

Charter Audit Committee

Status

The Audit Committee (the Committee) is a committee of the Board of Directors (the Board) of Pfizer Inc. (the Company).

Membership

The Committee shall consist of three or more Directors, all of whom, in the judgment of the Board, shall be independent in accordance with New York Stock Exchange (NYSE) listing standards and all applicable laws and regulations. Each member shall, in the judgment of the Board, have the ability to read and understand the Company's basic financial statements. At least one member of the Committee shall, in the judgment of the Board, be an "audit committee financial expert" in accordance with the rules and regulations of the Securities and Exchange Commission (SEC), and at least one member (who may also serve as the audit committee financial expert) shall, in the judgment of the Board, have accounting or related financial management expertise in accordance with NYSE listing standards.

No member of the Committee may serve simultaneously on the audit committees of more than three public companies, including the Company, unless the Board determines that such simultaneous service would not impair the ability of such member to effectively serve on the Committee and such determination is disclosed in accordance with the rules of the NYSE.

The Chair of the Committee shall be designated by the Board, provided that if the Board does not designate a Chair, the members of the Committee, by a majority vote, may designate a Chair.

The members of the Committee shall be elected by the Board, based on the recommendation of the Corporate Governance Committee of the Board. Each member of the Committee shall serve for such term or terms as the Board may determine or until his or her earlier resignation, removal or death. Any vacancy on the Committee shall be filled by the Board. No member of the Committee shall be removed as a member, except by the Board.

Purpose

The Committee shall represent and assist the Board with the oversight of: (a) the integrity of the Company's financial statements and internal controls, (b) the Company's compliance with legal and regulatory requirements (in coordination with the Regulatory and Compliance Committee of the Board), (c) the Company's independent registered public accounting firm's qualifications and independence and (d) the performance of the Company's internal audit function and independent registered public accounting firm. In addition, the Committee shall prepare a report each year for inclusion in the Company's proxy statement relating to the election of Directors. Except as otherwise required by applicable laws, regulations or listing standards, all major decisions are considered by the Board as a whole.

Responsibilities

The following responsibilities are within the authority of the Committee and shall include, consistent with and subject to applicable law and rules and regulations promulgated by the SEC, the NYSE or any other applicable regulatory authority:

1. Select, retain, evaluate and, when appropriate, terminate the independent registered public accounting firm, set the independent registered public accounting firm's compensation, oversee the performance of the independent registered public accounting firm and pre-approve all audit services to be provided by the independent registered public accounting firm.
2. Pre-approve all permissible non-audit services to be provided by the independent registered public accounting firm and establish policies and procedures for the engagement of the independent registered public accounting firm to provide audit and permissible non-audit services.
3. At least annually, receive and review: (a) a report by the independent registered public accounting firm describing the independent registered public accounting firm's internal quality control procedures and any material issues raised by the most recent internal quality-control review, peer review or Public Company Accounting Oversight Board review or inspection of the independent registered public accounting firm, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, regarding one or more independent audits carried out by the firm, and any steps taken to deal with any such issues; and (b) other required reports from the independent registered public accounting firm.
4. At least annually: (a) consider and evaluate the qualifications, performance and independence of the independent registered public accounting firm, including whether the provision by the independent registered public accounting firm of permissible non-audit services is compatible with independence; and (b) obtain and review a report from the independent registered public accounting firm describing all relationships between the firm or its affiliates and the Company or individuals in a financial reporting oversight role at the Company, that may reasonably be thought to bear on the firm's independence, and discuss with the firm the potential effects of any disclosed relationships on the firm's independence.
5. Review and discuss with the independent registered public accounting firm: (a) the firm's responsibilities under generally accepted auditing standards and the responsibilities of management in the audit process; (b) the scope, timing and results of the audit; (c) any problems or difficulties that the firm encountered in the course of the audit work, and management's response; and (d) any questions, comments or suggestions the firm may have relating to the internal controls, and accounting practices and procedures, of the Company or its subsidiaries.
6. Review and approve, based on discussion with the Chief Financial Officer, the appointment, replacement or dismissal of the chief internal auditor, who shall report directly to the Committee and administratively to the Chief Financial Officer. Review annually with the Chief Financial Officer the performance of the chief internal auditor.
7. Review and discuss, at least annually, the scope and results of the internal audit program, including the current and future programs of the Company's Internal Audit Department, procedures for implementing accepted recommendations made by the independent registered public accounting firm, and any significant matters contained in reports from the Internal Audit Department.
8. Review and discuss with the independent registered public accounting firm, the Company's Internal Audit Department, and management: (a) the adequacy and effectiveness of the Company's systems of internal controls (including any significant deficiencies, material weaknesses and significant changes in internal controls reported to the Committee by the independent registered public accounting firm or management), accounting practices, and disclosure controls and procedures (and management reports thereon), of the Company and its subsidiaries; and (b) current accounting trends and developments, and take such action with respect thereto as may be deemed appropriate.
9. Review and discuss with management and the independent registered public accounting firm

the annual and quarterly financial statements (including the related notes) of the Company, including: (a) any material changes in accounting principles or practices used in preparing the financial statements prior to the filing of a report on Forms 10-K or 10-Q with the SEC; (b) any critical audit matters arising from the current period audit effective at the beginning of fiscal 2019; (c) disclosures relating to internal controls over financial reporting; (d) the items required by applicable generally accepted auditing standards relating to the conduct of the audit of annual financial statements or review of interim financial statements; and (e) the Company's specific disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in the Company's Forms 10-K or 10-Q filed with the SEC.

10. Recommend to the Board, based on the review described in paragraphs 4, 5 and 9 above, whether the financial statements should be included in the annual report on Form 10-K.
11. Review and discuss earnings press releases, as well as Company policies with respect to earnings press releases, financial information and earnings guidance provided to analysts and rating agencies (this function may be performed by the Chair or the full Committee).
12. Review and discuss the Company's policies with respect to risk assessment and risk management, and review contingent liabilities and risks that may be material to the Company and relevant major legislative and regulatory developments that could materially impact the Company's contingent liabilities and risks. To the extent that a review and evaluation of healthcare-related regulatory and compliance issues are relevant to the Committee's responsibilities under this paragraph 12, the Committee may rely on reports, analyses and recommendations of the Regulatory and Compliance Committee.
13. Review and discuss, at least annually, the Company's information security and technology risks (including cybersecurity), including the Company's information security and risk management programs.
14. Review: (a) the status of compliance with laws, regulations, and internal procedures; and (b) the scope and status of systems designed to promote Company compliance with laws, regulations and internal procedures, through review of reports from management, legal counsel and third parties as determined by the Committee. To the extent that a review and evaluation of healthcare-related regulatory and compliance issues are relevant to the Committee's responsibilities under this paragraph 14, the Committee may rely on reports, analyses and recommendations of the Regulatory and Compliance Committee.
15. Establish and oversee procedures for the confidential and anonymous receipt, retention and treatment of complaints regarding the Company's accounting, internal controls and auditing matters, as well as for the confidential, anonymous submissions by Company employees of concerns regarding questionable accounting or auditing matters.
16. Establish policies for the hiring of employees and former employees of the independent registered public accounting firm.
17. Obtain the advice and assistance, as appropriate, of independent counsel and other advisors as necessary to fulfill the responsibilities of the Committee, including to conduct or authorize investigations into, or studies of, matters within the Committee's scope of responsibilities, and receive appropriate funding from the Company, as determined by the Committee, for the payment of compensation to, and reimbursement of expenses incurred by, any such advisors.
18. Conduct an annual performance evaluation of the Committee and annually evaluate the adequacy of its charter.

19. At least annually, review and consider the entry by the Company into over-the-counter derivatives transactions that are exempt from clearing under Section 2(h)(1) and from trading on a swap execution facility under 2(h)(8) of the Commodity Exchange Act in accordance with Rule 50.50 of the Commodity Futures Trading Commission, and otherwise review and consider the reliance by the Company on any applicable exemptions from requirements that would otherwise apply to the Company's derivatives trading under the Dodd-Frank Wall Street Reform and Consumer Protection Act or other applicable law.
20. Become reasonably informed of all related party transactions (as defined under Item 404 of Regulation S-K and under the standards of the Public Company Accounting Oversight Board), including those considered by the Corporate Governance Committee, and any significant unusual transactions, in each case considered for disclosure in the Company's financial statements, to understand the terms, structure and business purpose of, and approval process applied to, each such transaction.

Meetings

The Committee shall meet at least six times each year and at such other times as it deems necessary to fulfill its responsibilities. The Committee shall periodically meet separately, in executive session, with management, the internal auditor and chief compliance officer, and the independent registered public accounting firm. At least annually, the Committee shall coordinate with the Regulatory and Compliance Committee to discuss matters of mutual interest within the context of each Committee's responsibilities. The Committee shall report regularly to the Board with respect to its activities and make recommendations to the Board as appropriate. The Committee shall maintain minutes of its meetings and records relating to those meetings.

12/2018