

2022 PUBLIC INVESTMENT/ACCESS - PFIZER

RESOLVED that shareholders of Pfizer Inc. (“Pfizer” or the “Company”) ask the Board of Directors to report to shareholders, at reasonable expense and omitting confidential and proprietary information, on whether and how receipt by Pfizer or its business partners of public financial support for development and manufacture of a vaccine or therapeutics for COVID-19 is being, or will be, taken into account when making decisions that affect access to such products, such as setting prices.

SUPPORTING STATEMENT

Pfizer’s COVID-19 vaccine, on which it partnered with German firm BioNTech, benefited from scientific discoveries that emerged from federally funded research. As of March 2021, the federal government committed nearly \$6 billion in funding for Pfizer and BioNTech’s vaccine as part of the Operation Warp Speed (“OWS”) program. This equates to 300 million doses and an option to buy 500 million more. Although advance purchase commitments do not directly fund vaccine development, they reduce the risk associated with it.

BioNTech benefited from significant public funding at several different stages in its development of the mRNA technology used in the vaccine and received over \$444 million from the German government to accelerate vaccine development and expand manufacturing capacity. Two public health scholars characterized Pfizer’s claim not to have taken a “single dollar from the public” as “a gross simplification of the complex ecosystem of public investment in vaccine production, which takes different forms at different stages on the road to a viable vaccine.”¹

Unlike fellow OWS participants Janssen and AstraZeneca, Pfizer has not committed to provide its vaccine on a nonprofit basis during the pandemic; rather, it has taken a tiered pricing approach. In August 2021, Pfizer raised the price it charges the European Union to €19.50 from €15.50 per dose, under a new supply deal.

Despite widespread vaccination being key to ending the pandemic, vaccine access has been markedly unequal. As of November 3, 2021, 49.9% of the world’s population has received at least one vaccine dose. But only 3.9% of people in low-income countries had received at least one.² Vaccine inequity could cost the global economy over \$2 trillion.³

The World Health Organization and UN announced a strategy to achieve global vaccination by mid-2022, including priority actions for vaccine manufacturers.⁴ We believe Pfizer will face enormous pressure to respond to these strategies. For example, Pope Francis recently asked manufacturers to “make a gesture of humanity and allow every country, every people, every human being, to have access to the vaccines.”⁵ Advocates of improved access often cite government support as a reason for companies to charge lower prices or transfer technology.⁶

This Proposal seeks to fill a gap in Pfizer's pricing disclosures by asking Pfizer to explain whether and how the significant contribution from public entities affects, or will affect, decisions that Pfizer makes that could affect access, such as setting prices,

[1] <https://www.internationalhealthpolicies.org/featured-article/why-does-pfizer-deny-the-public-investment-in-its-covid-19-vaccine/>

[2] <https://ourworldindata.org/covid-vaccinations> (downloaded 11/4/2021)

[3] <https://www.cnbc.com/2021/08/27/vaccine-inequality-could-cost-the-global-economy-trillions-report.html>

[4] <https://www.who.int/news/item/07-10-2021-who-un-set-out-steps-to-meet-world-covid-vaccination-targets>

[5] <https://www.vatican.va/content/francesco/en/messages/pont-messages/2021/documents/20211016-videomessaggio-movimentipopolari.html>

[6] <https://msfaccess.org/sharethetech>; <https://www.amnesty.org/en/wp-content/uploads/2021/09/POL4046212021ENGLISH.pdf>, at 53-56;