance, the first shipment of the drug was made. For the launch of Nexium 24HR, the over-the-counter formulation of the well-known heartburn medicine, Pfizer Global Supply delivered 14 million bottles to more than 20,000 U.S. retail outlets, precisely timed to a consumer advertising campaign.

A culture of compliance and integrity is foundational to being able to earn society’s trust. During 2014, Pfizer successfully concluded its compliance obligations under both a Corporate Integrity Agreement and a Deferred Prosecution Agreement with the U.S. federal government.

As we emerge from these agreements, Pfizer’s culture and commitment to compliance in everything we do and everywhere we operate has never been stronger, and their conclusion does not change the way we operate. Operating with integrity is what our many stakeholders — including the patients we serve and their families — expect and depend on. Our robust compliance program will continue to evolve as we anticipate and mitigate potential challenges that may arise in our ever-changing operating environment, but our core commitment to compliance and integrity will remain our priority.

Embedding a Sustainable Ownership Culture

We are succeeding in building a new corporate culture at Pfizer, one focused on a sense that everyone at Pfizer owns our challenges and our opportunities. Our employee surveys, administered worldwide, indicate that our colleagues have a growth mindset, increasingly feel that their opinions and ideas are being heard and acted on, and feel welcome to challenge prevailing opinions and assumptions.

As part of our efforts to drive a high-performance culture, in 2014 we made the bold decision to stop assigning a year-end rating to colleagues when assessing their performance. The yearly rating system had become demotivating for most colleagues, and managers felt constrained in their ability to fairly capture the contributions of their teams. Unconstrained by ratings, managers are now fully accountable for managing their team’s performance through more-frequent feedback throughout the year, which helps to reinforce a strong ownership mindset among our managers and helps build greater transparency and trust with all colleagues.

In 2014, we launched a new program called “Dare to Try”, designed to encourage colleague innovation at the grassroots level and provide promising ideas with a rapid way to develop new ideas through experimentation. Since its launch, more than 250 colleague-generated proposals have been approved and funded, usually within a month after their initial proposal. Some noteworthy “Dare to Try” ideas that colleagues brought forth in 2014 include a partnership with Walgreens to improve the access to and convenience of clinical trials for patients by running trials in unconventional

locations; a more agile manufacturing processes for Oral Solid Dosage medicines by creating a “containerized POD” that can be shipped to a location and assembled in the field, allowing for localized and continuous manufacturing; and a new way for our sales representatives to optimize physician communication by managing and coordinating all channels, including representative-to-physician and digital communications.

Our leaders are inspired by the passion and ingenuity displayed by Pfizer colleagues around the world, through “Dare to Try” and in their daily work. Over time, I see our ownership culture as a distinguishing feature that will provide Pfizer with a sustainable competitive edge.

CONTINUING TO DELIVER ON COMMITMENTS

2014 was an important year in our journey of transforming Pfizer. We enter 2015 well positioned to continue our progress and deliver on our commitments to those who invest in us and depend on us for their medicines and vaccines. We are concentrating our efforts on seeking to profitably grow our business and expanding our sources of revenue, strengthening our core businesses, and bringing forth new therapies that significantly improve peoples’ lives. We will do this by listening to patients to better understand their needs, and through Pfizer’s employees, who are as determined as they are diverse; as creative as they are hardworking; and as resilient as they are committed to excellence.

Thanks for the confidence you have in our ability to obtain our goal of making Pfizer the world’s leading biopharmaceutical company. We will continue to report on our progress, and we welcome your thoughts and ideas as we move ahead.

IAN C. READ
CHAIRMAN AND CEO

* 2014 financial guidance refers to guidance for Non-GAAP adjusted revenues, adjusted cost of sales as a percentage of adjusted revenues, adjusted selling, informational and administrative expenses, adjusted R&D expenses, adjusted (income)/deductions, effective tax rate on adjusted income and adjusted diluted earnings per share (EPS) and GAAP reported diluted EPS. See the Company’s 2014 Financial Report for the definition of “Adjusted Income” and for reconciliations of 2014 “GAAP Reported to Non-GAAP Adjusted Income Information—Certain Line Items.” “Non-GAAP adjusted revenues,” “Non-GAAP adjusted cost of sales,” “Non-GAAP adjusted selling, informational and administrative expenses,” “Non-GAAP adjusted R&D expenses,” “Non-GAAP adjusted (income)/deductions” and “Non-GAAP adjusted diluted EPS” are income-statement line items prepared on the same basis as, and are components of, the “Non-GAAP adjusted net income attributable to Pfizer Inc.” measure.