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RESOLVED that shareholders of Pfizer ask the Board of Directors to commission a third-party report to shareholders, at reasonable expense and omitting confidential and proprietary information, analyzing the feasibility of promptly transferring intellectual property (IP) and technical knowledge ("know-how") to facilitate the production of COVID-19 vaccine doses by additional qualified manufacturers located in low- and middle-income countries (LMICs), as defined by the World Bank.

SUPPORTING STATEMENT

Pfizer's refusal to transfer its technology has cost the company lost sales and potentially lost licensing revenue, damaged the company's reputation, spurred competitors to produce their own mRNA vaccines, and contributed to vaccine inequities that threaten investors' portfolios.

Access to lifesaving COVID-19 vaccines remains highly inequitable. As of October 2022, 75% of people in high-income countries are fully vaccinated, compared to 20% of people in low-income countries.[1]

LMICs are calling for sustainable local production to ensure local access,[2] which can address the delays and unpredictable deliveries that hamper national vaccination plans.[3] Pfizer's transfer of IP and know-how could accelerate these efforts, enabling the company to mitigate reputational risks, generate licensing revenue, and create long-term value for investors.

Successful technology transfer is feasible. 120 LMIC-based manufacturers have the ability to produce mRNA vaccines,[4] and at least 6 mRNA vaccines by manufacturers in LMICs are in clinical trials or approved.[5] With Pfizer's support, they could deliver doses in a matter of months.[6] Yet Pfizer has refused to share IP and technical know-how for its COVID-19 vaccines. Pfizer touts piecemeal initiatives[7] that will not resolve current access gaps or meet future needs. By refusing to consider the financial rewards of technology transfer, the company may have left revenue on the table. Vaccine coverage gaps have cost Pfizer sales - Pfizer agreed to reduce a US contract for vaccine donations to LMICs by 400 million doses,[8] foregone revenue of up to $2.8 billion per

[1] https://ourworldindata.org/covid-vaccinations
[2] https://africacdc.org/news-item/african-union-and-africa-cdc-launches-partnerships-for-african-vaccine-manufacturing-pavm-framework-to-achieve-it-and-signs-2-mous/
[3] https://itpcglobal.org/blog/resource/mapping-covid-19-access-gaps-results-from-14-countries-and-territories/
[4] https://www.who.int/initiatives/the-mrna-vaccine-technology-transfer-hub/faq
[5] https://www.science.org/content/article/new-crop-covid-19-mrna-vaccines-could-be-easier-store-cheaper-use; https://www.reuters.com/business/healthcare-pharmaceuticals/indonesia-drug-agency-approves-chinas-walvax-mrna-vaccine-emergency-use-2022-09-29/; https://www.livemint.com/science/health/gennovas-mrna-shot-for-covid-19-approved-11656521513457.html
[6] https://www.keionline.org/35364
[7] https://s28.q4cdn.com/781576035/files/doc_financials/interactive_proxy_v2/2022/images/Pfizer-Proxy2022.pdf
[8] https://www.usnews.com/news/world/articles/2022-09-22/u-s-cutting-global-donations-of-pfizer-covid-shots-as-demand-slows

reported prices.[9] Technology transfer is a more durable strategy to assure supply and secure revenues, enabling LMICs to manage their own manufacturing capacity while Pfizer can collect licensing revenues without bearing costs of lost sales.

In addition, refusal to consider technology transfer generates reputational risk: Pfizer continues to face negative public pressure for not doing more to address sustainable equitable access to its COVID-19 products, exposing the company to repeated critiques from high profile media outlets.[10] Meanwhile, vaccine inequities prolong the pandemic, dragging down the global economy and threatening investors' portfolios.[11]

Finally, refusal to disseminate IP and technology risks increased regulation and government oversight. If governments cannot trust Pfizer to do its part to ensure sustainable, equitable, timely access, they may impose rules impacting the control of pandemic technologies, as some experts propose.[12]

9 https://www.reuters.com/world/us/biden-pledges-new-vaccine-donations-bid-rally-global-pandemic-fight-2021-09-22/
10 https://www.bloomberg.com/news/articles/2022-09-19/moderna-gives-who-s-mrna-hub-some-help-pfizer-snubs-request; https://www.nature.com/articles/d41586-022-02939-7; https://news.un.org/en/story/2022/07/1122072; https://www.commondreams.org/news/2022/05/25/too-little-too-late-campaigners-say-pfizer-pledges-lower-vaccine-costs-poor-nations;
11 https://www.reuters.com/business/imf-sees-cost-covid-pandemic-rising-beyond-125-trillion-estimate-2022-01-20/; https://www.wsj.com/articles/the-economy-could-have-a-long-case-of-long-covid-11657272619; https://www.wxyz.com/news/people-dealing-with-long-covid-19-symptoms-could-be-impacting-u-s-economy
12 https://gh.bmj.com/content/7/7/e009709