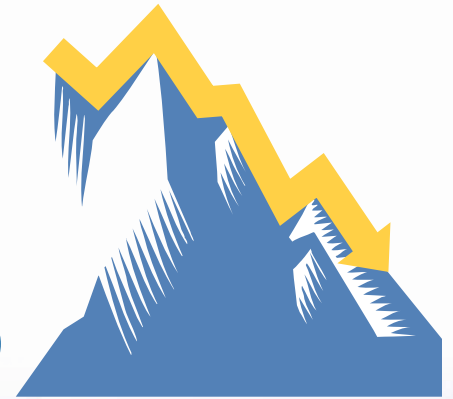


# CLIMATE LEADERS



U.S. Environmental Protection Agency



# ***Pfizer's Energy and Climate Change Program and GHG Reduction Goals***

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**Senior Vice President, Pfizer Inc.**  
**President, Pfizer Global Manufacturing**  
**October 8, 2008**

# Overview of Presentation



- Company history and scope
- Program history and scope
- 1<sup>st</sup> generation goal history and status
- 2<sup>nd</sup> generation goal
- Program recognition
- Next steps

# Who We Are



- World's largest research-based biomedical, pharmaceutical company
- CEO – Jeffrey B. Kindler
- 2007 Revenues: \$48.6B
- 2007 R&D Actual Spend: \$8.1B
- Worldwide Headquarters: New York, NY
- R&D Headquarters: New London, CT
- Number of Employees: 84,000 in 90 countries

*“Good health is vital to all of us, and finding sustainable solutions to the healthcare challenges of our changing world cannot wait.”*  
(Pfizer Corporate Website: <http://www.pfizer.com/about/>)

***Working together for a healthier world™***



# ***Our Path Forward***

## **Our Purpose:**

- Working together for a healthier world

## **Our Mission:**

- Applying innovative science to improve world health

## **Our Commitments:**

- Discover, develop and ensure access to safe and effective medicines
- Partner with key stakeholders and earn their trust
- Build productive and enduring relationships with governments & communities
- Make Pfizer a great place to work
- Create long-term value for shareholders

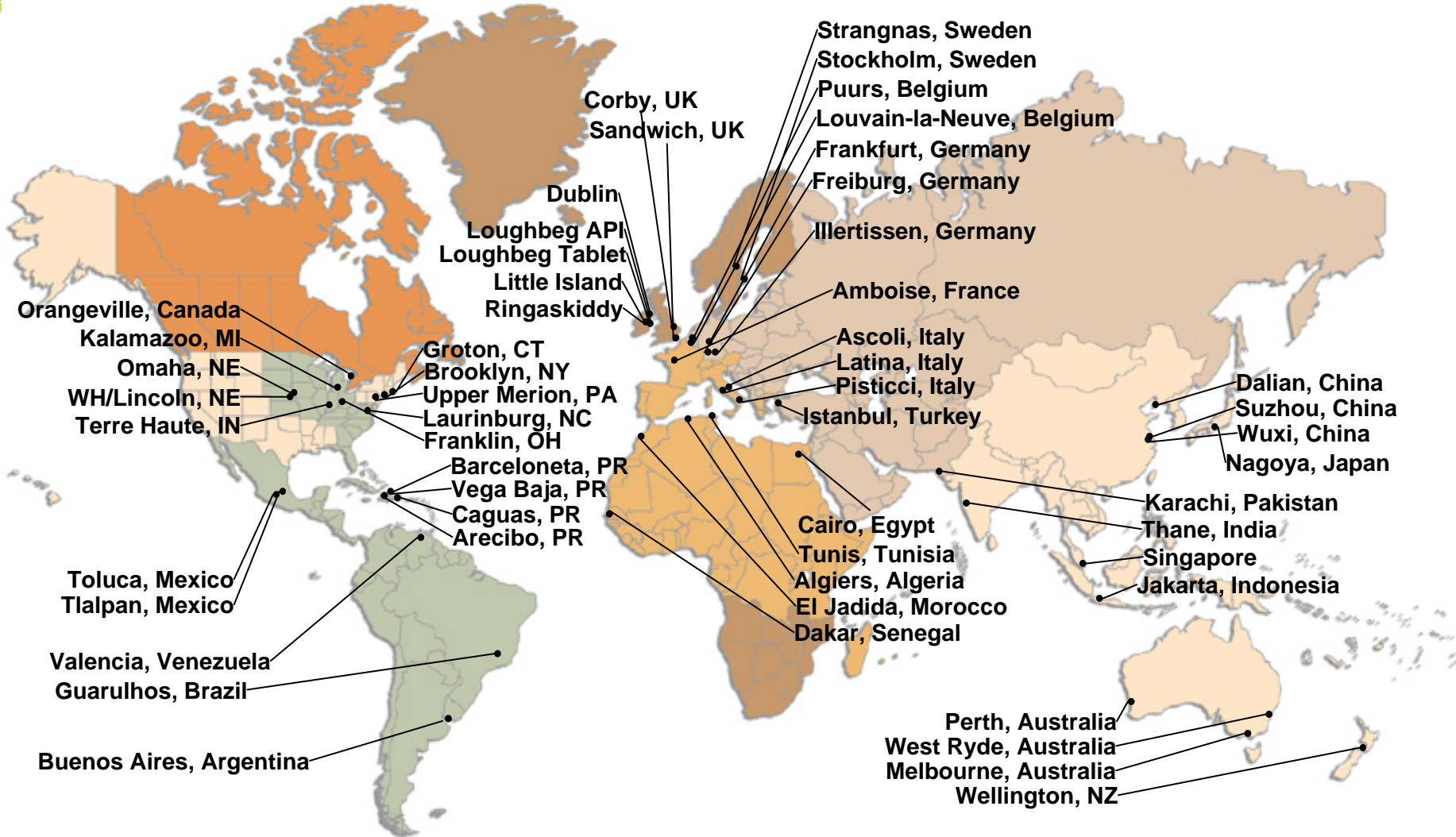
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# ***Our Highest Priority Therapeutic Areas***



- Alzheimer's Disease
- Diabetes
- Inflammation/Immunology
- Oncology
- Pain
- Psychoses (Schizophrenia)

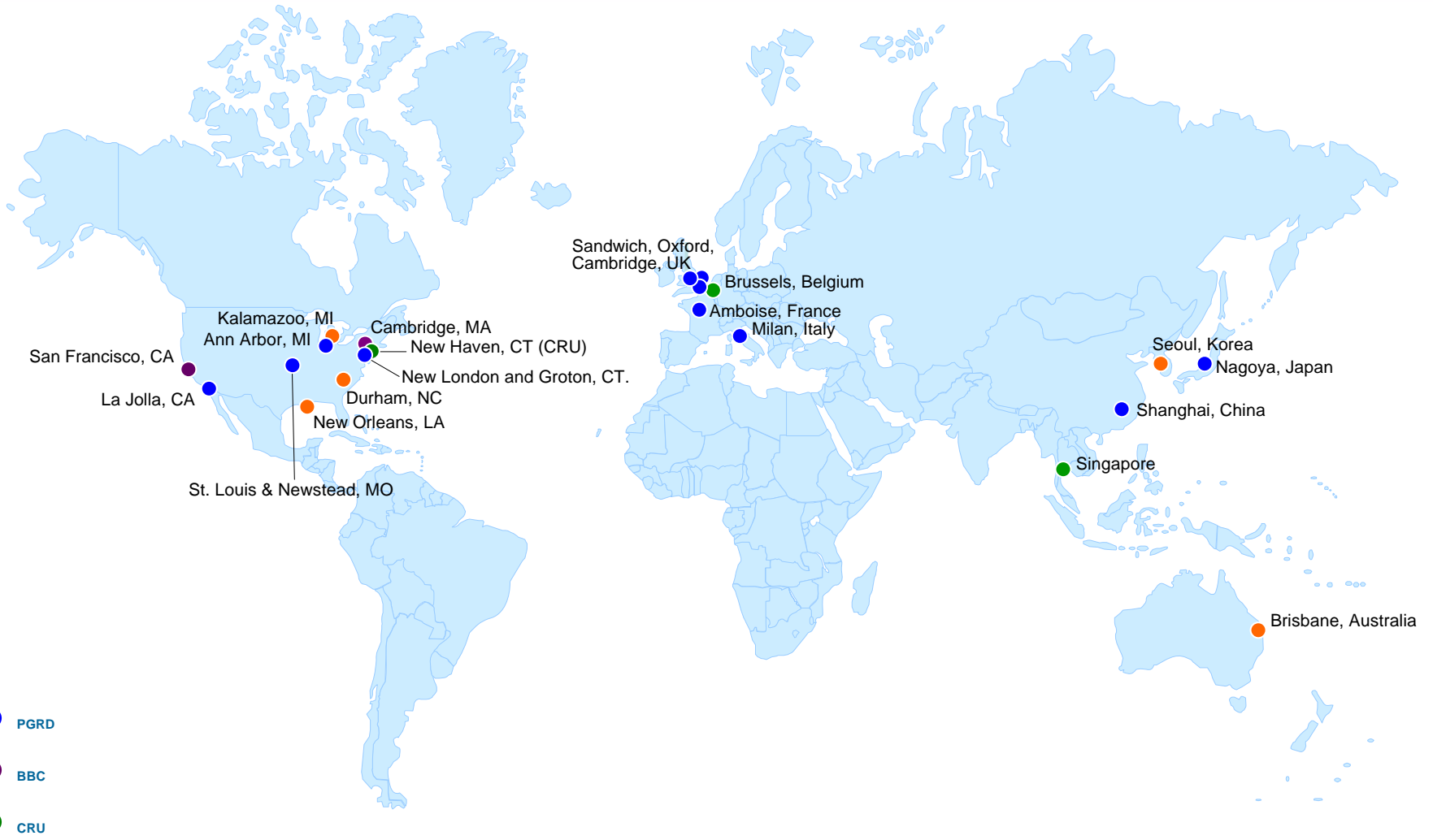
# Our Manufacturing Sites



Information based on 1Q08

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# Our R&D Sites



- PGRD
- BBC
- CRU
- VMRD

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# Our Capsugel Sites



*“To be the leading provider of innovative dosage forms and solutions to health care customers around the world”*



Information based on 1Q08

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# *Why Energy and Climate Change is Important to Us*



- Climate Change could adversely impact the health of millions of people
- Pfizer Mission is to improve world health
- Pfizer Energy and Climate Change Program established in 2000
  - Voluntary reduction of GHG emissions / promotion of clean energy
  - Helps prepare for rapidly evolving laws and policies
  - Helps reinforce value of energy efficiency improvements on environment and offers significant cost savings opportunities.

# ***Our First Generation GHG Reduction Goal***



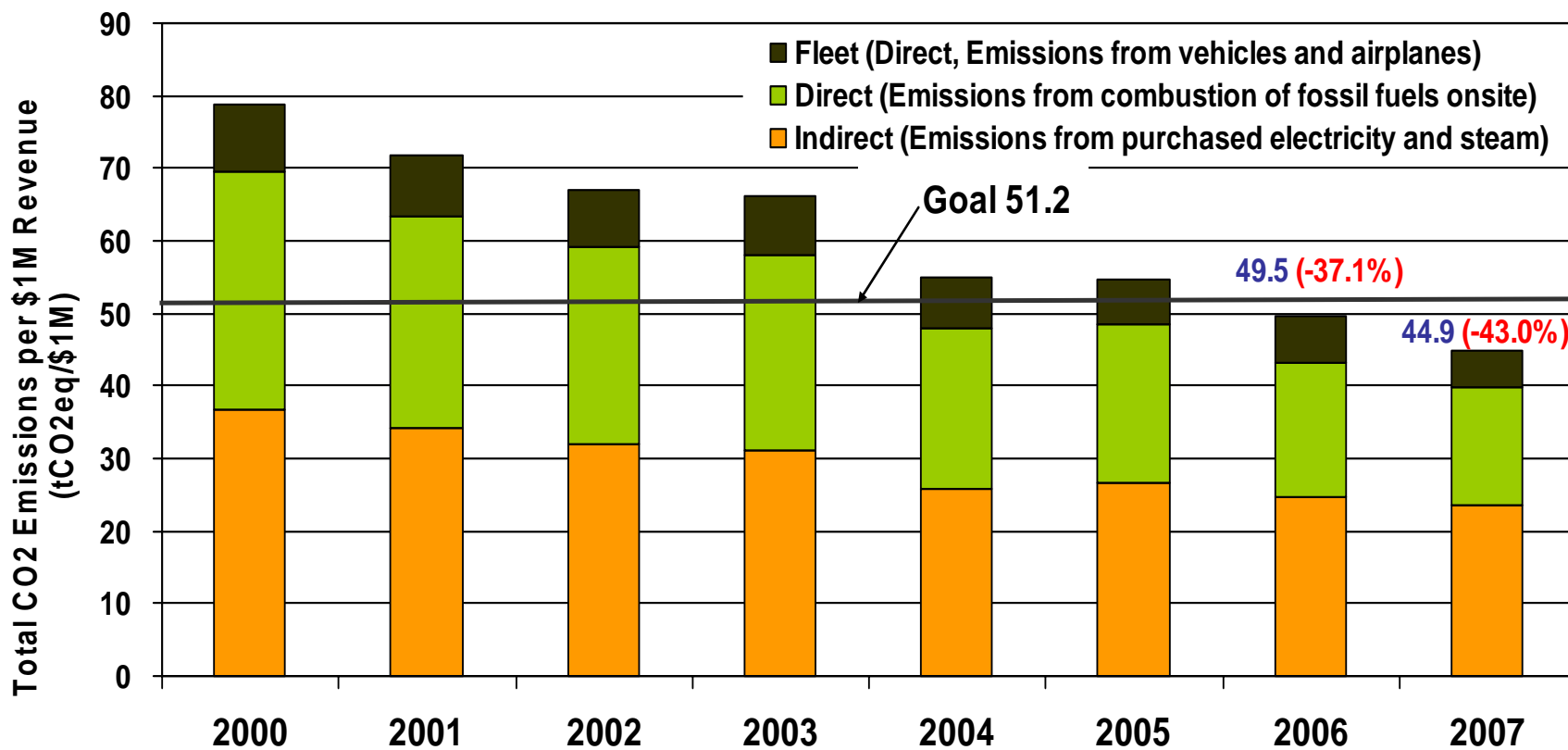
***Reduce GHG emissions by 35% per million dollars of revenue by 2007 from the baseline year 2000***

- Endorsed by EPA Climate Leaders Program
- Exceeded first generation goal – achieved 43% reduction per million dollars of revenue
  - Received Climate Leaders final sign-off August 1.
  - 43% indexed reduction resulted in an absolute reduction of 20% from 2000 baseline

# First Generation GHG Reduction Goal Status

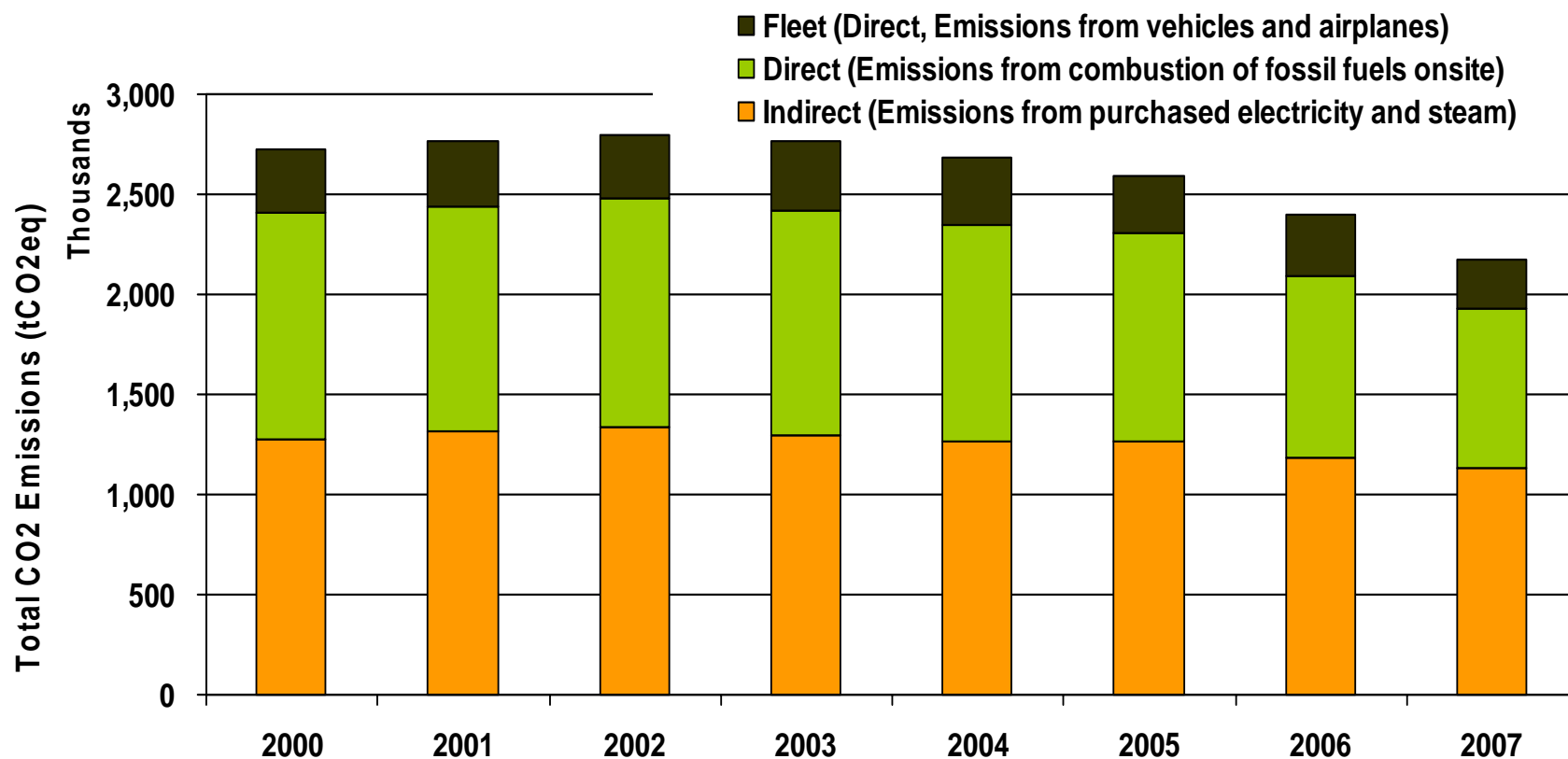


Reduce GHG emissions by 35% per million \$ of revenue by 2007 from the baseline year 2000



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# First Generation Absolute GHG Reductions



Decreased absolute GHG emissions approximately 20% from 2000 to 2007

# How We Achieved Our Goal



- Worldwide network of energy teams
- Implemented > 1200 projects = GHG reductions of > 450,000 metric tons CO<sub>2</sub> equivalents from 2002 to 2007
  - CHP in Singapore manufacturing facility
    - CO<sub>2</sub> reduction: > 11,000 tCO<sub>2</sub>eq per year
    - Cost savings: > \$560,000 per year
  - Geothermal system in Freiburg, Germany manufacturing facility
    - CO<sub>2</sub> reduction: Reduced 700 tCO<sub>2</sub>eq per year
    - Cost savings: > \$250,000 per year

## *How We Achieved the Goal (cont'd)*



- Improved boiler efficiency in Kalamazoo, Michigan manufacturing facility
  - CO<sub>2</sub> reduction: > 14,000 tCO<sub>2</sub>eq per year
  - Cost Savings: > \$580,000 per year
- Expanded use of hybrids in Japanese sales force car fleet
- Relamping and lighting projects at manufacturing sites: Caguas, Puerto Rico; Nagoya, Japan; Kalamazoo, Michigan; R&D sites: St. Louis, Missouri; Sandwich, U.K.
- Photovoltaic system at LaJolla, California R&D facility
  - CO<sub>2</sub> reduction: > 250 tCO<sub>2</sub>eq per year
  - Amount of electricity taken off grid = 25% of building usage
- Site consolidations and closures

# ***Second Generation GHG Reduction Goal***



***Reduce absolute GHG emissions by 20% from 2008 to 2012, with a baseline year of 2007***

- Worldwide goal
- Endorsed by Climate Leaders August 1<sup>st</sup>



# *How We Will Achieve the 20% Goal*



## **Keep the momentum going!**

- 10 MW turbine for additional cogeneration capacity at Groton, Connecticut R&D facility
  - Projected CO<sub>2</sub> reduction: ~ 20,000 tCO<sub>2</sub>eq
  - Projected cost savings: > \$8.8 million per year
- Use of hybrids and other higher efficiency vehicles in worldwide sales fleet
- Potential wind power projects in Ireland and U.K.
- “Partnering for the Planet” outreach campaign

# ***Program Accomplishments***

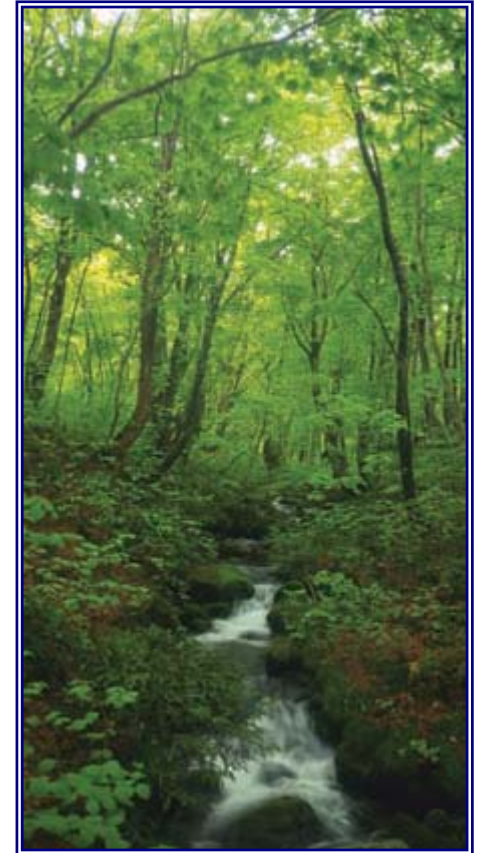


## **External recognition of our program**

- 'Caring for Climate: Business Leadership Platform' (U.N. Global Compact)
- Carbon Disclosure Project – recognized globally in FT500
- USEPA Climate Leaders Program – charter member since 2002

## ***What Are the Next Steps for Us?***

- Better define scope of activities
- Identify opportunities to reduce Scope 3 emissions
- Characterize desired GHG performance
- Re-design metrics
- Prepare for a carbon-constrained business environment
- Enhance stakeholder reporting processes



*Many thanks. Questions?*



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